

Signed

COMMUNITY ARTS NORTH WEST LIMITED

(LIMITED BY GUARANTEE)

COMPANY NO. 1400213

CHARITY NO. 277135

REPORT AND ACCOUNTS

YEAR ENDED 31ST MARCH 2005



COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

DIRECTORS' AND TRUSTEES' REPORT

YEAR ENDED 31ST MARCH 2005

Status

Community Arts North West Limited is a company Limited by guarantee and registered under the Companies Act 1985, registration number 1400213. It is a registered charity, charity number 277135.

Activities and objects

The company was established to improve the conditions of life in local communities in the North West of England by encouraging inhabitants to participate fully in a wide range of creative artistic activities with the assistance of the company acting in association with local authorities and voluntary groups.

Organisation

The charity is governed by its Council which consists of not less than two and not more than fifteen Trustee members.

The Council is responsible for formulating the strategy for the charity including the approval of budgets and the exercising of financial controls through regular financial reporting.

Directors

The directors during the year were:

T. Adesanya	M. Hood
S. Bowen	J. Johnson
H. Caplan	T. Patel
R. Finlayson - Secretary	D. Peters
S. Fletcher - Chair	P. Williams
M. Hazelhurst - Treasurer	

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 or loss of the company for that period. 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;
- 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.

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

DIRECTORS' AND TRUSTEES' REPORT

YEAR ENDED 31ST MARCH 2005

continued

Risks

The directors have identified the risks that the charity may be exposed to in the next financial year and have established strategies to mitigate those risks.

Financial results and Reserves

Income has increased to £414,516 (2004 - £239,499)

Expenditure has increased to £371,319 (2004 - £207,443)

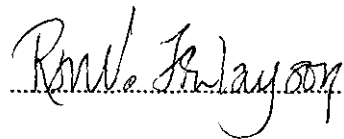
Net Incoming/(Outgoing) Resources for the year are £43,197 (2004 - £32,056)

Unrestricted funds not invested in fixed assets are £26,994 and the directors consider this level appropriate to the charity's current needs for the effective financial management of its activities at their present level.

Auditors

The auditors, De La Wyche Travis & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

..... R Finlayson

BY ORDER OF THE BOARD

6 December 2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

We have audited the financial statements of Community Arts North West Limited for the year ended 31st March 2005 on pages 2 to 8. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 4.

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

Respective responsibilities of directors and auditors

As described in the Directors' Report, the directors who also act as trustees for the charitable activities of the company are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

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

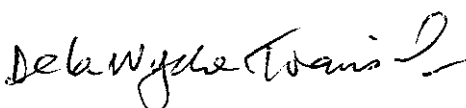
Basis of opinion

We conducted our audit in accordance with United Kingdom 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 affairs of the charity as at 31st March 2005 and of its incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



DE LA WYCHE TRAVIS & CO.
Registered Auditors
Chartered Accountants
161 Slade Lane
Manchester
M19 2AF

7 December 2005

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

STATEMENT OF FINANCIAL ACTIVITIES (including INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST MARCH 2005

	Notes	Unrestricted Funds £	Restricted Funds £	2005 £	2004 £
Incoming resources					
Donations and similar income		102,802	-	102,802	87,130
Activities to further the charity's objects:					
Capital grants	3	-	3,468	3,468	30,249
Other revenue grants & fees	4	-	304,472	304,472	121,330
Other income		3,774	-	3,774	790
Total incoming resources		<u>106,576</u>	<u>307,940</u>	<u>414,516</u>	<u>239,499</u>
Resources expended					
Costs of generating funds					
Advertising		329	-	329	500
Charitable expenditure					
Cost of activities in furtherance of the charity's objects	5	82,385	286,299	368,684	204,257
Management & administration	6	2,306	-	2,306	2,686
Total resources expended		<u>85,020</u>	<u>286,299</u>	<u>371,319</u>	<u>207,443</u>
Net income for the year		21,556	21,641	43,197	32,056
Transfers between funds		-	-	-	-
Net movement in funds		<u>21,556</u>	<u>21,641</u>	<u>43,197</u>	<u>32,056</u>
Funds brought forward at 1st April 2004		7,006	64,357	71,363	39,307
Funds carried forward at 31st March 2005		<u>28,562</u>	<u>85,998</u>	<u>114,560</u>	<u>71,363</u>

The notes on pages 4 to 8 form part of these accounts.

COMMUNITY ARTS NORTH WEST LIMITED

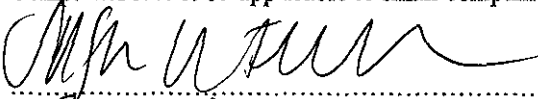
CHARITY NO. 277135

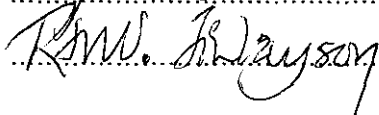
BALANCE SHEET AS AT 31ST MARCH 2005

	Notes	£	<u>2005</u>	£	£	<u>2004</u>	£
Fixed assets							
Tangible fixed assets	8			33,183			36,664
Current assets							
Debtors	9	70,730			3,357		
Cash at Bank		64,638			33,266		
Cash in Hand		41			238		
			135,409		36,861		
Creditors: Amounts falling due within one year	10	54,032			2,162		
Net current assets				81,377			34,699
Net assets				<u>£ 114,560</u>			<u>£ 71,363</u>
Represented by							
Unrestricted Funds				28,562			7,006
Restricted Funds	12			85,998			64,357
				<u>£ 114,560</u>			<u>£ 71,363</u>

The notes on pages 4 to 8 form part of these financial statements.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board of directors on 6 December 2005

.....S Fletcher

.....R Finlayson

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2005

1. Accounting policies

a) Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in October 2000.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

b) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their expected useful lives as follows.

