

Return of Organization Exempt From Income Tax
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
 Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2010 calendar year, or tax year beginning **JUL 1, 2010** and ending **JUN 30, 2011**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization CHILDREN'S THEATRE OF CHARLOTTE INC Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 300 EAST 7TH STREET City or town, state or country, and ZIP + 4 CHARLOTTE, NC 28202 F Name and address of principal officer: BRUCE LAROWE SAME AS C ABOVE	D Employer identification number 56-1028031 E Telephone number 704-973-2800 G Gross receipts \$ 4,801,339. H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ▶ WWW.CTCHARLOTTE.ORG		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1948 M State of legal domicile: NC

Part I Summary			
	1 Briefly describe the organization's mission or most significant activities: CHILDREN'S THEATRE OF CHARLOTTE SERVES YOUNG PEOPLE AND FAMILIES WITH PROFESSIONALLY-PRODUCED		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
Activities & Governance	3 Number of voting members of the governing body (Part VI, line 1a)	3	36
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	36
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	167
	6 Total number of volunteers (estimate if necessary)	6	527
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	19,850.
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0.
	Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 1,708,825.
9 Program service revenue (Part VIII, line 2g)		1,856,152.	1,793,696.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		301,205.	932,426.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		50,107.	54,799.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		3,916,289.	4,754,361.
Expenses		13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	2,419,028.	2,507,108.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 245,241.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	1,482,781.	1,431,284.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	3,901,809.	3,938,392.	
19 Revenue less expenses. Subtract line 18 from line 12	14,480.	815,969.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 30,958,252.	End of Year 32,802,330.
	21 Total liabilities (Part X, line 26)	691,701.	743,049.
	22 Net assets or fund balances. Subtract line 21 from line 20	30,266,551.	32,059,281.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer BRUCE LAROWE, EXECUTIVE DIRECTOR Type or print name and title	Date	
Paid Preparer Use Only	Print/Type preparer's name S. ANN CLAUSEN	Preparer's signature Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶ DANIEL, RATLIFF & COMPANY Firm's address ▶ 301 S. MCDOWELL ST., STE 502 CHARLOTTE, NC 28204	Firm's EIN ▶ Phone no. 704-371-5000	

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission: MISSION: TO ENRICH THE LIVES OF YOUNG PEOPLE, AGES 3 TO 18, OF ALL CULTURES, THROUGH PROFESSIONAL THEATRE AND EDUCATION EXPERIENCES OF THE HIGHEST QUALITY. VISION: TO TRANSFORM THE WAY PEOPLE EXPERIENCE CHILDREN'S THEATRE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 2,106,192. including grants of \$) (Revenue \$ 1,128,779.) PROFESSIONAL THEATRE FOR YOUTH: CHILDREN'S THEATRE OF CHARLOTTE (CTC) IS A FULLY PRODUCING THEATRE COMPANY. IN 2010-11, IT LAUNCHED 12 PRODUCTIONS FOR PUBLIC AND SCHOOL AUDIENCES. CROWN EXPERIENCE PRODUCTIONS ALLOWED CTC TO PROVIDE THEATRE ON A BROADWAY SCALE; SERVING A WIDE AGE-RANGE, THESE SHOWS HAVE SET A NEW STANDARD FOR THEATRE IN THE REGION. THEIR PROFESSIONAL TOURING COMPANY, THE TARRADIDDLE PLAYERS, TRAVELED SEPTEMBER-JUNE DELIVERING PLAYS THROUGHOUT THE AREA. FOUR TIMES OVER THE COURSE OF THE SEASON, THEY "CAME HOME" TO DELIVER THE TARRADIDDLE EXPERIENCE FOR PUBLIC AND SCHOOL AUDIENCES. CHILDREN'S THEATRE'S SEASON ALSO FEATURED WORK FOR TEEN AND PRESCHOOL AUDIENCES. TEACHER RESOURCE GUIDES COMPLEMENTED EACH PRODUCTION TO PROVIDE CONNECTIONS TO THE NC STANDARD COURSE OF STUDY.

4b (Code:) (Expenses \$ 936,564. including grants of \$) (Revenue \$ 664,917.) THEATRE EDUCATION PROGRAMS: IN 2010-11, CTC OFFERED MULTI-WEEK, YEARLONG AND SUMMER ENRICHMENT CLASSES AT THEIR FACILITY AND THREE SATELLITES LOCATED THROUGHOUT THE COUNTY. FOR ITS YOUNGER STUDENTS, CLASSES DEVELOPED SELF-ESTEEM, SOCIAL SKILLS AND CREATIVE THINKING. MIDDLE SCHOOL OFFERINGS INSTILLED TEAMWORK AND PROBLEM-SOLVING SKILLS AND ENHANCED VERBAL AND NON-VERBAL SKILLS. SCHOOL OF THEATRE TRAINING FOR THIRD THROUGH TWELFTH GRADERS SERVED STUDENTS DEDICATED TO STUDYING THE TECHNIQUES OF DRAMA.

IN-SCHOOL PROGRAMS OFFERED A VARIETY OF INNOVATIVE PROGRAMMING DESIGNED TO COMPLEMENT THE NC STANDARD COURSE OF STUDY. THE ALCOHOL & SUBSTANCE ABUSE PREVENTION PROGRAM DELIVERED AN ISSUE ORIENTED PLAY TO 10,000+

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 3,042,756.

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	X	
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X
b	If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Input box for Schedule O response

Main table with columns for question number, description, and Yes/No responses. Includes rows for 1a-1c, 2a-2b, 3a-3b, 4a-4b, 5a-5c, 6a-6b, 7a-7h, 8, 9a-9b, 10a-10b, 11a-11b, 12a-12b, 13a-13c, and 14a-14b.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
	1a		36
b	Enter the number of voting members included in line 1a, above, who are independent		
	1b		36
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
7b			
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
8a			
b	Each committee with authority to act on behalf of the governing body?	X	
8b			
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10b			
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12b			
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
12c			
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	X	
15a			
b	Other officers or key employees of the organization		X
15b			
	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		
16b			

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **NC**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **TRACY CHANDLER - 704-973-2800**
300 EAST 7TH STREET, CHARLOTTE, NC 28202

