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COMMUNITY ARTS NORTH WEST LTD
(LIMITED BY GUARANTEE)

COMPANY NO. 1400213

CHARITY NO 277135

REPORT AND ACCOUNTS

YEAR ENDED 31ST MARCH 2007

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COMMUNITY ARTS NORTH WEST LTD
CHARITY NO 277135
DIRECTORS' AND TRUSTEES' REPORT
YEAR ENDED 31ST MARCH 2007

Structure and Governance

Status

Community Arts North West Limited (CAN) is a company limited by guarantee and registered under the Companies Act 1985, registration number 1400213. Its activities are governed by memorandum and articles of association given at Companies House, Cardiff on 2nd November 1978. It is a registered charity, charity number 277135. The registered office of the company is Green Fish Resource Centre, 46-50 Oldham Street, Manchester, M4 1LE.

Directors

The directors during the year were

T Adesanya
S Bowen (resigned – 16 8 06)
H Caplan
R Finlayson – Secretary
S Fletcher – Chair
A Harris – Treasurer
M Hazlehurst
M Hood (resigned – 18 12 06)
J Johnson
T Patel
D Peters
J Watson

The directors are trustees of Community Arts North West and receive no remuneration for their services.

The policy of Community Arts North West Ltd is to advertise for new directors and appoint according to criteria set down in a job description and person specification.

The directors have the power of appointing new directors at quarterly management committee meetings. New directors are then confirmed in their posts at the next annual general meeting. Directors retire after three years' service at the annual general meeting and may stand for re-election at that meeting. Directors receive a written induction which contains a summary of their legal status and responsibilities, CAN's memorandum and articles of association and the most recent business plan and annual report, including audited accounts. CAN promotes retreat days for the management committee from time to time to highlight issues associated with the induction and training of management committee members.

Directors delegate operational management of CAN to the Chief Executive, monitoring activity quarterly at management committee meetings, and undertaking line-management of the Chief Executive. The trustees reserve the right to make long-term strategic decisions, concerning the mission, aims and objectives of the company.

Statement of the review of risks

The company receives the majority of its income as grants from public bodies, trusts and foundations, and aims to secure resources for activity planned over three years on specific projects. Expenditure directly related to project work is authorised only after income streams are confirmed, although each project contributes towards core activity, principally core salaries and accommodation costs.

The reserves policy has been established to ensure that the company can undertake its core activities for thirteen weeks should all other sources of income cease, covering the redundancy period of non – project funded employees. Expenditure on activity associated with specific projects, including the employment and remuneration of project workers is only authorised under conditions where the funding for that project has been confirmed by the funding body.

COMMUNITY ARTS NORTH WEST LTD
CHARITY NO. 277135
DIRECTORS' AND TRUSTEES' REPORT
YEAR ENDED 31ST MARCH 2007
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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 artists, local authorities and voluntary groups

CAN's mission states that it 'is passionate about supporting diverse communities and artists in Greater Manchester to develop high, quality, meaningful participatory arts projects' Working in partnership with communities, artists, cultural agencies and the voluntary sector, the company encourages, develops, produces and promotes cultural programmes of work by people who are excluded or on the fringes of mainstream society This activity aims to promote creativity, self-expression, self confidence within participants and promote social cohesiveness

Principal aims for 2006-7 were

- To engage with people from refugee and asylum-seeker communities,
- To engage with young people from a diverse range of backgrounds,
- To offer capacity-building opportunities and training to artists, communities and groups engaged in participatory arts activities

CAN's strategy to undertake this work was based on the continuation of existing programmes of work, principally

- Exodus – a programme of work that gives opportunities for self-expression and creativity for refugees and asylum-seekers
- The Toolkit – CAN's information and training service

CAN also planned to instigate and run a new project, the Urban Music Theatre programme, which would build on existing good practice established on previous projects to work with young people under the age of 25, recruited from indigenous black and minority ethnic (BME) communities and also young refugee and asylum-seekers

