

REGISTERED COMPANY NUMBER. SC066490
REGISTERED CHARITY NUMBER. SCO005050

**Report of the Trustees and
Audited Financial Statements For The Year Ended 31 March 2007
for
Cumbernauld Theatre Trust Ltd**



Atkinson Donnelly
117 Cadzow Street
HAMILTON
Lanarkshire
ML3 6JA

Cumbernauld Theatre Trust Ltd

**Contents of the Financial Statements
For The Year Ended 31 March 2007**

	Page
Report of the Trustees	1 to 4
Report of the Independent Auditors'	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 11
Detailed Statement of Financial Activities	12 to 13

Cumbernauld Theatre Trust Ltd

Report of the Trustees For The Year Ended 31 March 2007

The trustees who are also directors of the charity for the purposes of the Companies Act 1985, present their report with the financial statements of the charity for the year ended 31 March 2007. 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

SC066490

Registered Charity number

SCO005050

Registered office

Braehead Road
Kildrum
CUMBERNAULD
G67 2BN

Trustees

C Beveridge

W Taylor

Cllr R Chadha

P McKelvie

resigned September 2006

M Binnie

A Fruish

P Aitken

Cllr E Gemmell

G Rowan

S Mitchell

N Gilliland

J Clark

appointed November 2006

Company Secretary

C Beveridge

Auditors

Atkinson Donnelly

117 Cadzow Street

HAMILTON

Lanarkshire

ML3 6JA

Bankers

Bank of Scotland

Town Centre

Cumbernauld

G67 2BN

Artistic Director

Mr E Robson

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1985.

Recruitment and appointment of new trustees

The board shall have the power at any time, or from time to time, to appoint any person to be a member of the Board either to fill a casual vacancy or as an addition to the existing members of the Board.

Cumbernauld Theatre Trust Ltd

Report of the Trustees For The Year Ended 31 March 2007

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New Directors recruited to join the Board are provided with appropriate guidance in relation to their responsibilities through the provision of written materials outlining due diligence

Organisational structure

The Directors are all volunteers and are drawn from different backgrounds to ensure that the Charity has the best mix of business, financial, marketing, technical and arts advice. The directors are advised by Councillors and Officials of North Lanarkshire Council and the day to day running is delegated to the Artistic Director

Wider network

The Charity are not part of a wider network

Related parties

There are not related parties

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error

The Company is in the process of reviewing its main risks and identifying ways in which to manage them

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which the Company is established can be summarised as

To promote, maintain, improve and advance public education particularly by the encouragement of public interest in the arts of drama, music, dance and mime provided that all objects of the Company shall be exclusively charitable and in furtherance of those objectives

The Company pursues these objects through the presentation and promotion of a wide range of artistic activities that are conducive to the promotion and encouragement of public interest in the arts. This includes, but is not limited to, presentations, performances, workshops and events which provide public interest and benefit

Significant activities

In the year 1st April 2006 to year ended 31st March 2007, the Company pursued its Objectives and Aims in line with those described above and in pursuant of its overall aim of the promotion and engagement of public interest in the arts for educational and social benefit to the wider community

This work included but is not limited to

The presentation of three seasons of drama, music and dance performance at Cumbernauld Theatre totalling 151 performances

A year round programme of artistic and creative workshops targeting at young people at 5 to 21 years old, working with up to 250 young people per week and attracting an overall participant numbers of approximately 7,000

A special series of school holiday projects targeted at young people and providing holiday time activities, including a partnership with the Scottish Woodland Trust developing an environmental arts project

Supporting a series of participatory activities for adults, including a project for older and/or retired citizens, an adult amateur drama group, and a specialist drama group for people with disabilities

The production of a special theatre play for schools teaching about recycling and waste reduction issues, which was available free to all North Lanarkshire Schools

The production of a special theatre play as a European co production between Cumbernauld Theatre and Arial Theatr, Krakow (Poland)

Cumbernauld Theatre Trust Ltd
Report of the Trustees
For The Year Ended 31 March 2007

Significant activities (cont'd .)

The overall educational and artistic work of the Company continues to achieve both a positive critical response and strong support from the community, with increased overall attendance at performances against the previous year. The Company's work continues to receive excellent press reviews and regular reviews are carried out by the company's main stakeholder, the Scottish Arts Council, whose assessments rate the company between Good and Excellent for its work.