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ARRINGTON MIXON BOARD CHAIR	1.80	X		X				0.	0.	0.
DARIN WETTENGEL TREASURER	1.80	X		X				0.	0.	0.
TAYLOR BATTEN BOARD CHAIR ELECT	1.80	X		X				0.	0.	0.
STEPHEN SORENSON PAST BOARD CHAIR	1.80	X		X				0.	0.	0.
CYNTHIA BUSH SECRETARY	1.80	X		X				0.	0.	0.
TAMMY STRINGER BOARD MEMBER	1.50	X						0.	0.	0.
MICHAEL RYAN BOARD MEMBER	1.00	X						0.	0.	0.
ROBIN MAXWELL BOARD MEMBER	1.50	X						0.	0.	0.
NAVID AHDIEH BOARD MEMBER	1.00	X						0.	0.	0.
JEFF BROWNING BOARD MEMBER	1.50	X						0.	0.	0.
NANCY CARLTON BOARD MEMBER	1.00	X						0.	0.	0.
ANN CLARK BOARD MEMBER	1.00	X						0.	0.	0.
CARLA DUPUY BOARD MEMBER	1.50	X						0.	0.	0.
BRYAN ENGLISH BOARD MEMBER	1.00	X						0.	0.	0.
JAMI JACKSON FARRIS BOARD MEMBER	1.00	X						0.	0.	0.
PETER FLUR BOARD MEMBER	1.00	X						0.	0.	0.
LISE HAIN BOARD MEMBER	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ELLEN HOLLIDAY BOARD MEMBER	1.50	X					0.	0.	0.	
MINDY JONES BOARD MEMBER	1.00	X					0.	0.	0.	
ANDY JONES BOARD MEMBER	1.00	X					0.	0.	0.	
DONNA JULIAN BOARD MEMBER	1.00	X					0.	0.	0.	
DOUG MCCURRY BOARD MEMBER	1.00	X					0.	0.	0.	
ROSALIND PAPPAS BOARD MEMBER	1.00	X					0.	0.	0.	
MARCUS RAFIEE BOARD MEMBER	1.00	X					0.	0.	0.	
DONNA RASILE BOARD MEMBER	1.00	X					0.	0.	0.	
WOODIE ROBINSON BOARD MEMBER	1.00	X					0.	0.	0.	
1b Sub-total							0.	0.	0.	
c Total from continuation sheets to Part VII, Section A							200,798.	0.	4,109.	
d Total (add lines 1b and 1c)							200,798.	0.	4,109.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **1**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. **NONE**

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **0**

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514		
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a	499,578.				
	b	Membership dues	1b					
	c	Fundraising events	1c	42,385.				
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	790,744.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	640,733.				
	g	Noncash contributions included in lines 1a-1f: \$		52,507.				
	h	Total. Add lines 1a-1f		1973440.				
	Program Service Revenue	2 a	PRODUCTION PROGRAMS	Business Code 711110	1128779.	1128779.		
b		EDUCATION PROGRAMS	611600	664,917.	664,917.			
c								
d								
e								
f		All other program service revenue						
g		Total. Add lines 2a-2f		1793696.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		105,516.			105,516.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real	(ii) Personal				
		Less: rental expenses						
		Rental income or (loss)						
		Net rental income or (loss)						
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		Less: cost or other basis and sales expenses						
		Gain or (loss)	826910.					
		Net gain or (loss)			826,910.			826,910.
	8 a	Gross income from fundraising events (not including \$ 42,385. of contributions reported on line 1c). See Part IV, line 18	a		81,927.			
		Less: direct expenses	b		46,978.			
		Net income or (loss) from fundraising events			34,949.			34,949.
9 a	Gross income from gaming activities. See Part IV, line 19	a						
	Less: direct expenses	b						
	Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances	a						
	Less: cost of goods sold	b						
	Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code					
11 a	ADVERTISING	541800		19,850.		19,850.		
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d			19,850.				
12	Total revenue. See instructions.			4754361.	1793696.	19,850.	967,375.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
 All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	208,154.	54,990.	139,418.	13,746.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	1,968,372.	1,485,202.	329,876.	153,294.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	144,825.	103,931.	29,880.	11,014.
10 Payroll taxes	185,757.	131,564.	39,945.	14,248.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	22,504.		22,504.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	342,903.	336,089.	5,450.	1,364.
12 Advertising and promotion	125,907.	88,134.	25,182.	12,591.
13 Office expenses	59,318.	37,276.	10,628.	11,414.
14 Information technology	14,923.	10,447.	2,984.	1,492.
15 Royalties	96,581.	96,581.		
16 Occupancy	354,377.	338,289.	12,870.	3,218.
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	39,773.	37,785.	1,590.	398.
23 Insurance	15,864.	15,071.	634.	159.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a PROGRAM MATERIAL & EXPE	178,214.	177,816.	318.	80.
b OTHER EXPENSES	94,115.	67,813.	14,520.	11,782.
c PRINTING & DESIGN	74,588.	50,162.	14,108.	10,318.
d AMORTIZATION	12,217.	11,606.	488.	123.
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	3,938,392.	3,042,756.	650,395.	245,241.
26 Joint costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1 Cash - non-interest-bearing	400.	1	400.	
	2 Savings and temporary cash investments	1,428,265.	2	1,516,849.	
	3 Pledges and grants receivable, net	236,938.	3	609,477.	
	4 Accounts receivable, net		4		
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5		
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use		8		
	9 Prepaid expenses and deferred charges	76,040.	9	97,029.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 426,545.			
	b Less: accumulated depreciation	10b 275,299.	176,558.	10c	151,246.
	11 Investments - publicly traded securities		11		
	12 Investments - other securities. See Part IV, line 11	11,421,906.	12	13,411,373.	
	13 Investments - program-related. See Part IV, line 11		13		
	14 Intangible assets		14		
	15 Other assets. See Part IV, line 11	17,618,145.	15	17,015,956.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	30,958,252.	16	32,802,330.		
Liabilities	17 Accounts payable and accrued expenses	236,699.	17	236,910.	
	18 Grants payable		18		
	19 Deferred revenue	332,931.	19	383,752.	
	20 Tax-exempt bond liabilities		20		
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21		
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22		
	23 Secured mortgages and notes payable to unrelated third parties		23		
	24 Unsecured notes and loans payable to unrelated third parties		24		
	25 Other liabilities. Complete Part X of Schedule D	122,071.	25	122,387.	
	26 Total liabilities. Add lines 17 through 25	691,701.	26	743,049.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	653,562.	27	863,605.	
	28 Temporarily restricted net assets	17,938,221.	28	19,502,572.	
	29 Permanently restricted net assets	11,674,768.	29	11,693,104.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30 Capital stock or trust principal, or current funds		30		
	31 Paid-in or capital surplus, or land, building, or equipment fund		31		
	32 Retained earnings, endowment, accumulated income, or other funds		32		
	33 Total net assets or fund balances	30,266,551.	33	32,059,281.	
34 Total liabilities and net assets/fund balances	30,958,252.	34	32,802,330.		

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,754,361.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,938,392.
3	Revenue less expenses. Subtract line 2 from line 1	3	815,969.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	30,266,551.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	976,761.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	32,059,281.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Form 990 (2010)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: **CHILDREN'S THEATRE OF CHARLOTTE INC**
Employer identification number: **56-1028031**

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

- The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)
- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
 - 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
 - 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
 - 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
 - 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
 - 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
 - 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
 - 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
 - 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
 - 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
 - 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Other
 - e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
 - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
 - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?		
(ii) A family member of a person described in (i) above?		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		
 - h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1,618,019.	1,619,978.	1,688,348.	1,708,825.	1,973,440.	8,608,610.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge ...	1,591,583.	1,591,583.	1,591,583.	1,591,583.	1,591,583.	7,957,915.
4 Total. Add lines 1 through 3	3,209,602.	3,211,561.	3,279,931.	3,300,408.	3,565,023.	16,566,525.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						16,556.
6 Public support. Subtract line 5 from line 4.						16,549,969.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	3,209,602.	3,211,561.	3,279,931.	3,300,408.	3,565,023.	16,566,525.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ...	109,120.	411,330.	216,748.	118,938.	105,516.	961,652.
9 Net income from unrelated business activities, whether or not the business is regularly carried on ...						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						17,528,177.
12 Gross receipts from related activities, etc. (see instructions)					12	9,319,370.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	94.42	%
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	93.78	%
16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			<input checked="" type="checkbox"/>
b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions			<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No. 1545-0047

