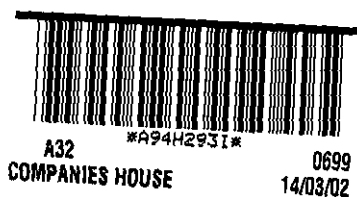


Registered No: 718349

**MIDLANDS ARTS CENTRE**  
**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**1 APRIL 2001**

Registered Charity No: 528979



*Clement*  
*Keys*

# MIDLANDS ARTS CENTRE

## REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 1 APRIL 2001

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## **OFFICERS AND OTHER INFORMATION**

Directors and Trustees	<b>The Directors and Trustees are listed on page 4.</b>
Secretary	<b>J Booth</b>
Registered Office	<b>Cannon Hill Park Birmingham B12 9QH</b>
Bankers	<b>HSBC plc 130 New Street Birmingham B2 4JU</b>
Auditors	<b>Clement Keys Chartered Accountants Nettleton House Calthorpe Road Birmingham B15 1RL</b>

## Chair's Report 2000/2001

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It is with pleasure that I introduce the annual accounts for **mac** (Midlands Arts Centre). Though the numbers tell only one part of the story of an organisation's year it is an important part and one which we are pleased to say has seen **mac** achieve a great deal artistically within a period marked also by continued stable trading. We have continued to manage a very tight ship, employing our human and financial resources with care and diligence and working our financial resources to the maximum.

Once more **mac** has been able to demonstrate its artistic achievements and illustrate its further potential in a year marking the close of one Millennium and the opening of another. We have done so in style, creating work of daring, enchantment, entertainment and wonder and presenting it with and to a wider than ever range of participants and audiences drawn from Birmingham, the West Midlands and increasingly further afield.

It was a great pleasure and privilege for the centre to create a number of projects and programmes to mark the new Millennium, contributing to the city-wide **FORWARD Festival**. We commissioned new exhibitions which subsequently toured the country; *A Sense of Occasion*, a mixed craft show in partnership with Craftspace; *Textures of Memory*, a textiles show in collaboration with Angel Row Gallery in Nottingham and UCE Textiles Department here in Birmingham. We marked the tenth anniversary of our highly regarded **Moving Parts** season with a series of new commissions: *The Red Thread* with the David Glass Ensemble, and work from Birmingham based Nahid Siddiqui and Company, Stan's Café and Chitra Bolar. **mac** Productions celebrated the festival with an entirely new promenade production entitled *The Blue Zone*, written by Chris O'Connell and created with our colleagues from Birmingham Royal Ballet and Frantic Assembly.

The company was able to invest for the future. Our partnership with other city venues in commissioning a new city-wide Box office system will, when the system is fully implemented in autumn 2001, see significant enhancements in our service to the public, the capacity to offer ticket sales on-line and much improved audience development capability.

We moved forward on our building development aspirations, securing partnerships with the City Council, our neighbours in the Cannon Hill area, and our artistic partners across the city, region and beyond. The support of Birmingham City Council and West Midlands Arts has been especially strong and very much appreciated. With our partners Sampad (South Asian Arts Development Agency), an application has been submitted to the Arts Council of England under their new Capital Lottery programme and a grant to enable the development of detailed plans agreed.

We were delighted to see our partnership with the City Council in launching **artSites** move a major step forward. **artSites** has achieved much in its four years of developing local cultural centres in partnerships with schools, community leisure services and local people. Now **artSites** is to become independent, based at **mac** and still very much a partnership with the centre and the City Council.

It was good to see endorsement of **mac's** national role in producing, presenting and touring high quality theatre work for children and young people through the awarding of a significant uplift in funding from the National Theatre review. Although the additional revenue investment does not come on stream until 2003 it enables us to plan for the future with greater confidence.

The year has seen a number of challenges; not least the considerable increase in cinema screens within a four mile radius of **mac**. This has led us to review our cinema programmes, ensuring they are clearly delineated, distinctive and attractive to **mac's** core audiences as well as to new audiences. The continuing increase of screens over the next year or so will continue to challenge us and we are now working much more closely with other regional cultural cinema presenters to research the potential for closer collaboration and economies of scale as well as shared marketing initiatives by the group of cinemas.