Volunteers

The Company is supported by its trustees who all provide their services on a voluntary basis and for this, the company is indebted to them.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The year to 31st March 2007 was the 27th year that the Company has been in existence.

The main activities of the Company can be summarised as:

The provision of a programme of drama, music, dance and other performing arts events created by both professional and amateur artists.

The development and delivery of a wide range of participatory arts based workshops, with a particular, but not exclusive, focus on creating opportunities for young people to participate in the arts.

The provision of support, advice and guidance to a wide range of individuals and groups drawn from across the community about how to engage with the arts.

The Company continues to deliver a successful and widely recognised programme of arts activity which meets its objectives and the needs of the public. The creative work of the Company continues to be recognised for its high quality.

The Company currently has a balance sheet deficit of £40,312 and the company plans to re-structure some of its operational practices in the forthcoming year to make efficiency savings which will enable the company to address this deficit.

Internal and external factors

Internally, the Company has recently undertaken an analysis of its internal operating model, and as a result of this assessment, has undertaken a series of re-organisations which will both enable the Company to strengthen its service delivery and establish a new financial operating model in light of the current balance sheet deficit as noted above.

Externally it should be noted that the Scottish Arts Council, as one of the principal stakeholders, have given notice that they are to merge with Scottish Screen to form a new arts funding agency for Scotland, titled Creative Scotland. This merger is likely to result in changes to the funding structures for the arts in Scotland during the period 2007-2009.

FINANCIAL REVIEW

Reserves policy

The Company aims to retain sufficient free reserves (i.e. funds not tied up in fixed assets) to meet expenses for 3 months and is working on ways to achieve this target.

Funds in deficit

The Company has embarked on a series of measures designed to reduce overall operating costs which will enable the Company to address the current funds in deficit situation.

Principal funding sources

The Company receives revenue grant funding from the Scottish Arts Council and North Lanarkshire Council, and receives occasional project grant funding to support specific activity from both these sources.

FUTURE DEVELOPMENTS

The Company plans to further develop its activities in the forthcoming year, maintaining its existing programme and developing new activities, particularly in the area of theatrical producing, co-producing and artist development.

Cumbernauld Theatre Trust Ltd

**Report of the Trustees
For The Year Ended 31 March 2007**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit 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,
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 1985. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Atkinson Donnelly, will be proposed for re appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


C Beveridge Trustee

Date 24 10 07

**Report of the Independent Auditors to the Trustees of
Cumbernauld Theatre Trust Ltd**

We have audited the financial statements of Cumbernauld Theatre Trust Ltd for the year ended 31 March 2007 on pages seven to twelve. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on pages one to four.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

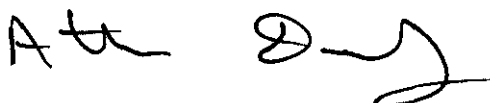
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 March 2007 and of its deficit for the year then ended, the financial statements have been properly prepared in accordance with the Companies Act 1985, and the information given in the Report of the Trustees is consistent with the financial statements.



Atkinson Donnelly
117 Cadzow Street
HAMILTON
Lanarkshire
ML3 6JA

Date 22 Nov 2007

Cumbernauld Theatre Trust Ltd

**Statement of Financial Activities
For The Year Ended 31 March 2007**

		31 3.07 Unrestricted funds £	31 3 06 Total funds £
	Notes		
INCOMING RESOURCES			
Incoming resources from charitable activities	2		
Charitable Activities		633,822	696,047
RESOURCES EXPENDED ON CHARITABLE ACTIVITIES			
Charitable activities	3		
Charitable Activities		662,599	695,646
Governance costs	5	<u>9,419</u>	<u>9,073</u>
Total resources expended		672,018	704,719
NET INCOMING/(OUTGOING) RESOURCES			
		(38,196)	(8,672)
RECONCILIATION OF FUNDS			
Total funds brought forward		(2,116)	6,556
TOTAL FUNDS CARRIED FORWARD		<u>(40,312)</u>	<u>(2,116)</u>