2010

Name of the organization

Employer identification number

CHILDREN'S THEATRE OF CHARLOTTE INC

56-1028031

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization CHILDREN'S THEATRE OF CHARLOTTE INC	Employer identification number 56-1028031
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<hr/> <hr/> <hr/> <hr/>	\$ 499,578.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	<hr/> <hr/> <hr/> <hr/>	\$ 661,878.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	<hr/> <hr/> <hr/> <hr/>	\$ 98,866.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	<hr/> <hr/> <hr/> <hr/>	\$ 82,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	<hr/> <hr/> <hr/> <hr/>	\$ 57,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization CHILDREN'S THEATRE OF CHARLOTTE INC	Employer identification number 56-1028031
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Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____

Name of organization CHILDREN'S THEATRE OF CHARLOTTE INC	Employer identification number 56-1028031
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Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Attach to Form 990. See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

CHILDREN'S THEATRE OF CHARLOTTE INC

Employer identification number

56-1028031

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor advisement.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Form for Part II Conservation Easements. Includes checkboxes for purposes of easements, a table for held at the end of the tax year (lines 2a-2d), and questions about monitoring and reporting.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting works of art and assets.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIV and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	11,421,906.	10,681,537.	13,637,547.		
b Contributions	21,544.	20,042.	34,884.		
c Net investment earnings, gains, and losses	2,521,999.	1,302,065.	-2,286,246.		
d Grants or scholarships					
e Other expenditures for facilities and programs	503,073.	536,185.	663,678.		
f Administrative expenses	51,003.	45,553.	40,970.		
g End of year balance	13,411,373.	11,421,906.	10,681,537.		

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment 100.00 %
 - c Term endowment _____ %

- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|-----|----|
| (i) unrelated organizations | | X |
| (ii) related organizations | | X |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | | |

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		66,010.	17,560.	48,450.
d Equipment		289,650.	211,374.	78,276.
e Other		70,885.	46,365.	24,520.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				151,246.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) BENEFICIAL INTEREST IN		
(B) TRUST	13,411,373.	END-OF-YEAR MARKET VALUE
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	13,411,373.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) CONTRIBUTION-FUTURE USE OF FACILITY	16,972,058.
(2) INVST IN SHARED ASSETS W/ CML	31,566.
(3) SALES TAX REC & OTHER	12,332.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	17,015,956.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) DUE TO CML	122,387.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	122,387.

FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	4,754,361.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	3,938,392.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	815,969.
4	Net unrealized gains (losses) on investments	4	1,546,327.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	-569,566.
9	Total adjustments (net). Add lines 4 through 8	9	976,761.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	1,792,730.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	7,418,583.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	1,546,327.
b	Donated services and use of facilities	2b	1,640,483.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	46,978.
e	Add lines 2a through 2d	2e	3,233,788.
3	Subtract line 2e from line 1	3	4,184,795.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	569,566.
c	Add lines 4a and 4b	4c	569,566.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	4,754,361.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	5,625,853.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	1,640,483.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	46,978.
e	Add lines 2a through 2d	2e	1,687,461.
3	Subtract line 2e from line 1	3	3,938,392.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	3,938,392.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4: ENDOWMENT FUNDS ARE INTENDED TO SUPPORT THE THEATRE'S

PROGRAMS IN IMAGINON

PART X, LINE 2: THE THEATRE ACCOUNTS FOR TAX UNCERTAINTIES BASED ON A MORE LIKELY THAN NOT RECOGNITION THRESHOLD WHEREBY TAX BENEFITS ARE ONLY RECOGNIZED WHEN THE THEATRE BELIEVES THAT THEY HAVE A GREATER THAN 50% LIKELIHOOD OF BEING SUSTAINED UPON EXAMINATION BY TAXING AUTHORITIES. THE THEATRE HAS EVALUATED ALL OF ITS TAX POSITIONS AND DETERMINED THAT IT HAD

Part XIV Supplemental Information (continued)

NO UNCERTAIN INCOME TAX POSITIONS AS OF JUNE 30, 2011 AND 2010.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

PRESENT VALUE IMPACT OF CONTRIBUTED FACILITY

PART XII, LINE 2D - OTHER ADJUSTMENTS:

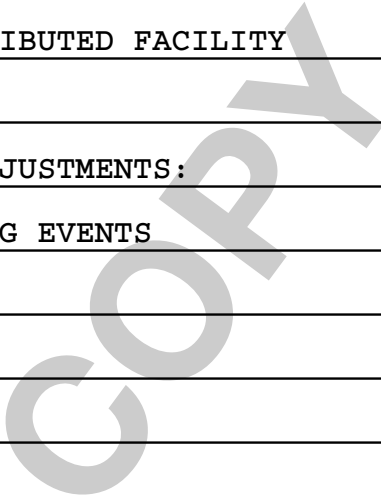
DIRECT EXPENSES OF FUNDRAISING EVENTS

PART XII, LINE 4B - OTHER ADJUSTMENTS:

PRESENT VALUE IMPACT OF CONTRIBUTED FACILITY

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

DIRECT EXPENSES OF FUNDRAISING EVENTS



Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		GALA (event type)	SANTA ' S BAG (event type)	3 (total number)	
Revenue	1 Gross receipts	72,310.	33,152.	18,850.	124,312.
	2 Less: Charitable contributions	36,850.	3,535.	2,000.	42,385.
	3 Gross income (line 1 minus line 2)	35,460.	29,617.	16,850.	81,927.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs	5,600.			5,600.
	7 Food and beverages	12,811.			12,811.
	8 Entertainment	2,995.			2,995.
	9 Other direct expenses	5,882.	15,417.	4,273.	25,572.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				(46,978)
	11 Net income summary. Combine line 3, column (d), and line 10				34,949.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
		1 Gross revenue			
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				(_____)	
8 Net gaming income summary. Combine line 1, column d, and line 7					

9 Enter the state(s) in which the organization operates gaming activities: _____
a Is the organization licensed to operate gaming activities in each of these states? Yes No
b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
b If "Yes," explain: _____

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**

Name of the organization **CHILDREN'S THEATRE OF CHARLOTTE INC** Employer identification number **56-1028031**

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	7	21,283.	FAIR MARKET VALUE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (AIRTRAVEL CAR)	X	1	20,000.	COST
26 Other ▶ (FOOD AND DRIN)	X	3	6,924.	COST
27 Other ▶ (AUCTION ITEMS)	X	3	4,300.	COST
28 Other ▶ ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?		X
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule M (Form 990) (2010)

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

SCHEDULE M, PART I, COLUMN (B): PUBLICLY TRADED SECURITIES - THE

NUMBER OF CONTRIBUTIONS IS THE NUMBER OF STOCK GIFTS RECEIVED NOT THE NUMBER OF SHARES RECEIVED.

OTHER CONTRIBUTED PROPERTY - THE NUMBER OF CONTRIBUTIONS REPRESENTS THE NUMBER OF CONTRIBUTIONS NOT THE NUMBER OF ITEMS DONATED.



SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

CHILDREN'S THEATRE OF CHARLOTTE INC

Employer identification number

56-1028031

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

PRODUCTIONS, INNOVATIVE EDUCATIONAL INITIATIVES, IN-SCHOOL PROGRAMMING
AND COMMUNITY PARTNERSHIPS. THE THEATRE HAS A STRONG COMMITMENT TO ITS
COMMUNITY INVOLVEMENT PROGRAM WHICH PROVIDES FREE THEATRE TICKETS, FULL
AND PARTIAL TUITION SCHOLARSHIPS FOR THEATRE CLASSES, AND NO-COST
PROGRAMMING AT COMMUNITY SITES AND SHELTERS.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

TO ENSURE THEATRE WAS A VIABLE OPTION FOR ALL YOUNG PEOPLE IN THEIR
REGION, CTC SUBSIDIZED 2/3 OF THE COST OF TICKETS FOR SCHOOL GROUPS AND
THROUGH THE COMMUNITY INVOLVEMENT PROGRAM PROVIDED SCHOLARSHIP TICKETS
VALUED AT OVER \$27,000 TO FAMILIES AND ORGANIZATIONS.

DURING THE 2010-11 SEASON, CTC SERVED 171,300 YOUNG PEOPLE AND FAMILIES
WITH THEATRE PROGRAMMING.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

EIGHTH GRADERS IN ALL PUBLIC MIDDLE SCHOOLS. NEIGHBORHOOD BRIDGES, A
15-WEEK STORYTELLING AND CREATIVE DRAMA PROGRAM DESIGNED TO ALIGN WITH
LITERACY GOALS, SERVED STUDENTS IN FOUR ELEMENTARY SCHOOLS.

THROUGH THE COMMUNITY INVOLVEMENT PROGRAM, THE THEATRE PROVIDED
EDUCATIONAL PROGRAMMING WITH A TOTAL VALUE OF OVER \$118,000 THROUGH
SCHOLARSHIPS TO STUDENTS INTERESTED IN ENROLLING IN CLASSES AT ITS
FACILITY AND SATELLITE LOCATIONS AND ITS NO-COST ARTS EDUCATION
PROGRAMMING IN COMMUNITY SITES. BENCHMARKED AGAINST OTHER CHILDREN'S

Name of the organization

CHILDREN'S THEATRE OF CHARLOTTE INC

Employer identification number

56-1028031

THEATRES, CTC'S COMMITMENT TO COMMUNITY ENGAGEMENT IS UNMATCHED
NATIONALLY.

IN 2010-11 CHILDREN'S THEATRE SERVED YOUNG PEOPLE WITH NEARLY 127,800
INNOVATIVE EDUCATIONAL EXPERIENCES.

FORM 990, PART VI, SECTION B, LINE 11: FORM 990 IS PREPARED BY A PAID TAX
PROFESSIONAL. IT IS REVIEWED IN DETAIL BY THE FINANCE DIRECTOR, FOLLOWED
BY A REVIEW BY A VOLUNTEER TAX PROFESSIONAL. THE TAX RETURN IS DISTRIBUTED
TO THE BOARD OF DIRECTORS PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C: THE CODE OF CONDUCT AND CONFLICT
OF INTEREST POLICY IS DISTRIBUTED AT SPECIAL STAFF MEETINGS HELD ANNUALLY.
IT IS EXPLAINED WITH EXAMPLES AND PROCEDURES GIVEN. EMPLOYEES ARE REQUIRED
TO DISCLOSE ANY CONFLICTS OF INTEREST AND TO REPORT NEW SITUATIONS THAT
ARISE DURING THE YEAR IN ORDER TO DETERMINE IF THERE IS A CONFLICT OF
INTEREST. NEW EMPLOYEES ARE GIVEN THE POLICY UPON HIRE. THERE IS A
SEPARATE CONFLICT OF INTEREST POLICY FOR BOARD MEMBERS, WHICH IS DISCUSSED
AT A BOARD MEETING AT THE BEGINNING OF THE YEAR. ALL BOARD MEMBERS MUST
COMPLETE AND SIGN A DISCLOSURE FORM LISTING ANY CONFLICTS OF INTEREST OR
POTENTIAL CONFLICTS OF INTEREST. BOARD MEMBERS ARE INSTRUCTED TO INFORM
THE THEATRE OF ANY CONFLICT THAT MIGHT ARISE DURING THE YEAR. FORMS ARE
COLLECTED AND MAINTAINED.

FORM 990, PART VI, SECTION B, LINE 15A: THE EXECUTIVE DIRECTOR HAS AN
ANNUAL PERFORMANCE REVIEW CONDUCTED BY THE EXECUTIVE COMMITTEE OF THE BOARD
OF DIRECTORS. ALL EXECUTIVE COMMITTEE MEMBERS ARE INDEPENDENT BOARD
MEMBERS. THE EXECUTIVE DIRECTOR PREPARES A WRITTEN SELF ASSESSMENT OF HIS

Name of the organization CHILDREN'S THEATRE OF CHARLOTTE INC	Employer identification number 56-1028031
---	--

PERFORMANCE FOR THE YEAR BASED ON GOALS AND OBJECTIVES THAT WERE IDENTIFIED AT THE BEGINNING OF THE YEAR. IN ADDITION, THE EVALUATION MEASURES COMPETENCIES THAT ARE VALUED ACROSS THE ORGANIZATION. THE EXECUTIVE COMMITTEE MEETS WITH THE EXECUTIVE DIRECTOR TO DISCUSS THE EVALUATION AND THE GOALS FOR THE NEXT YEAR. THE EXECUTIVE COMMITTEE EXCUSES THE EXECUTIVE DIRECTOR AND FURTHER DISCUSSES HIS PERFORMANCE AND SETS HIS COMPENSATION, IN CONSIDERATION OF THE OPERATING BUDGET. MINUTES ARE TAKEN OF THE DISCUSSION. THE PROCESS AND THE OUTCOME ARE PRESENTED AT A SUBSEQUENT MEETING OF THE BOARD OF DIRECTORS. COMPARABILITY DATA BASED ON A REVIEW OF OTHER FORM 990S AND/OR COMPENSATION SURVEYS OF NON-PROFIT ORGANIZATIONS IS INCORPORATED EVERY 2-3 YEARS.

FORM 990, PART VI, SECTION B, LINE 15B: THE THEATRE HAS NO "KEY EMPLOYEES" PER THE IRS DEFINITION. THE FINANCE DIRECTOR, ALTHOUGH NOT AN OFFICER OF THE CORPORATION PER THE BY-LAWS, IS CONSIDERED AN OFFICER FOR PURPOSES OF FORM 990. THE EXECUTIVE DIRECTOR SETS THE COMPENSATION OF ALL OF HIS DIRECT REPORTS INCLUDING THE FINANCE DIRECTOR, IN CONJUNCTION WITH AN ANNUAL PERFORMANCE REVIEW. THE EVALUATION PROCESS IS VERY SIMILAR TO THAT OF THE EXECUTIVE DIRECTOR WITH A SELF-EVALUATION, FOLLOWED BY AN ASSESSMENT DONE BY THE EXECUTIVE DIRECTOR AND A MEETING TO DISCUSS PERFORMANCE, COMPENSATION AND GOALS FOR NEXT YEAR.

