

Signed

Community Arts North West Ltd



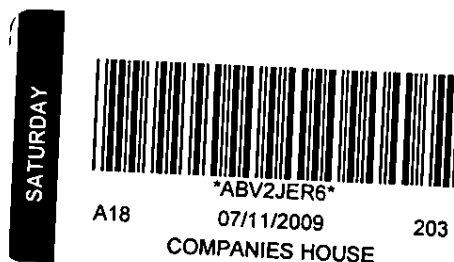
COMPANY LIMITED
BY GUARANTEE
REGISTRATION NO: 1400213
CHARITY REGISTRATION NO: 277135

Annual Report

And

Financial Statements

For the year ended 31 March 2009



COMMUNITY ARTS NORTH WEST LTD
DIRECTORS' AND TRUSTEES' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

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TRUSTEES AND DIRECTORS

S. Fletcher – Chair
A. Harris – Treasurer
T. Adesanya
H. Caplan (deceased December 2008)
M. Cunningham (from 23/3/2009)
S. Domville
R. Finlayson
M. Hazlehurst
Y. Hepburn-Foster (from 29/7/2008)
J. Johnson (retired 26/9/2007)
L. Manfredi
T. Patel
G. Thiara (from 26/1/2009)
J. Wallace (from 12/5/2008)
J. Waters (from 23/3/2009)

SECRETARY

Dr. A. D. Martin

REGISTERED OFFICE

Greenfish Resource Centre
46-50 Oldham Street
Manchester
M4 1LE

AUDITORS

Chittenden Horley Limited
Chartered Accountants and Registered Auditors
456 Chester Road
Old Trafford
Manchester M16 9HD

BANKERS

Cooperative Bank plc
1 Balloon Street
Manchester
M60 4EP

SOLICITORS

Rowlands LLP
3 York Street
Manchester
M2 2RW

OTHER KEY PEOPLE

Director and Chief Executive
General Manager

P. L. Baynes
A. D. Martin

The Directors and Trustees present their report for the year ended 31 March 2009

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 its memorandum and articles of association given at Companies House, Cardiff on 2 November 1978, incorporated 16 November 1978, as amended 16 November 1979 and 9 July 1980.

It is a registered charity, charity number 277135, registered 19 August 1980.

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

Membership of Community Arts North West

Membership of Community Arts North West comprises its employees, regularly-contracted freelance artists, and other people who have an interest in the aims and objectives of the Company. Membership is open to such persons that the Directors admit to the company. The current membership of Community Arts North West is 97 persons. Membership of the company may be terminated through a member giving notice in writing that he or she resigns, or upon a two-thirds majority of the Directors giving him or her notice requiring him or her to resign, or upon death, becoming of unsound mind, or bankrupt.

Appointment of Directors

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. Directors may only be appointed from the membership of Community Arts North West.

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 year's 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.

The Board of Trustees usually meets four times per year.

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.

Death of Helen Caplan

The trustees were saddened to hear of the death in December 2008 of Helen Caplan, who had been a valued member of the Board of Trustees since April 1 1997. Helen had been a highly active member of the Board and her advice on a range of issues was a very welcome contribution. Her work in championing the rights and conditions of people with disabilities is remembered with great affection and she will be sadly missed. The trustees would like to take the opportunity to pass their sincere condolences to Helen's husband Robert.

Statement of the review of risks

The charity 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. This risk is mitigated by application of the charity's reserves policy (see page 8).

The charity is highly reliant on the continuing support of grant-awarding bodies and trusts and foundations and is aware that this funding may suffer a downturn in light of the current economic crisis. Although a significant proportion of income is assured until March 2011, the charity is attempting to mitigate this risk by maximising its potential to find new sources of income. From April 2008, the post of the Arts Development Manager, who is responsible for identifying and obtaining funding for specific projects was financed from core, revenue-funded income streams, rather than short-term project-based funding, maximising the possibility that her expertise remains with the charity.

The charity is highly dependent on the skills and expertise of a small number of senior staff, so that the departure of senior staff would present difficulties for the charity. The charity aims to mitigate this risk by a formal system of appraisal of all staff, identifying their professional wants and needs. It also undertook a review to keep salaries competitive within the participatory arts sector in May 2009.

The charity is aware that public perception of its services is becoming highly identified with the provision of resources exclusively to refugees and asylum-seekers. It will aim to diversify its programme of activity, to include new beneficiaries, initially within integration projects, and also by developing new strands of work from April 2010.

The charity is aware that the future of current revenue streams is uncertain after March 2011. It is aware that funding priorities may change after the next general election, which will happen during the next twelve months; that the general economic downturn is likely to lead to a reduction in public expenditure, and that the income received by the various trusts and foundations that are its stakeholders is diminishing.