Music has also seen a challenge with the arrival of many more informal music venues in the city. We have worked hard to redefine and package **mac's** programmes under the titles *The Music Room* and *Sounds in the Round*. The dreadful summer weather dented our audiences for Sound in the round in 2000 but otherwise musical audiences have built again very healthily.

On behalf of my colleagues on the Board I would like to thank most warmly our regular revenue funders, Birmingham City Council and West Midlands Arts, who have given us constant encouragement and the unstinting support of their expert Officer teams. The support of many Trust funders has proved invaluable once more and the new support provided by sponsors has been most helpful and much appreciated.

With a view to our 40<sup>th</sup> birthday in 2003 we have commenced a **mac Memories** Campaign which has so far focused on making contact with people who established their relationship with the centre in its first decade. We are most fortunate to have a long link with the establishment of the Centre in Alicia (Mollie) Randle. With her late husband, John English, Mollie was the energy and drive which got **mac** built in the early 1960's. She was its first General Manager and much of the inspiration in those founding days. We were all delighted when, in the Queen's birthday honours 2000, Mollie's marvellous contributions, not only to **mac** but also to theatre in the region, were recognised in the awarding of an MBE. Shortly afterwards Mollie celebrated her 90<sup>th</sup> birthday – in style in her wonderful garden she still maintains herself and at a party she personally planned in meticulous detail, as always. In November Mollie decided it was time to take a break and retire from the Board. We were thrilled to dedicate the first performance of **mac's** Christmas show, *Rumpelstiltskin*, to her. Her delight at sharing this performance and the ensuing tea party with a host of young children was a pleasure for us all. Needless to say Mollie remains an ardent supporter and continues to attend most **mac** events.

Finally, on behalf of the Board, I would like to give a big thankyou to all the staff who, during the past year, have worked tirelessly to ensure that our programming is imaginative and rigorous. Together with the many artists with whom we work and whose creativity drives us all their work is recognised not only on the midlands but also nationally, and indeed internationally. Without their heroic team efforts **mac** simply would not be

**mac.**



Anita Bhalla  
**CHAIR**

## **DIRECTORS' AND TRUSTEES' REPORT**

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The Directors present their Annual Report together with the Financial Statements for the year ended 1 April 2001.

### **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

Midlands Arts Centre, a company limited by guarantee and registered as a charity, continued to operate in accord with its charitable objectives by the production, promotion, education in and appreciation of the arts. In doing so it sought to serve the needs of, and provide opportunities for all sections of the community including young people, people with special needs, those culturally disadvantaged and minority groups.

The net outgoing resources for the year amounted to £81,077 (2000 net outgoing £26,393) and the movement on general, designated and restricted funds is shown on page 7.

A full review of the financial performance for the year and of future prospects is set out in the Chair's Report on pages 2 and 3.

### **DIRECTORS**

During the year under review, the following individuals served on the Board of Directors:

Viv Astling  
Anita Bhalla (Chair)  
Claire Cochrane  
Rod Dungate  
Nicola Hart  
Andrew Howell  
David Hull  
Lydia Kan  
Mary Martin  
Robert Moggridge Lowe  
Bryan Nott  
Alicia Randle (Resigned 28 November 2000)  
John Smith

Anita Bhalla, Rod Dungate and John Smith retired by rotation at the AGM on 28 November 2000. All, being eligible, offered themselves for re-election and were duly re-elected to the Board.

The company maintains an indemnity insurance for its directors and officers.


## **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **BY ORDER OF THE BOARD**



Jacqueline Booth  
**SECRETARY**

24 July 2001

## **AUDITORS' REPORT TO THE MEMBERS OF MIDLANDS ARTS CENTRE**

We have audited the financial statements on pages 7 to 18, which have been prepared under the historical cost convention and the accounting policies set out on pages 10 and 11.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 4 the directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

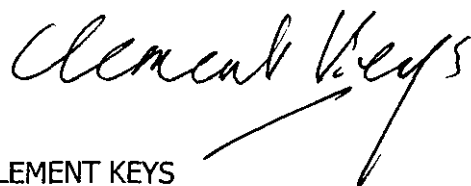
### **BASIS OF OPINION**

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

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

### **OPINION**

In our opinion the financial statements give a true and fair view of the state of the affairs of the company and the group at 1 April 2001 and of the incoming resources and application of funds in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