The notes form part of these financial statements

Cumbernauld Theatre Trust Ltd

**Balance Sheet
At 31 March 2007**

		31.3.07 Unrestricted funds £	31 3 06 Total funds £
FIXED ASSETS	Notes		
Tangible assets	9	66,564	71,767
CURRENT ASSETS			
Stocks		6,023	7,691
Debtors	10	10,798	37,721
Cash at bank and in hand		<u>1,220</u>	<u>49,668</u>
		18,041	95,080
CREDITORS			
Amounts falling due within one year	11	(124,917)	(168,963)
NET CURRENT ASSETS/(LIABILITIES)		<u>(106,876)</u>	<u>(73,883)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(40,312)</u>	<u>(2,116)</u>
NET ASSETS/(LIABILITIES)		<u>(40,312)</u>	<u>(2,116)</u>
FUNDS	12		
Unrestricted funds		<u>(40,312)</u>	<u>(2,116)</u>
TOTAL FUNDS		<u>(40,312)</u>	<u>(2,116)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board of Trustees on 24 10 07 and were signed on its behalf by


A Fruish - Trustee

The notes form part of these financial statements

Cumbernauld Theatre Trust Ltd

Notes to the Financial Statements
For The Year Ended 31 March 2007

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under historical cost convention and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published March 2005 and the Financial Reporting Standard for Smaller Entities (effective January 2005)

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2005) and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Allocation and apportionment of costs

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful economic life

Plant and machinery etc	20% on reducing balance, 15% on reducing balance and not provided
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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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

Restricted funds can only be used for particular restricted purposes within the objects of the charity
Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

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

Cumbernauld Theatre Trust Ltd

**Notes to the Financial Statements continued
For The Year Ended 31 March 2007**

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

		31.3 07	31 3 06
		£	£
SAC Revenue	Charitable Activities	129,971	126,690
NLC Revenue	Charitable Activities	107,664	96,032
NLC Education Project	Charitable Activities		26,115
Key Fund	Charitable Activities	6,504	18,900
Scottish Power	Charitable Activities	10,625	28,182
Ticket and Programme Sales	Charitable Activities	169,771	158,105
Donations and Seat			
Sponsorship	Charitable Activities	266	946
Booking Fees and Hire			
Income	Charitable Activities	1,004	3,982
Membership Income	Charitable Activities	627	354
Front of House Sales	Charitable Activities	8,797	9,844
Miscellaneous Income	Charitable Activities	308	648
Gross Bar Income	Charitable Activities	176,265	196,962
Net Gaming Machine	Charitable Activities	2,799	7,648
Returns			
Touring Income	Charitable Activities		7,163
Youth Theatre Income	Charitable Activities	11,750	14,389
Sundry Receipts	Charitable Activities	195	87
Sponsorship	Charitable Activities	1,406	
SAC Project	Charitable Activities	5,007	
Scottish Wildlife Trust	Charitable Activities	863	
		<u>633,822</u>	<u>696,047</u>

3. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 4)	Totals
	£	£	£
Charitable Activities	<u>364,187</u>	<u>298,412</u>	<u>662,599</u>

4. SUPPORT COSTS

	Management £
Charitable Activities	<u>298,412</u>

5 GOVERNANCE COSTS

	31.3 07	31 3 06
	£	£
Auditors' remuneration	2,500	2,000
Auditors' remuneration for non audit work	<u>6,919</u>	<u>7,073</u>
	<u>9,419</u>	<u>9,073</u>

Cumbernauld Theatre Trust Ltd

**Notes to the Financial Statements continued
For The Year Ended 31 March 2007**

6. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	31 3 07	31 3 06
	£	£
Auditors' remuneration	2,500	2,000
Depreciation owned assets	<u>5,203</u>	<u>6,249</u>

7 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2007 nor for the year ended 31 March 2006

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2007 nor for the year ended 31 March 2006

8 STAFF COSTS

	31.3.07	31 3 06
	£	£
Wages and salaries	<u>298,412</u>	<u>302,477</u>

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

	31.3.07	31 3 06
Artistic Director	1	1
Administration	6	6
Box Office and Front of House	6	6
Technical and Outreach	4	4
Support Staff	<u>15</u>	<u>15</u>
	<u>32</u>	<u>32</u>