FORM 990, PART VI, SECTION C, LINE 19: THE THEATRE MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED GAINS ON INVESTMENTS: 1,546,327.

032212
01-24-11

Schedule O (Form 990 or 990-EZ) (2010)

Name of the organization CHILDREN'S THEATRE OF CHARLOTTE INC	Employer identification number 56-1028031
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PRESENT VALUE IMPACT OF CONTRIBUTED FACILITY -569,566.

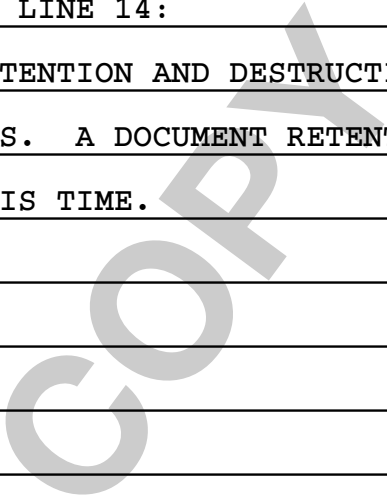
TOTAL TO FORM 990, PART XI, LINE 5 976,761.

FORM 990, PART XII, LINE 2C:

THERE HAS BEEN NO CHANGE IN EITHER THE AUDIT OVERSIGHT PROCESS OR AUDITOR SELECTION PROCESS DURING THE TAX YEAR.

FORM 990, PART VI, SECTION B, LINE 14:

THE THEATRE HAS A DOCUMENT RETENTION AND DESTRUCTION PRACTICE BASED ON IRS AND OTHER LEGAL GUIDELINES. A DOCUMENT RETENTION AND DESTRUCTION POLICY IS IN DRAFT FORM AT THIS TIME.



Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
6	TV/VCR LIGHTING	063094	SL	5.00	16	790.			790.	790.		0.
7	INSTRUMENTS COMPUTER LIGHT BOARD	100395	SL	10.00	16	1,000.			1,000.	1,000.		0.
8	(D)SOFTWARE-	121895	SL	10.00	16	14,096.			14,096.	14,096.		0.
9	FRONTPAGE & OFFICE	102599	SL	3.00	16	9,733.			9,733.	9,733.		0.
10	INTELIGENT LIGHT	063003	SL	7.00	16	4,032.			4,032.	4,032.		0.
11	2003 FORD VAN	113002	SL	5.00	16	29,313.			29,313.	29,313.		0.
12	PACE TRAILER	043003	SL	5.00	16	2,598.			2,598.	2,598.		0.
13	SPEAKERS	020104	SL	7.00	16	2,325.			2,325.	2,131.		194.
14	SOUND BOARD	020104	SL	10.00	16	972.			972.	624.		97.
15	COMPUTER TO RUN SOUND BOARD	020104	SL	5.00	16	1,742.			1,742.	1,742.		0.
16	INTELLIGENT LIGHT	033104	SL	7.00	16	4,423.			4,423.	3,949.		474.
17	FX - FOGGER	063004	SL	5.00	16	850.			850.	850.		0.
18	LIGHTING EQUIPMENT	020104	SL	7.00	16	7,938.			7,938.	7,277.		662.
19	VIDEO PROJECTOR	063004	SL	5.00	16	4,338.			4,338.	4,338.		0.
20	TABLE SAW	063004	SL	10.00	16	2,198.			2,198.	1,319.		220.
21	DONOR II SOFTWARE	050105	SL	5.00	16	20,630.			20,630.	20,630.		0.
22	CHOICE SOFTWARE	050105	SL	5.00	16	25,163.			25,163.	25,163.		0.
23	DELL SERVER 1 (SEQUEL SERVER)	050105	SL	5.00	16	9,298.			9,298.	9,298.		0.

2010 DEPRECIATION AND AMORTIZATION REPORT

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
24	DELL SERVER 2 EXCHANGE (EMAIL) SE	050105	SL	5.00	16	4,585.			4,585.	4,585.		0.
25	DELL COMPUTER-BOX OFFICE	050105	SL	5.00	16	777.			777.	777.		0.
26	PORTABLE RADIO & HEADSETS	101405	SL	5.00	16	4,685.			4,685.	4,451.		234.
27	SILENT STORM SNOW MACHINE	093005	SL	5.00	16	625.			625.	594.		31.
28	AQUAFOG FOG MACHINE	051606	SL	5.00	16	3,245.			3,245.	2,704.		541.
29	FOG MACHINE	093005	SL	5.00	16	3,169.			3,169.	3,011.		158.
30	BETSY LYNN UPRIGHT PIANO	100105	SL	10.00	16	500.			500.	238.		50.
31	BERNINA 1008 SEWING MACHINE	070705	SL	7.00	16	760.			760.	543.		109.
32	BERNINA 1008 SEWING MACHINE	071205	SL	7.00	16	700.			700.	500.		100.
33	BERNINA 1008 SEWING MACHINE	071205	SL	7.00	16	700.			700.	500.		100.
34	MICROPHONES	062706	SL	7.00	16	2,477.			2,477.	1,415.		354.
35	LIGHTING EQUIPMENT GREAT PLAINS	103105	SL	7.00	16	14,956.			14,956.	9,971.		2,137.
36	SOFTWARE CHOICE	010106	SL	7.00	16	12,250.			12,250.	7,875.		1,750.
37	SOFTWARE-LICENSE ADOBE-CREATIVE	110405	SL	5.00	16	1,800.			1,800.	1,680.		120.
38	SUITE 2 PREMIUM SOF	110405	SL	5.00	16	1,199.			1,199.	1,119.		80.
39	AUTOCAD 2005 SOFTWARE	111005	SL	5.00	16	3,750.			3,750.	3,500.		250.
40	SKYFOLD WALL GREAT PLAINS	053106	SL	20.00	16	59,347.			59,347.	12,117.		2,967.
41	SOFTWARE	010106	SL	5.00	16	11,350.			11,350.	10,215.		1,135.

2010 DEPRECIATION AND AMORTIZATION REPORT

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Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
42	BOCA PRINTERS	100105	SL	5.00	16	2,045.			2,045.	1,943.		102.
43	DONATED SOFTWARE	070105	SL	5.00	16	1,846.			1,846.	1,846.		0.
44	LIGHTING EQUIPMENT	100106	SL	7.00	16	12,567.			12,567.	6,732.		1,795.
45	DELL	060107	SL	5.00	16	1,843.			1,843.	1,137.		369.
46	6 DELL DIMENSION C521 COMPUTERS PANORAMA	063007	SL	5.00	16	3,228.			3,228.	1,937.		646.
47	MULTI-MEDIA SERVER	080107	SL	5.00	16	6,597.			6,597.	3,848.		1,319.
48	FLYLINE TRACK & COMPONENTS ORCHESTRA PIT	091507	SL	10.00	16	2,451.			2,451.	695.		245.
49	SPEAKERS & SOUND SYSTEM TARRADIDDLE TOURING	092007	SL	7.00	16	1,939.			1,939.	762.		277.
50	SOUND SYSTEM MOTIFXS8	101507	SL	5.00	16	3,027.			3,027.	1,665.		605.
51	KEYBOARD/SYNTHESIZER (D)IOMEGA PRO NAS	111507	SL	5.00	16	3,129.			3,129.	1,669.		626.
52	BACKUP STORAGE DEVICE DELL PRECISION	110107	SL	5.00	16	935.			935.	499.		31.
53	T5400 MINI-TOWER	063008	SL	5.00	16	1,993.			1,993.	797.		399.
54	ORCHESTRA PIT YAMAHA KEYBOARD	092007	SL	20.00	16	3,689.			3,689.	507.		184.
55	SYNTHESIZER	072008	SL	5.00	16	3,598.			3,598.	1,379.		720.
56	LIGHTING CABLE & CONNECTOR PACKAGE	072908	SL	10.00	16	2,538.			2,538.	486.		254.
57	EDU PORT SOUND SYSTEM 1--KLIEN&HUM	070708	SL	7.00	16	1,708.			1,708.	488.		244.
58	EDU CLASSROOM SOUND SYSTEM 2--KLIEN&HU	070708	SL	7.00	16	968.			968.	277.		138.
59	EDU CLASSROOM SOUND SYSTEM 3--KLIEN&HU	080108	SL	7.00	16	968.			968.	265.		138.