Achievements and Performance

2006-7 was an exciting and fulfilling year for CAN, during which we ran 461 participatory workshop sessions and 45 professional training sessions for a total of 3,600 people We commissioned 20 artists, and produced 15 performances seen by an audience of 7,034

Exodus

This was the second full year of Exodus – our ground-breaking programme that develops and promotes the cultural production of Manchester's refugee and asylum-seeker communities Key events during the year were

- The second Exodus Festival in Hulme park in June, where approximately 5,000 people were entertained by 230 artists from many refugee and asylum-seeker groups and were offered the best in national cuisine from New Migrant communities
- Exodus Onstage – a major platform for both professionally-developed and participatory performance which took place in mainstream venues across Greater Manchester in November, performing to sold-out audiences
- Exodus Shorts – a second evening of films at The Cornerhouse
- Exodus Training Programme – designed to develop workshop leadership skills amongst refugee artists Five artists successfully completed the course and have gone on to find work within the sector
- Exodus in Greater Manchester – a pilot programme which has begun to engage the many new migrants that have been dispersed throughout the County Activity was concentrated on working with partners in Bolton and Wigan, leading to performances by participants from both communities in Exodus Onstage
- Exodus Live – a further evening of music at the Life Café

Exodus continues to be a platform that encourages integration and cohesion, as indigenous communities make contact and share artistic activity with refugees and asylum-seekers, promoting mutual understanding and the sharing of ideas and of work The Festival and the Onstage Theatre season have provided a significant platform for New Migrants to show cultural production to the mainstream

We are increasingly able to plan and deliver our services strategically over several years – Exodus has been supported over three years by Arts Council England North West, allowing the project to evolve and mature

COMMUNITY ARTS NORTH WEST LTD
CHARITY NO 277135
DIRECTORS' AND TRUSTEES' REPORT
YEAR ENDED 31ST MARCH 2007
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Urban Music Theatre

We are also fortunate to have secured three-year funding to deliver a second major project – Urban Music Theatre, which is generously supported by The Big Lottery and the Paul Hamlyn Foundation. In its first year, Urban Music Theatre has worked with young people from across Greater Manchester to produce the first of three original music theatre productions.

This programme, developed from CAN's Youth Music programme gave the opportunity for young people from indigenous marginalised communities and New Migrant communities to integrate and work together to develop performance across five art-forms: drama, music, street and African dance, and digital art.

Specific art-forms were targeted because of their popularity with young people, particularly from BME communities with which CAN works, and the resulting workshops and rehearsals were enthusiastically and well-attended.

Working closely with skilled practitioners in these areas, 320 young people aged between 6 and 28 years developed new skills, gained confidence and devised a show that integrated work in all art forms.

Practitioners across the five art forms worked with participants over four months to produce an integrated and cohesive performance piece. The resulting show *These City Streets* was performed as part of *Exodus Onstage* to packed houses in early December. *These City Streets* narrated the story of two unaccompanied young people who arrive from West Africa and their experiences within the first 72 hours of being in a new city.

Working across art forms, UMT continues to engage with people from Manchester's indigenous and New Migrant communities, promoting creativity, confidence, integration and mutual respect.

The Toolkit

In 2006-7 this service continued to provide access to the Toolkit website and an extensive and very popular capacity-building Toolkit Training programme which is free to attend. The service fulfils an important role within Manchester's cultural landscape, providing a gateway between people from grass-roots communities and mainstream cultural providers, as well as providing a comprehensive professional development package of support to new and emerging artists. The service attracted 2,338 subscribers to its website, undertook 16 training sessions for a total of 156 artists, and ran one-to-one consultancy sessions for 513 people during the year.

Other Services

CAN's digital arts laboratory proved to be a valuable resource for the above projects, permitting training and participation in digital arts production to become an important strand of CAN's work during the year.

CAN's Arts Development Manager, funded through Neighbourhood Renewal, continued to support a range of culturally diverse organisations to access funding and opportunities.