Trustees/Directors do not receive any remuneration nor have expenses reimbursed

9. TANGIBLE FIXED ASSETS

A Steinway piano is included in the equipment total at a valuation of £40,000 This is an increase following a revaluation in 2006 by the members based on specialist advice

10 DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3 07	31 3 06
	£	£
Amounts falling due within one year		
Trade debtors		28,620
Other debtors	<u>10,798</u>	<u>9,101</u>
	<u>10,798</u>	<u>37,721</u>

Cumbernauld Theatre Trust Ltd

**Notes to the Financial Statements continued
For The Year Ended 31 March 2007**

11 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.07	31 3 06
	£	£
Bank loans and overdrafts	15,016	
Trade creditors	27,896	36,606
Taxation and social security	5,832	6,475
Other creditors	<u>76,173</u>	<u>125,882</u>
	<u><u>124,917</u></u>	<u><u>168,963</u></u>

12 MOVEMENT IN FUNDS

	At 1.4.06 £	Net movement in funds £	Transfers between funds £	At 31.3.07 £
Unrestricted funds				
General fund	(23,856)	(38,196)		(62,052)
Revaluation Reserve	21,740			21,740
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>(2,116)</u></u>	<u><u>(38,196)</u></u>	<u><u> </u></u>	<u><u>(40,312)</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	633,822	(672,018)	(38,196)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>633,822</u></u>	<u><u>(672,018)</u></u>	<u><u>(38,196)</u></u>

Cumbernauld Theatre Trust Ltd

**Detailed Statement of Financial Activities
For The Year Ended 31 March 2007**

	31.3 07 £	31 3 06 £
INCOMING RESOURCES		
Incoming resources from charitable activities		
SAC Revenue	129,971	126,690
NLC Revenue	107,664	96,032
NLC Education Project		26,115
Key Fund	6,504	18,900
Scottish Power	10,625	28,182
Ticket and Programme Sales	169,771	158,105
Donations and Seat Sponsorship	266	946
Booking Fees and Hire Income	1,004	3,982
Membership Income	627	354
Front of House Sales	8,797	9,844
Miscellaneous Income	308	648
Gross Bar Income	176,265	196,962
Net Gaming Machine Returns	2,799	7,648
Touring Income	-	7,163
Youth Theatre Income	11,750	14,389
Sundry Receipts	195	87
Sponsorship	1,406	
SAC Project	5,007	
Scottish Wildlife Trust	863	
	<u>633,822</u>	<u>696,047</u>
Total incoming resources	633,822	696,047
RESOURCES EXPENDED ON CHARITABLE ACTIVITIES		
Charitable activities		
Insurance	11,283	13,140
Light and heat	21,206	13,945
Telephone	3,161	988
Office Supplies and Postage	17,083	17,260
Advertising and Marketing	18,821	17,726
Sundries	2,849	2,699
Bar Purchases	82,788	94,936
Front of House Purchases	5,371	4,516
Catering Deficit	431	695
Artists/Tutor Fees	124,517	139,337
Staff Advertising	2,536	4,168
Transport Costs	6,020	4,539
Production Costs	10,295	11,171
Licences	2,628	2,104
Touring Costs	12,205	633
Repairs and Renewals	19,606	41,258
Cleaning	2,774	1,924
Subscriptions	4,077	3,205
Professional Fees	660	1,193
Carried forward	348,311	375,437

This page does not form part of the statutory financial statements

Cumbernauld Theatre Trust Ltd

**Detailed Statement of Financial Activities
For The Year Ended 31 March 2007**

	31.3.07	31 3 06
	£	£
Charitable activities		
Brought forward	348,311	375,437
Rates and Water	3,823	9,857
Bank Interest	162	605
Bank and Credit Card Charges	1,688	1,021
Rent	5,000	
Depreciation of tangible fixed assets	<u>5,203</u>	<u>6,249</u>
	364,187	393,169
Governance costs		
Auditors' remuneration	2,500	2,000
Auditors' remuneration for non audit work	<u>6,919</u>	<u>7,073</u>
	9,419	9,073
Support costs		
Wages	<u>298,412</u>	<u>302,477</u>
Total resources expended	672,018	704,719
	_____	_____
Net income/(expenditure)	<u>(38,196)</u>	<u>(8,672)</u>