CLEMENT KEYS  
CHARTERED ACCOUNTANTS AND REGISTERED AUDITOR  
Birmingham  
**24 July 2001**



# **CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES** for the year ended 1 April 2001

	Notes	2001		Restricted	Total	2000 Total
		Unrestricted General £	Designated £	£	£	£
<b>INCOMING RESOURCES</b>						
Income from Arts Activities		687,477	-	-	687,477	773,986
Revenue Grants	2	1,073,291	-	-	1,073,291	1,029,030
Project Grants	3	-	-	162,824	162,824	135,737
Lottery Grants		-	-	8,585	8,585	-
Bank interest		<u>19,069</u>	<u>-</u>	<u>-</u>	<u>19,069</u>	<u>9,648</u>
		1,779,837	-	171,409	1,951,246	1,948,401
<b>TRADING ACTIVITIES</b>						
Income from trading activities	4					
Trading income		678,125	-	-	678,125	703,889
Bank interest		2,763	-	-	2,763	4,096
Trading expenditure		<u>(558,234)</u>	<u>-</u>	<u>-</u>	<u>(558,234)</u>	<u>(564,931)</u>
Net trading income		122,654	-	-	122,654	143,054
<b>Total incoming resources</b>		<u>1,902,491</u>	<u>-</u>	<u>171,409</u>	<u>2,073,900</u>	<u>2,091,455</u>
<b>RESOURCES USED</b>						
Direct Charitable Expenditure						
Arts Activities		1,155,640	-	-	1,155,640	1,172,949
Promotion and publicity		<u>234,290</u>	<u>-</u>	<u>-</u>	<u>234,290</u>	<u>226,125</u>
		1,389,930	-	-	1,389,930	1,399,074
Other expenditure						
Administration	5	756,462	-	-	756,462	718,774
Lottery project		<u>-</u>	<u>-</u>	<u>8,585</u>	<u>8,585</u>	<u>-</u>
		756,462	-	8,585	765,047	718,774
<b>Total resources expended</b>	6	<u>2,146,392</u>	<u>-</u>	<u>8,585</u>	<u>2,154,977</u>	<u>2,117,848</u>
Net (outgoing)/incoming resources before transfers		(243,901)	-	162,824	(81,077)	(26,393)
Transfers between funds	7	<u>247,816</u>	<u>(4,344)</u>	<u>(243,472)</u>	<u>-</u>	<u>-</u>
Net (outgoing)/incoming resources		3,915	(4,344)	(80,648)	(81,077)	(26,393)
Balance brought forward		<u>92,175</u>	<u>40,170</u>	<u>2,108,675</u>	<u>2,241,020</u>	<u>2,267,413</u>
Balance carried forward		<u>96,090</u>	<u>35,826</u>	<u>2,028,027</u>	<u>2,159,943</u>	<u>2,241,020</u>

All activities of the group are continuing.

The group has no recognised gains and losses other than the surplus above and therefore no separate statement of total recognised gains and losses has been presented.

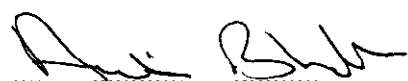
There is no difference between the deficit on ordinary activities and the deficit for the year stated above, and their historical cost equivalents.

# BALANCE SHEET

as at 1 April 2001

	Notes	Consolidated		Company	
		2001	2000	2001	2000
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	8	2,091,000	2,202,173	2,091,000	2,202,173
Investment in subsidiary undertaking	9	-	-	100	100
		<u>2,091,000</u>	<u>2,202,173</u>	<u>2,091,100</u>	<u>2,202,273</u>
<b>CURRENT ASSETS</b>					
Stocks	10	11,715	10,958	-	-
Debtors	11	80,765	79,905	72,715	79,792
Cash at bank and in hand		<u>294,817</u>	<u>322,314</u>	<u>288,275</u>	<u>309,108</u>
		<u>387,297</u>	<u>413,177</u>	<u>360,990</u>	<u>388,900</u>
<b>CREDITORS amounts falling due within one year</b>	12	<u>318,354</u>	<u>374,330</u>	<u>292,147</u>	<u>350,153</u>
<b>NET CURRENT ASSETS</b>		<u>68,943</u>	<u>38,847</u>	<u>68,843</u>	<u>38,747</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,159,943</u>	<u>2,241,020</u>	<u>2,159,943</u>	<u>2,241,020</u>
<b>Represented by:</b>					
<b>RESTRICTED FUNDS</b>	13	2,028,027	2,108,675	2,028,027	2,108,675
<b>UNRESTRICTED FUNDS</b>					
Designated Funds	14	35,826	40,170	35,826	40,170
General Funds		<u>96,090</u>	<u>92,175</u>	<u>96,090</u>	<u>92,175</u>
	15	<u>2,159,943</u>	<u>2,241,020</u>	<u>2,159,943</u>	<u>2,241,020</u>