Plans for Future Periods

In 2007-8 CAN aims to continue its work with participants who are excluded, or on the fringes of mainstream society. To this end we plan to:

- Undertake cultural production with participants from refugee and asylum-seeker communities in the third and final year of *Exodus*,
- Continue to develop the talents and creativity of young people during the second year of the Urban Music Theatre project,
- Continue to provide information, training and capacity-building services through The Toolkit.

COMMUNITY ARTS NORTH WEST LTD
CHARITY NO 277135
DIRECTORS' AND TRUSTEES' REPORT
YEAR ENDED 31ST MARCH 2007
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Key Full- and Part-time Staff

Cilla Baynes – Director and Chief Executive (until December 2006)
Amy Cham – Digital Arts Manager
Mick Chesterfield – Technician
Kuljit ('Kooj') Chuhan – Principal Artistic Manager (from January 2007)
Becky Dibben – Administrative Assistant
Kim Haygarth dxn Coordinating Editor
Ian Marsh Exodus Greater Manchester Artistic Manager
David Martin – General Manager and (from January 2007) Acting Chief Executive
Dot McDonald – Cleaner
Erin McNeaney – Exodus Coordinator
Martin Milner – Exodus Traineeship Coordinator
Dave Morris – Finance Worker
Leon Patel – Exodus Artistic Manager
Adelle Robinson – Toolkit Information Worker
Sue Robinson – Artsnet Coordinator
Duncan Sackey – dxn Editor
Faye Salisbury – Arts Development Manager
Sarah Sayeed – Exodus Greater Manchester Artistic Manager
Paul Williams – Administrative Assistant
Yaz Yaqub – Artistic Manger

CAN would like to thank all of its funders, particularly Arts Council England North West and Manchester City Council who continue to demonstrate their belief in the importance of supporting the arts of communities

Financial results and Reserves

Income has increased to £683,575 (2006 - £503,021)
Expenditure has increased to £627,667 (2006 - £509,567)
Net Incoming/(Outgoing) Resources for the year are £55,908 (2006 - £(6,546))
Unrestricted funds not invested in fixed assets are £47,976 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

Statement of disclosure of information to auditors

So far as each director at the date of approval of this report is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

COMMUNITY ARTS NORTH WEST LTD
CHARITY NO 277135
DIRECTORS' AND TRUSTEES' REPORT
YEAR ENDED 31ST MARCH 2007
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Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

The trustees are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources of the charity for that period In preparing these financial statements, the trustees are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK 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 charity will continue in business

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
COMMUNITY ARTS NORTH WEST LTD
CHARITY NO. 277135

We have audited the financial statements of Community Arts North West Ltd for the year ended 31st March 2007 on pages 7 to 13. These financial statements have been prepared under the accounting policies set out on page 9.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also directors of Community Arts North West Ltd for the purposes of company law) responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

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

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

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Trustees' 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 International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs at 31st March 2007 and of its incoming resources and application of resources, including its income and expenditure in the year then ended,
- the financial statements have been properly prepared in accordance with the provisions of the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements.

De la Wyche Travis

DE LA WYCHE TRAVIS & CO
Registered Auditors
Chartered Accountants
27 September 2007

Crown House
Trafford Park Road
Manchester M17 1HG

COMMUNITY ARTS NORTH WEST LTD
CHARITY NO 277135
STATEMENT OF FINANCIAL ACTIVITIES (including INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2007

	Notes	Unrestricted Funds £	Restricted Funds £	2007 £	2006 £
Incoming resources					
Incoming resources from					
Generated funds					
<i>Voluntary income</i>					
Donations and grants	2	148,083	-	148,083	133,294
<i>Activities for generating funds</i>					
Other income	3	1,290	-	1,290	1,645
Bank interest		2,356	-	2,356	1,385
Incoming resources from					
Charitable activities.					
Capital grants	4	-	2,266	2,266	2,677
Other revenue grants & fees	5	-	520,937	520,937	362,020
Other income	6	-	8,643	8,643	2,000
Total incoming resources		151,729	531,846	683,575	503,021
Resources expended					
Charitable activities	7	149,119	476,279	625,398	507,435
Governance costs	8	2,269	-	2,269	2,132
Total resources expended		151,388	476,279	627,667	509,567
Net income/(expenditure) for the year		341	55,567	55,908	(6,546)
Transfers between funds		-	-	-	-
Net movement in funds		341	55,567	55,908	(6,546)
Funds brought forward at 1st April 2006		52,513	55,501	108,014	114,560
Funds carried forward at 31st March 2007		52,854	111,068	163,922	108,014