Furniture and Equipment - 25% straight line

c) Taxation

The company is not liable to taxation as it is a registered charity.

d) Income

Grants are reflected in the accounts when receivable. Donations are reflected in the accounts when received.

In addition monies received for specific purposes are set aside as "restricted funds".

Unrestricted funds are donations and other income received for the objects of the charity. They are available as general funds.

Designated funds are unrestricted funds marked by the Board for a particular purpose.

e) Expenditure

All expenditure other than that capitalised has been reflected in the income and expenditure account on an accruals basis.

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

f) Grants

Grants represent the amount receivable from funding bodies for the year.

Grants received towards the cost of acquiring a fixed asset have been credited to a restricted fund against which the depreciation of the relevant fixed asset is charged.

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2005

continued

		<u>2005</u>	<u>2004</u>
	£	£	£
2. Donations and similar income			
Arts Council England (ACE)		51,583	45,720
Manchester City Council (MCC)		41,410	41,410
The Baring Foundation			
	23,542		
Less deferred	(13,733)		
		9,809	-
		<u>102,802</u>	<u>87,130</u>
3. Capital grants			
ACE - RALP		3,468	20,009
BBC Children in Need		-	5,000
Community Foundation		-	5,240
		<u>3,468</u>	<u>30,249</u>
4. Other revenue grants and fees			
MCC		159,993	31,131
ACE			
	58,599		
Less deferred	(21,000)		
		37,599	54,584
National Youth music		49,200	-
Community chest		14,810	12,165
Lloyds TSB		10,000	-
Other Project Income			
	38,412		
Less deferred	(7,000)		
		31,412	23,450
The Baring Foundation		1,458	-
		<u>304,472</u>	<u>121,330</u>

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2005

continued

5. Cost of activities in furtherance of the charity's objects	<u>2005</u> £	<u>2004</u> £
Production of cultural community work:		
Staff Costs	166,890	102,710
Transport & Travel	1,717	2,107
Project Costs	147,156	57,392
Equipment & Depreciation	17,824	14,263
Printing, Postage, Stationery	4,078	1,865
Telephone & Internet	2,350	3,077
Training	(165)	629
Rent, Rates, Heat & Light	20,946	13,837
Repairs & Maintenance	1,641	2,102
Insurance	6,247	6,275
	<u>368,684</u>	<u>204,257</u>

6. Management and administration

Audit	1,998	1,880
Bank charges	308	244
Professional Fees	-	-
Sundry	-	562
	<u>2,306</u>	<u>2,686</u>

7. Directors and staff costs

The directors did not receive any remuneration during the year. The average number of employees was 6 (2004 - 5).

	<u>2005</u> £	<u>2004</u> £
Wages & Salaries	104,368	84,415
Social Security Costs	9,874	7,647
Freelance Workers	52,648	10,648
	<u>166,890</u>	<u>102,710</u>

No employee earned £50,000 per annum or more.

COMMUNITY ARTS NORTH WEST LIMITED

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NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2005

continued

8. Tangible fixed assets

	<u>Office Equipment £</u>
Cost	
At 1st April 2004	57,776
Additions	14,343

At 31st March 2005	72,119

Depreciation	
At 1st April 2004	21,112
Charge	17,824

At 31st March 2005	38,936

Net Book Values	
At 31st March 2005	33,183
	=====
At 31st March 2004	36,664
	=====

9. Debtors

	<u>2005 £</u>	<u>2004 £</u>
Due within one year:		
Prepayments	486	486
Grants and Fees	70,244	2,871
	-----	-----
	70,730	3,357
	=====	=====

10. Creditors

Due within one year:		
Social Security and Other Taxes	4,065	408
Accruals	1,754	1,754
Trade Creditors	6,480	-
Deferred Income	41,733	-
	-----	-----
	54,032	2,162
	=====	=====

Deferred income represents grants received in advance for 2005/2006

COMMUNITY ARTS NORTH WEST LIMITED

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NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2005

continued

11. Share capital

The company is limited by guarantee and does not have a share capital. The liability of each member is limited to £1.

12. Restricted funds

	Balance at <u>1 April 2004</u>	<u>Income</u>	<u>Expenditure</u>	Balance at <u>31 March 2005</u>
	£	£	£	£
Cultural Diversity	-	134,993	132,776	2,217
Creative Arts Network	-	10,000	10,000	-
Youth Music	-	49,612	29,940	19,672
Digital	-	9,950	4,566	5,384
Now We Talkin	23,715	22,000	43,064	2,651
Refugee Work	185	60,598	34,560	26,223
Other Funds	1,300	10,319	8,919	2,700
Capital Equipment	39,157	3,468	15,474	27,151
Naked Sub Culture	-	7,000	7,000	-
	<u>64,357</u>	<u>307,940</u>	<u>286,299</u>	<u>85,998</u>

13. Analysis of net assets between funds

	<u>Fixed Assets</u>	<u>Net Current Assets</u>	<u>Total</u>
	£	£	£
Restricted Funds:			
Cultural Diversity	2,217	-	2,217
Creative Arts Network	-	-	-
Youth Music	2,570	17,102	19,672
Digital	-	5,384	5,384
Now We Talking	-	2,651	2,651
Refugee Work	697	25,526	26,223
Other Funds	-	2,700	2,700
Naked Sub Culture	-	-	-
Capital Equipment	26,131	1,020	27,151
	<u>31,615</u>	<u>54,383</u>	<u>85,998</u>
Unrestricted Funds	<u>1,568</u>	<u>26,994</u>	<u>28,562</u>
Total	<u>33,183</u>	<u>81,377</u>	<u>114,560</u>