The financial statements on pages 7 to 18 were approved by the Board of Directors on 24 July 2001 and signed on its behalf by :



**A BHALLA - Chair**

**CONSOLIDATED CASH FLOW STATEMENT**  
for the year ended 1 April 2001

	Notes	2001 £	2000 £
<b>Reconciliation of net incoming resources before transfers to net cash flow from operating activities</b>			
Net incoming resources before transfers		(81,717)	(26,393)
Depreciation charges		163,872	168,188
Net interest		(21,832)	(13,744)
Increase in stock		(757)	13,883
Increase in debtors		(860)	(8,802)
Decrease in creditors		(55,336)	(35,928)
		<hr/>	<hr/>
Net cash inflow from operating activities		3,370	97,204
		<hr/>	<hr/>

**CASH FLOW STATEMENT**

Net cash inflow from operating activities		3,370	97,204
Returns on investments and servicing of finance	16	21,832	13,744
Capital Expenditure	8	(52,699)	(45,959)
		<hr/>	<hr/>
(Decrease)/Increase in cash	18	(27,497)	64,989
		<hr/>	<hr/>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 1 April 2001

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## **1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important policies is set out below.

### **a Basis of accounting**

*mac* prepares its annual financial statements on the historical cost basis of accounting. They are drawn up in accordance with Section 226 of, and Schedule 4 to, the Companies Act 1985, modified to comply with the Statement of Recommended Practice, Accounting by Charities.

### **b Basis of Consolidation**

Consolidated financial statements are based on the accounts of the parent company and of the subsidiary as at the balance sheet date.

### **c Basis of preparing the financial statements - going concern**

The nature of the group's operations is such that it is dependent on annual discretionary grants from Birmingham City Council and West Midlands Arts.

Grants totalling £1,102,322 have been committed by the Birmingham City Council and West Midlands Arts for the period to 31 March 2002.

Based on the recovery plan, the commitment to funding from West Midlands Arts and the indication of support from the Birmingham City Council, the directors believe that it is appropriate to prepare the financial statements on the going concern basis.

### **d Covenant and investment income**

These are included in the financial statements as and when receivable and the amounts shown include taxation recoverable thereon.

**e Depreciation**

Buildings

Amortisation has been provided on leasehold buildings with effect from 2 April 1984 to write off the expenditure over the remaining period of the lease.

Short-term leasehold improvements and fixtures, fittings and equipment

Depreciation is being provided on short-term leasehold improvements and fixtures, fittings and equipment other than computers in equal annual instalments over their estimated working life of 10 years.

Computers

Depreciation on computers is being provided in equal instalments over an estimated working life of 3 years.

**f Capital grants**

Grants and donations received for capital purposes are accounted for as restricted funds and are released to the general fund at the same rate as the amortisation or depreciation of the underlying fixed assets.

**g Stocks**

Stocks are valued at the lower of cost and estimated realisable value.

**h Lease rentals**

Rentals on operating leases are charged in the revenue account as incurred.

**i Pre-production costs**

These are written-off as incurred and are not carried forward to match against production income.

**j Pension costs**

The pension arrangements for eligible employees are administered through a number of schemes, the principal one being the Administrative and Technical Staff in the Arts Pension Scheme. Pension costs are charged in the revenue account so as to spread the cost of pensions over the service lives of employees in the schemes. The pension cost is assessed in accordance with the advice of qualified actuaries. In addition the group contributes in certain circumstances to personal pension schemes, such contributions are charged in the year they are incurred.