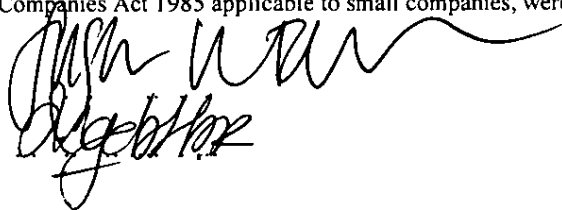
The notes on pages 9 to 13 form part of these accounts

COMMUNITY ARTS NORTH WEST LTD
CHARITY NO 277135
BALANCE SHEET AS AT 31ST MARCH 2007

	Notes	£	2007	£	£	2006	£
Fixed assets							
Tangible fixed assets	10			11,514			19,427
Current assets							
Debtors	11	69,176			97,223		
Cash at Bank		119,104			161,013		
Cash in Hand		298			23		
		-----			-----		
		188,578			258,259		
Creditors							
Amounts falling due within one year	12	36,170			169,672		
		-----			-----		
Net current assets				152,408			88,587
				-----			-----
Net assets				£ 163,922			£ 108,014
				=====			=====
Represented by							
Unrestricted Funds				52,854			52,513
Restricted Funds	14			111,068			55,501
				-----			-----
				£ 163,922			£ 108,014
				=====			=====

The notes on pages 9 to 13 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 26/9/2007



COMMUNITY ARTS NORTH WEST LTD
CHARITY NO 277135
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 2007

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 Standards for Smaller Entities, the Companies Act 1985 and follow the recommendations in Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005

b) **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes The aim and use of each designated fund is set out in the notes to the financial statements

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes The cost of raising and administering such funds are charged against the specific fund The aim and use of each restricted fund is set out in the notes to the financial statements

c) **Incoming Resources**

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

d) **Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category

e) **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

f) **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

g) **Taxation**

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

COMMUNITY ARTS NORTH WEST LTD

CHARITY NO 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2007

Continued

	Deferred Amount B/fwd £	Received £	Deferred Amount C/fwd £	2007 Total £	2006 Total £
2 Donations and grants					
Arts Council England (ACE)	-	80,000	-	80,000	67,518
Manchester City Council (MCC)	-	43,083	-	43,083	42,234
The Baring Foundation	13,733	25,000	(13,733)	25,000	23,542
	-----	-----	-----	-----	-----
	13,733	148,083	(13,733)	148,083	133,294
	=====	=====	=====	=====	=====
3 Other Income					
Office Rental and Workshops	-	1,290	-	1,290	1,645
	-----	-----	-----	-----	-----
	-	1,290	-	1,290	1,645
	=====	=====	=====	=====	=====
4 Capital Grants					
ACE – RALP	-	2,266	-	2,266	2,677
	-----	-----	-----	-----	-----
	-	2,266	-	2,266	2,677
	=====	=====	=====	=====	=====
5 Other Revenue Grants and Fees					
MCC	69,000	185,920	-	254,920	202,475
ACE	10,000	112,260	(4,500)	117,760	53,140
National Youth Music	-	-	-	-	60,220
Community Chest	3,000	-	-	3,000	9,500
Lloyds TSB	-	-	-	-	5,000
Other Project Income	4,990	30,267	-	35,257	30,227
The Baring Foundation	-	-	-	-	1,458
The Lankelly Chase Foundation	20,000	-	-	20,000	-
The Paul Hamlyn Foundation	30,000	10,000	-	40,000	-
The Big Lottery	-	50,000	-	50,000	-
Tameside MBC	-	5,000	(5,000)	-	-
	-----	-----	-----	-----	-----
	136,990	393,447	(9,500)	520,937	362,020
	=====	=====	=====	=====	=====
6 Other Income					
Ancillary Project Income - Advertising, Stall Rent etc	-	8,643	-	8,643	2,000
	-----	-----	-----	-----	-----
	-	8,643	-	8,643	2,000
	=====	=====	=====	=====	=====