2010 DEPRECIATION AND AMORTIZATION REPORT

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
60	EDU CLASSROOM SOUND SYSTEM 4--KLIEN&HUBERNINA 1008 SEWING MACHINE & TABLE	080108	SL	7.00	16	968.			968.	265.		138.
61	BERNINA 1008 SEWING MACHINE & TABLE	072108	SL	7.00	16	854.			854.	234.		122.
62	BERNINA 1008 SEWING MACHINE & TABLE	072108	SL	7.00	16	854.			854.	234.		122.
63	BERNINA 1008 SEWING MACHINE & TABLE	072108	SL	7.00	16	854.			854.	234.		122.
64	BERNINA 1008 SEWING MACHINE & TABLE	072108	SL	7.00	16	854.			854.	234.		122.
65	BERNINA 1031 SEWING MACHINE (USED)	072108	SL	5.00	16	500.			500.	192.		100.
66	JET BAND SAW -DONATED NEW	072408	SL	15.00	16	1,361.			1,361.	174.		91.
67	JET SANDER-DONATED NEW	072408	SL	7.00	16	503.			503.	138.		72.
68	YAMAHA UPRIGHT PIANO-USED (234417)	091008	SL	10.00	16	1,800.			1,800.	330.		180.
69	BARRACUDA SPAM FILTER	072708	SL	5.00	16	2,865.			2,865.	1,098.		573.
70	BATTERY BACKUP EQUIPMENT APC SMART CREATION STATION	102508	SL	5.00	16	890.			890.	297.		178.
71	AUDIO PC	011209	SL	5.00	16	1,000.			1,000.	300.		200.
72	OKI COLOR PRINTER C5650DN 22/26PPM	051909	SL	5.00	16	540.			540.	117.		108.
73	2008 HAULMARK TRAILER TS7X14DT2	082208	SL	5.00	16	6,269.			6,269.	2,299.		1,254.
74	MCCOLL FLOOR REPLACEMENT	070708	SL	5.00	16	2,974.			2,974.	1,189.		595.
75	TINY FOGGER	090109	SL	5.00	16	1,884.			1,884.	314.		377.
76	WIRELESS HEADSET SYSTEM - 4 UNITS	090109	SL	7.00	16	9,281.			9,281.	1,105.		1,326.
77	WHITE SEAMLESS CYC	030110	SL	10.00	16	4,944.			4,944.	165.		494.

2010 DEPRECIATION AND AMORTIZATION REPORT

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Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
78	2-WAY RADIO SYSTEMS - 20 UNITS	033110	SL	5.00	16	6,457.			6,457.	323.		1,291.
79	DELL POWER EDGE SERVER (ASLAN)	042810	SL	5.00	16	13,968.			13,968.	466.		2,794.
80	2 ACER PC'S COMPAQ PC/ACER	011510	SL	5.00	16	1,350.			1,350.	135.		270.
81	MONITOR XEROX PHASER COLOR	051310	SL	5.00	16	789.			789.	26.		158.
82	PRINTER WEBSITE SHOPPING	061510	SL	5.00	16	499.			499.	8.		100.
83	CART SOFTWARE 2009 SILVER BIRCH	063010	SL	3.00	16	4,000.			4,000.			1,333.
84	MED PEWTER CHEVROLE BLACK STAGE	111509	SL	5.00	16	32,706.			32,706.	4,361.		6,541.
85	CURTAINS (2 BOARDER	090110	SL	12.00	16	4,586.			4,586.			318.
86	TABLE SAW	101510	SL	8.00	16	2,999.			2,999.			281.
87	HD VIDEO CAMERA WIRELESS MICROPHONE	111510	SL	3.00	16	1,871.			1,871.			416.
88	SYSTEM/TRANSMITTER DELL VOSTRO 3700	040111	SL	5.00	16	3,732.			3,732.			187.
89	LAPTOP DELL OPTIPLEX	050111	SL	5.00	16	897.			897.			30.
90	MINITOWER BASE	050111	SL	5.00	16	782.			782.			26.
	* TOTAL 990 PAGE 10 DEPR					437,214.		0.	437,214.	245,848.	0.	39,774.

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

2010

Department of the Treasury Internal Revenue Service

For calendar year 2010 or other tax year beginning JUL 1, 2010, and ending JUN 30, 2011

Open to Public Inspection for 501(c)(3) Organizations Only

Header section containing organization name (CHILDREN'S THEATRE OF CHARLOTTE INC), address (300 EAST 7TH STREET, CHARLOTTE, NC 28202), and tax identification number (56-1028031).

H Describe the organization's primary unrelated business activity. ADVERTISING REVENUE FROM THEATRE PLAYBILLS

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? No

J The books are in care of TRACY CHANDLER Telephone number 704-973-2800

Table with 4 columns: Part I Unrelated Trade or Business Income, (A) Income, (B) Expenses, (C) Net. Rows 1-13 showing advertising income of 19,850 and expenses of 14,759, resulting in net income of 5,091.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

Table with 3 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows 14-34 showing various deductions totaling 5,091, which is subtracted from the net income to reach 0.

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation.
36 Trusts Taxable at Trust Rates. See instructions for tax computation.
37 Proxy tax. See instructions
38 Alternative minimum tax
39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)
40b Other credits (see instructions)
40c General business credit. Attach Form 3800
40d Credit for prior year minimum tax (attach Form 8801 or 8827)
40e Total credits. Add lines 40a through 40d
41 Subtract line 40e from line 39
42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule)
43 Total tax. Add lines 41 and 42
44a Payments: A 2009 overpayment credited to 2010
44b 2010 estimated tax payments
44c Tax deposited with Form 8868
44d Foreign organizations: Tax paid or withheld at source (see instructions)
44e Backup withholding (see instructions)
44f Credit for small employer health insurance premiums (Attach Form 8941)
44g Other credits and payments: Form 2439 Form 4136 Other
45 Total payments. Add lines 44a through 44g
46 Estimated tax penalty (see instructions). Check if Form 2220 is attached
47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed
48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid
49 Enter the amount of line 48 you want: Credited to 2011 estimated tax Refunded

Part V Statements Regarding Certain Activities and Other Information (see instructions)