## **2. REVENUE GRANTS**

	<b>2001 £</b>	<b>2000 £</b>
West Midlands Arts	439,841	411,030
Birmingham City Council	633,450	618,000
	<u>1,073,291</u>	<u>1,029,030</u>

## **3. PROJECT GRANTS**

	<b>2001 £</b>	<b>2000 £</b>
<b><u>Statutory bodies</u></b>		
West Midlands Arts	21,200	27,700
Birmingham City Council	82,358	68,940
Arts Council	15,150	7,050
	<u>118,708</u>	<u>103,690</u>

### **Non statutory bodies**

Baring Foundation	-	2,982
Baron Davenport Trust	-	1,000
Bryant Trust	15,000	10,000
Cole Trust	-	3,000
Feeney Trust	2,500	-
Charles Henry Gilfoyle Trust	-	1,000
M K Rose	10,000	-
Roughley Trust	-	12,500
Saintbury Trust	10,000	-
Sheldon Trust	-	500
Welconstruct	-	400
British Council	4,068	-
Others	2,548	665
	<u>44,116</u>	<u>32,047</u>

<b><u>Grand Total</u></b>	<u>162,824</u>	<u>135,737</u>
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#### **4. TRADING ACTIVITIES**

The company owns 100% of the share capital of Midlands Arts Centre Trading Limited which provides catering services to the centre. The turnover represents sales to third parties made either directly by Midlands Arts Centre Trading Limited or indirectly through Midlands Arts Centre (2001 - £50,756; 2000 - £58,569).

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Turnover	678,125	703,889
Cost of Sales	(287,195)	(289,532)
Gross Profit	<u>390,930</u>	<u>414,357</u>
Staff Costs	225,845	213,805
Other Operating Costs	45,194	61,594
Operating Surplus	<u>119,891</u>	<u>138,958</u>
Bank Interest Receivable	2,763	4,096
Net Trading Income	<u>122,654</u>	<u>143,054</u>

#### **5. ADMINISTRATION AND OTHER EXPENDITURE**

Administrative expenditure includes:

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration:		
- in respect of audit	4,200	4,875
(Holding Company £3,200; 2000 £3,000		
- for other services	600	500
(Holding Company nil; 2000 nil)		
Hire of fixtures, fittings and equipment	32,635	37,373
Total staff costs:		
Wages and salaries	1,193,966	1,116,913
Social security	60,243	62,036
Pension	44,299	33,450
	<u>1,298,508</u>	<u>1,212,399</u>

The company contributes to a number of pension schemes, the principal one being the Administrative and Technical Staff in the Arts Pension Scheme, which is a national scheme of the defined benefit type.

## **5. ADMINISTRATION AND OTHER EXPENDITURE (continued)**

The average number of employees in the year was as follows:

	2001 Number	2000 Number
Full time	49	48
Part time	122	148
	<hr/> 171	<hr/> 196

## **6. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff Costs £	2001 Other £	Depreciation £	Total £
Direct charitable expenditure				
Arts activities	753,961	401,679	-	1,155,640
Publicity and promotion	105,849	128,441	-	234,290
Other expenditure				
Administration	212,853	379,737	163,872	756,462
	<hr/> 1,072,663	<hr/> 909,857	<hr/> 163,872	<hr/> 2,146,392

	Staff Costs £	2000 Other £	Depreciation £	Total £
Direct charitable expenditure				
Arts activities	715,335	457,614	-	1,172,949
Publicity and promotion	91,879	134,246	-	226,125
Other expenditure				
Administration	191,380	359,206	168,188	718,774
	<hr/> 998,594	<hr/> 951,066	<hr/> 168,188	<hr/> 2,117,848

## **7. TRANSFERS BETWEEN FUNDS**

The transfers represent the transfer of capital grants and donations from restricted funds to the general funds to match the depreciation of related assets; the release of designated funds against depreciation of matching assets and restricted funds to the general fund.



## 8. TANGIBLE FIXED ASSETS

	Leasehold buildings £	Short-term leasehold improvements £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>					
At 2 April 2000	2,368,422	309,533	633,299	156,432	3,467,686
Additions	-	8,115	37,044	7,540	52,699
Disposals	-	(50,670)	(181,067)	(44,856)	(276,593)
At 1 April 2001	2,368,422	266,978	489,276	119,116	3,243,792
<b>Depreciation</b>					
At 2 April 2000	618,434	155,256	383,648	108,175	1,265,513
Charge for year	47,297	28,214	51,656	36,705	163,872
Disposals	-	(50,670)	(181,067)	(44,856)	(276,593)
At 1 April 2001	665,731	132,800	254,237	100,024	1,152,792
<b>Net book values</b>					
At 1 April 2001	1,702,691	134,178	235,039	19,092	2,091,000
At 2 April 2000	1,749,988	154,277	249,651	48,257	2,202,173

The Midlands Arts Centre site, containing all the group's buildings, is held under a long lease expiring in 2037 and is not assignable without the consent of the City of Birmingham.