COMMUNITY ARTS NORTH WEST LTD
CHARITY NO. 277135
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 2007
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7 Charitable Activities	<u>2007</u> £	<u>2006</u> £
Production of cultural community work		
Staff Costs	265,702	265,166
Transport & Travel	2,150	2,814
Project Costs	284,017	175,788
Equipment & Depreciation	14,865	19,174
Printing, Postage, Stationery	8,600	6,184
Telephone & Internet	2,291	1,648
Training	1,755	1,115
Rent, Rates, Heat & Light	32,710	26,946
Repairs & Maintenance	2,708	1,696
Insurance	10,600	6,904
	-----	-----
	625,398	507,435
	=====	=====

8 Governance Costs

Audit	2,115	1,998
Bank charges	154	134
	-----	-----
	2,269	2,132
	=====	=====

9 Directors and staff costs

The directors did not receive any remuneration during the year The average number of employees was 10(2006 - 11)

	<u>2007</u> £	<u>2006</u> £
Wages & Salaries	190,271	198,372
Social Security Costs	18,138	18,851
Freelance Workers	53,733	46,190
Recruitment	3,560	1,753
	-----	-----
	265,702	265,166
	=====	=====

No employee earned £60,000 per annum or more

COMMUNITY ARTS NORTH WEST LTD
CHARITY NO. 277135
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 2007
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10 Tangible fixed assets

	<u>Equipment</u> £
Cost	
At 1st April 2006	77,537
Additions	6,952

At 31st March 2007	84,489

Depreciation	
At 1st April 2006	58,110
Charge	14,865

At 31st March 2007	72,975

Net Book Values	
At 31st March 2007	11,514
	=====
At 31st March 2006	19,427
	=====

11. Debtors

	<u>2007</u> £	<u>2006</u> £
Due within one year		
Prepayments	1,058	572
Grants and Fees	68,118	96,651
	-----	-----
	69,716	97,223
	=====	=====

12. Creditors

Due within one year		
Social Security and Other Taxes	5,516	4,709
Accruals	1,754	1,754
Trade Creditors	5,667	12,486
Deferred Income	23,233	150,723
	-----	-----
	36,170	169,672
	=====	=====

Deferred income represents grants received in advance for 2007/2008

COMMUNITY ARTS NORTH WEST LTD
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NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 2007
Continued

13. Share capital

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

14 Restricted funds

	Balance at 1 April 2006	Income	Expenditure	Balance at 31 March 2007
	£	£	£	£
Cultural Diversity	-	194,450	(189,656)	4,794
Arts Net	-	19,344	(14,207)	5,137
Youth Music	3,329	-	(1,300)	2,029
Digital	6,579	4,950	(7,582)	3,947
Urban Music Theatre	1,826	90,000	(66,431)	25,395
Exodus	25,897	178,011	(155,598)	48,310
Other Funds	-	9,293	(9,349)	(56)
Capital Equipment	17,137	2,266	(12,767)	6,636
Tool Kit	733	33,532	(19,389)	14,876
	-----	-----	-----	-----
	55,501	531,846	(476,279)	111,068
	=====	=====	=====	=====

The balance on the capital equipment fund is represented by tangible fixed assets.

15 Analysis of net assets between funds

	Fixed Assets	Net Current Assets	Total
	£	£	£
Restricted Funds	6,636	104,432	111,068
Unrestricted Funds	4,878	47,976	52,854
	-----	-----	-----
Total	11,514	152,408	163,922
	=====	=====	=====