1 At any time during the 2010 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.
3 Enter the amount of tax-exempt interest received or accrued during the tax year

Schedule A - Cost of Goods Sold. Enter method of inventory valuation N/A

1 Inventory at beginning of year
2 Purchases
3 Cost of labor
4a Additional section 263A costs
4b Other costs (attach schedule)
5 Total. Add lines 1 through 4b
6 Inventory at end of year
7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2
8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here
Signature of officer: S. ANN CLAUSEN
Date:
Title: EXECUTIVE DIRECTOR
May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [] No

Paid Preparer Use Only
Print/Type preparer's name: S. ANN CLAUSEN
Preparer's signature:
Date:
Check if self-employed:
PTIN: P00008541
Firm's name: DANIEL, RATLIFF & COMPANY
Firm's EIN: 56-1982812
Firm's address: 301 S. MCDOWELL ST., STE 502 CHARLOTTE, NC 28204
Phone no.: 704-371-5000

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instructions)

1. Description of property

Table with 1 column: (1) N/A, (2), (3), (4)

2. Rent received or accrued

Table with 3 columns: (a) From personal property, (b) From real and personal property, 3(a) Deductions directly connected with the income

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) 0. (b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) 0.

Schedule E - Unrelated Debt-Financed Income (see instructions)

Table with 4 columns: 1. Description of debt-financed property, 2. Gross income from or allocable to debt-financed property, 3(a) Straight line depreciation, 3(b) Other deductions

Table with 5 columns: 4. Amount of average acquisition debt, 5. Average adjusted basis, 6. Column 4 divided by column 5, 7. Gross income reportable, 8. Allocable deductions

Totals Enter here and on page 1, Part I, line 7, column (A) 0. Enter here and on page 1, Part I, line 7, column (B) 0.

Total dividends-received deductions included in column 8 0.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

Table with 6 columns: 1. Name of controlled organization, 2. Employer identification number, 3. Net unrelated income (loss), 4. Total of specified payments made, 5. Part of column 4 that is included in the controlling organization's gross income, 6. Deductions directly connected with income in column 5

Nonexempt Controlled Organizations

Table with 5 columns: 7. Taxable Income, 8. Net unrelated income (loss), 9. Total of specified payments made, 10. Part of column 9 that is included in the controlling organization's gross income, 11. Deductions directly connected with income in column 10

Totals Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A) 0. Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B) 0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
(see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
Totals	0.			0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
(see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1) N/A						
(2)						
(3)						
(4)						
Totals	0.	0.				0.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1) N/A	0.	0.				
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	0.	0.				0.

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1) THEATRE PLAYBILL	19,850.	14,759.	5,091.		9,731.	5,091.
(2)						
(3)						
(4)						
(5) Totals from Part I	0.	0.				0.
Totals, Part II (lines 1-5)	19,850.	14,759.				5,091.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1) N/A		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14			0.

Depreciation and Amortization 990 (Including Information on Listed Property)

Department of the Treasury Internal Revenue Service (99)

See separate instructions. Attach to your tax return.

Attachment Sequence No. 67

Name(s) shown on return

Business or activity to which this form relates

Identifying number

CHILDREN'S THEATRE OF CHARLOTTE INC

FORM 990 PAGE 10

56-1028031

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

Table with 13 rows for Part I. Line 1: 500,000. Line 3: 2,000,000. Line 13: 39,774.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

Table with 3 rows for Part II. Line 16: 39,774.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

Table with 2 rows for Section A. Line 17: 39,774.

Section B - Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 19a-g, h, i.

Section C - Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

Table with 7 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 20a, b, c.

Part IV Summary (See instructions.)

Table with 3 rows for Part IV. Line 22: 39,774.

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use..... 25								
26 Property used more than 50% in a qualified business use:								
	:	:	%					
	:	:	%					
	:	:	%					
27 Property used 50% or less in a qualified business use:								
	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								28
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2010 tax year:					
	:	:			
	:	:			
43 Amortization of costs that began before your 2010 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

2010 DEPRECIATION AND AMORTIZATION REPORT

- CURRENT YEAR FEDERAL - CHILDREN'S THEATRE OF CHARLOTTE INC

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
6	TV/VCR LIGHTING	063094	SL	5.00	16	790.			790.	790.		0.
7	INSTRUMENTS COMPUTER LIGHT BOARD	100395	SL	10.00	16	1,000.			1,000.	1,000.		0.
8	(D)SOFTWARE-	121895	SL	10.00	16	14,096.			14,096.	14,096.		0.
9	FRONTPAGE & OFFICE	102599	SL	3.00	16	9,733.			9,733.	9,733.		0.
10	INTELIGENT LIGHT	063003	SL	7.00	16	4,032.			4,032.	4,032.		0.
11	2003 FORD VAN	113002	SL	5.00	16	29,313.			29,313.	29,313.		0.
12	PAGE TRAILER	043003	SL	5.00	16	2,598.			2,598.	2,598.		0.
13	SPEAKERS	020104	SL	7.00	16	2,325.			2,325.	2,131.		194.
14	SOUND BOARD	020104	SL	10.00	16	972.			972.	624.		97.
15	COMPUTER TO RUN SOUND BOARD	020104	SL	5.00	16	1,742.			1,742.	1,742.		0.
16	INTELLIGENT LIGHT	033104	SL	7.00	16	4,423.			4,423.	3,949.		474.
17	FX - FOGGER	063004	SL	5.00	16	850.			850.	850.		0.
18	LIGHTING EQUIPMENT	020104	SL	7.00	16	7,938.			7,938.	7,277.		662.
19	VIDEO PROJECTOR	063004	SL	5.00	16	4,338.			4,338.	4,338.		0.
20	TABLE SAW	063004	SL	10.00	16	2,198.			2,198.	1,319.		220.
21	DONOR II SOFTWARE	050105	SL	5.00	16	20,630.			20,630.	20,630.		0.
22	CHOICE SOFTWARE	050105	SL	5.00	16	25,163.			25,163.	25,163.		0.
23	DELL SERVER 1 (SEQUEL SERVER)	050105	SL	5.00	16	9,298.			9,298.	9,298.		0.

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Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
24	DELL SERVER 2 EXCHANGE (EMAIL) SE	050105	SL	5.00	16	4,585.			4,585.	4,585.		0.
25	DELL COMPUTER-BOX OFFICE	050105	SL	5.00	16	777.			777.	777.		0.
26	PORTABLE RADIO & HEADSETS	101405	SL	5.00	16	4,685.			4,685.	4,451.		234.
27	SILENT STORM SNOW MACHINE	093005	SL	5.00	16	625.			625.	594.		31.
28	AQUAFOG FOG MACHINE	051606	SL	5.00	16	3,245.			3,245.	2,704.		541.
29	FOG MACHINE	093005	SL	5.00	16	3,169.			3,169.	3,011.		158.
30	BETSY LYNN UPRIGHT PIANO	100105	SL	10.00	16	500.			500.	238.		50.
31	BERNINA 1008 SEWING MACHINE	070705	SL	7.00	16	760.			760.	543.		109.
32	BERNINA 1008 SEWING MACHINE	071205	SL	7.00	16	700.			700.	500.		100.
33	BERNINA 1008 SEWING MACHINE	071205	SL	7.00	16	700.			700.	500.		100.
34	MICROPHONES	062706	SL	7.00	16	2,477.			2,477.	1,415.		354.
35	LIGHTING EQUIPMENT GREAT PLAINS	103105	SL	7.00	16	14,956.			14,956.	9,971.		2,137.
36	SOFTWARE CHOICE	010106	SL	7.00	16	12,250.			12,250.	7,875.		1,750.
37	SOFTWARE-LICENSE ADOBE-CREATIVE	110405	SL	5.00	16	1,800.			1,800.	1,680.		120.
38	SUITE 2 PREMIUM SOF	110405	SL	5.00	16	1,199.			1,199.	1,119.		80.
39	AUTOCAD 2005 SOFTWARE	111005	SL	5.00	16	3,750.			3,750.	3,500.		250.
40	SKYFOLD WALL GREAT PLAINS	053106	SL	20.00	16	59,347.			59,347.	12,117.		2,967.
41	SOFTWARE	010106	SL	5.00	16	11,350.			11,350.	10,215.		1,135.