As at 1 April 2001, the group had no capital projects for which capital grants had been received, but orders not yet placed (2000 Nil).

## 9. INVESTMENT IN SUBSIDIARY UNDERTAKING

The company owns 100% of the issued share capital of Midlands Arts Centre Trading Limited, a company registered in England and Wales, and whose principal activity is the provision of catering services.

## 10. STOCKS

	Consolidated		Company	
	2001 £	2000 £	2001 £	2000 £
Trading Stock	11,715	10,958	-	-
	11,715	10,958	-	-

## **11. DEBTORS**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year:				
VAT reclaimable	-	-	6,277	2,276
ACE lottery grants	8,585	-	8,585	-
Other Debtors	37,545	36,492	23,218	36,491
Prepayments and accrued income	34,635	43,413	34,635	41,025
	<u>80,765</u>	<u>79,905</u>	<u>72,715</u>	<u>79,792</u>

## **12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year:				
Trade Creditors	81,298	174,452	55,210	136,497
Due to subsidiary undertaking	-	-	21,664	38,427
VAT payable	12,148	13,902	-	-
Taxation and social security payable	20,741	20,347	18,925	16,907
Other Creditors	154,184	105,276	149,561	101,665
Accruals and deferred income:				
Other	49,983	60,353	46,787	56,657
	<u>318,354</u>	<u>374,330</u>	<u>292,147</u>	<u>350,153</u>

## **13. RESTRICTED FUNDS (company and group)**

	<b>Capital grants and donations</b>	<b>Project Grants</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 2 April 2000	2,013,091	95,584	2,108,675
Incoming resources (note 3)	-	162,824	162,824
Expenditure and transfer to general fund	(128,394)	(115,078)	(243,472)
At 1 April 2001	<u>1,884,697</u>	<u>143,330</u>	<u>2,028,027</u>

#### **14. DESIGNATED FUNDS (company and group)**

The fund is used to finance depreciation of matched assets and items of development expenditure.

	<b>Capital Fund</b>	<b>Development Fund</b>	<b>Stage 2 Fund</b>	<b>Total £</b>
At 2 April 2000	19,475	10,776	9,919	40,170
Transfer from general fund	-	17,207	-	17,207
Expenditure and transfer to general fund	(9,737)	(10,776)	(1,038)	(21,551)
At 1 April 2001	<u>9,738</u>	<u>17,207</u>	<u>8,881</u>	<u>35,826</u>

#### **15. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 1 April are represented by:				
Tangible fixed assets	196,565	9,738	1,884,697	2,091,000
Current assets	217,879	26,088	143,330	387,297
Current liabilities	(318,354)	-	-	(318,354)
	<u>96,090</u>	<u>35,826</u>	<u>2,028,027</u>	<u>2,159,943</u>

#### **16. RETURNS ON INVESTMENT AND SERVICING OF FINANCE**

	<b>2001 £</b>	<b>2000 £</b>
Interest received	21,832	13,744
Interest net	<u>21,832</u>	<u>13,744</u>

#### **17. INCREASE IN CASH**

	<b>2001 £</b>	<b>2000 £</b>
Balance at beginning of year	322,314	257,325
Net cash (outflow)/inflow (note 18)	(27,497)	64,989
Balance at end of year	<u>294,817</u>	<u>322,314</u>

## **18. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	£
Increase in cash during year- being change in net debt	(27,497)
Net funds at 2 April 2000	322,314
Net funds at 1 April 2001	<u>294,817</u>

### **Analysis of changes in net funds**

	At 2 April 2000 £	Cash Flows £	At 1 April 2001 £
Cash at bank	322,314	(27,497)	294,817
	<u>322,314</u>	<u>(27,497)</u>	<u>294,817</u>

## **19. LEASE COMMITMENTS**

	2001 £	2000 £
Annual commitments under operating leases for office equipment expiring		
Within one year	-	-
Two to five years inclusive	32,000	31,562
Over five years	-	-
	<u>32,000</u>	<u>31,562</u>

## **20. TAX STATUS**

**mac** is a charity (Charity number 528979) under the provisions of the Income and Corporation Taxes Act 1988.