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42	BOCA PRINTERS	100105	SL	5.00	16	2,045.			2,045.	1,943.		102.
43	DONATED SOFTWARE	070105	SL	5.00	16	1,846.			1,846.	1,846.		0.
44	LIGHTING EQUIPMENT	100106	SL	7.00	16	12,567.			12,567.	6,732.		1,795.
45	DELL	060107	SL	5.00	16	1,843.			1,843.	1,137.		369.
46	6 DELL DIMENSION C521 COMPUTERS PANORAMA	063007	SL	5.00	16	3,228.			3,228.	1,937.		646.
47	MULTI-MEDIA SERVER	080107	SL	5.00	16	6,597.			6,597.	3,848.		1,319.
48	FLYLINE TRACK & COMPONENTS ORCHESTRA PIT	091507	SL	10.00	16	2,451.			2,451.	695.		245.
49	SPEAKERS & SOUND SYSTEM TARRADIDDLE TOURING	092007	SL	7.00	16	1,939.			1,939.	762.		277.
50	SOUND SYSTEM MOTIFXS8	101507	SL	5.00	16	3,027.			3,027.	1,665.		605.
51	KEYBOARD/SYNTHESIZER (D) IOMEGA PRO NAS	111507	SL	5.00	16	3,129.			3,129.	1,669.		626.
52	BACKUP STORAGE DEVICE DELL PRECISION	110107	SL	5.00	16	935.			935.	499.		31.
53	T5400 MINI-TOWER	063008	SL	5.00	16	1,993.			1,993.	797.		399.
54	ORCHESTRA PIT YAMAHA KEYBOARD	092007	SL	20.00	16	3,689.			3,689.	507.		184.
55	SYNTHESIZER	072008	SL	5.00	16	3,598.			3,598.	1,379.		720.
56	LIGHTING CABLE & CONNECTOR PACKAGE	072908	SL	10.00	16	2,538.			2,538.	486.		254.
57	EDU PORT SOUND SYSTEM 1--KLIEN&HUM	070708	SL	7.00	16	1,708.			1,708.	488.		244.
58	EDU CLASSROOM SOUND SYSTEM 2--KLIEN&HU	070708	SL	7.00	16	968.			968.	277.		138.
59	EDU CLASSROOM SOUND SYSTEM 3--KLIEN&HU	080108	SL	7.00	16	968.			968.	265.		138.

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60	EDU CLASSROOM SOUND SYSTEM 4--KLIEN&HU	080108	SL	7.00	16	968.			968.	265.		138.
61	BERNINA 1008 SEWING MACHINE & TABLE	072108	SL	7.00	16	854.			854.	234.		122.
62	BERNINA 1008 SEWING MACHINE & TABLE	072108	SL	7.00	16	854.			854.	234.		122.
63	BERNINA 1008 SEWING MACHINE & TABLE	072108	SL	7.00	16	854.			854.	234.		122.
64	BERNINA 1008 SEWING MACHINE & TABLE	072108	SL	7.00	16	854.			854.	234.		122.
65	BERNINA 1031 SEWING MACHINE (USED)	072108	SL	5.00	16	500.			500.	192.		100.
66	JET BAND SAW -DONATED NEW	072408	SL	15.00	16	1,361.			1,361.	174.		91.
67	JET SANDER-DONATED NEW	072408	SL	7.00	16	503.			503.	138.		72.
68	YAMAHA UPRIGHT PIANO-USED (234417)	091008	SL	10.00	16	1,800.			1,800.	330.		180.
69	BARRACUDA SPAM FILTER	072708	SL	5.00	16	2,865.			2,865.	1,098.		573.
70	BATTERY BACKUP EQUIPMENT APC SMART CREATION STATION	102508	SL	5.00	16	890.			890.	297.		178.
71	AUDIO PC	011209	SL	5.00	16	1,000.			1,000.	300.		200.
72	OKI COLOR PRINTER C5650DN 22/26PPM	051909	SL	5.00	16	540.			540.	117.		108.
73	2008 HAULMARK TRAILER TS7X14DT2	082208	SL	5.00	16	6,269.			6,269.	2,299.		1,254.
74	MCCOLL FLOOR REPLACEMENT	070708	SL	5.00	16	2,974.			2,974.	1,189.		595.
75	TINY FOGGER	090109	SL	5.00	16	1,884.			1,884.	314.		377.
76	WIRELESS HEADSET SYSTEM - 4 UNITS	090109	SL	7.00	16	9,281.			9,281.	1,105.		1,326.
77	WHITE SEAMLESS CYC	030110	SL	10.00	16	4,944.			4,944.	165.		494.

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78	2-WAY RADIO SYSTEMS - 20 UNITS	033110	SL	5.00	16	6,457.			6,457.	323.		1,291.
79	DELL POWER EDGE SERVER (ASLAN)	042810	SL	5.00	16	13,968.			13,968.	466.		2,794.
80	2 ACER PC'S COMPAQ PC/ACER	011510	SL	5.00	16	1,350.			1,350.	135.		270.
81	MONITOR XEROX PHASER COLOR	051310	SL	5.00	16	789.			789.	26.		158.
82	PRINTER WEBSITE SHOPPING	061510	SL	5.00	16	499.			499.	8.		100.
83	CART SOFTWARE 2009 SILVER BIRCH	063010	SL	3.00	16	4,000.			4,000.			1,333.
84	MED PEWTER CHEVROLE BLACK STAGE	111509	SL	5.00	16	32,706.			32,706.	4,361.		6,541.
85	CURTAINS (2 BOARDER	090110	SL	12.00	16	4,586.			4,586.			318.
86	TABLE SAW	101510	SL	8.00	16	2,999.			2,999.			281.
87	HD VIDEO CAMERA WIRELESS MICROPHONE	111510	SL	3.00	16	1,871.			1,871.			416.
88	SYSTEM/TRANSMITTER DELL VOSTRO 3700	040111	SL	5.00	16	3,732.			3,732.			187.
89	LAPTOP DELL OPTIPLEX	050111	SL	5.00	16	897.			897.			30.
90	MINITOWER BASE	050111	SL	5.00	16	782.			782.			26.
	* TOTAL 990 PAGE 10 DEPR					437,214.		0.	437,214.	245,848.	0.	39,774.