Volunteers

Community Arts North West is grateful to the volunteers who work with the company. In addition to the work undertaken voluntarily by the board of trustees, volunteers work to aid the operational activity of the charity as stewards at events, associate artists on specific projects, performers at events and as general support for within the charity's office, helping with activities such as mail-outs. There were 66 volunteering opportunities in addition to the activity of the board in 2008-9.

Objects and Activities

CAN's 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 current 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 object aims to promote creativity, self-expression, self confidence within participants and promote social cohesiveness.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The charity relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, and charges the trustees give consideration to the accessibility to activities for those on low income.

Analysis of Public Benefit

The types of benefit that these objects promote are to:

- Advance participation in and therefore advance appreciation of beneficiaries in a variety of artistic forms, including drama, dance, music making, crafts and digital arts;

- Provide educational opportunities for beneficiaries through specific training programmes and by participation in artistic activities;
- Facilitate social integration and cohesion by providing opportunities for people from different backgrounds to participate in artistic activities together, fostering a better understanding of each other's cultures.

CAN's activities cause a detrimental effect on the environment, brought about mainly through transportation of people and goods and environmental control of occupying buildings. CAN undertakes to minimise its environmental load as much as possible, primarily through its association with The Ethical Property Company (EPC) who are its landlord. EPC aims to minimise environmental damage caused by its activities. CAN also elects to work within the ten boroughs of Greater Manchester with locally-based practitioners, minimising the environmental impact of transportation.

Programmes of activity are open to the General Public, but beneficiaries of CAN's services are usually resident within the North West Region of England and usually live within the ten boroughs of Greater Manchester.

CAN offers a free service to its beneficiaries and actively seeks to engage with people on the margins of mainstream society (see detail below). Many of these beneficiaries live in poverty and are subject to the stresses and pressures associated with this status.

Specific Aims of the 2008-9 programme

Principal and specific aims for 2008-9 were:

1. To engage in cultural production with people from refugee and asylum-seeker communities;
2. To engage in cultural production with young people from a diverse range of backgrounds;
3. 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:

1. *Exodus* – a programme of work that gives opportunities for self-expression and creativity for refugees and asylum-seekers.
2. The *Urban Music Theatre* Project – a programme of work that engages with young people under the age of 26, to develop and perform an original piece of Music Theatre to an audience of the General Public. This project recruited mainly from young people from Black and Minority Ethnic backgrounds and from young refugees and asylum-seekers.
3. *Artsnet* and *The Toolkit* – CAN's information and training service for practitioners in participatory arts.

Analysis of the Public Benefit of these Specific Aims

1. Refugees and asylum-seekers are amongst the most deprived and marginalised members of our society, with many people expressing feelings of isolation and living either in poverty, or destitution. Beneficiaries from these communities report satisfaction and an increase in self-confidence through their participation in artistic activities. They also report enhanced well-being across a range of social outcomes. These are described in detail below.
2. The *Urban Music Theatre* project has worked with young people recruited from black and minority ethnic communities and with young refugees since 2006. These young people primarily come from areas of Greater Manchester that report the highest indices of multiple deprivation. Their engagement with the participatory arts process has produced three unique multi-art form productions which has advanced their appreciation of cultural production. It has also offered bespoke tuition in skills and techniques associated with specific art forms, advancing education. Beneficiaries have also reported enhanced well-being across a range of social outcomes. These too are reported below.
3. CAN's information and training service is primarily aimed at artists working professionally within the participatory arts sector. It offers free vocational training in areas identified by artists and gives

them an opportunity to improve their skills base. Their enhanced performance is then on offer to beneficiaries of CAN's programme of work and to other companies working regionally and nationally in the field.

Achievements and Performance

In 2008-9 CAN produced 407 sessions of participatory workshops, or training days, with 3,772 attendances. The majority of this work was delivered either as part of the *Exodus* programme, or as part of the *Urban Music Theatre* initiative.

Exodus

The first year of the *Exodus* programme supported by the Big Lottery Reaching Communities fund took place in 2008-9. Highlights of the year were:

- The *Exodus Festival* which took place in Manchester City Centre for the first time at Urbis and Cathedral Gardens on Sunday August 31. Despite the rain, an estimated 7,000 people from both host and refugee communities were entertained by 159 performers and a further 40 people who were involved in stalls and the provision of food. There was an extensive workshop programme with 494 attendances.
- An augmented *Exodus Shorts* programme, supported by North West Vision, with screenings at Cornerhouse, Contact, the Imperial War Museum North and FACT in Liverpool, as well as workshops, master classes and panel talks.
- Two *Exodus Live* world music nights: the first at Contact Theatre was combined with the official launch of the new *Exodus* programme; the second at the School of Sound Recording gave participants the valued opportunity to record their work to a professional standard.
- 21 projects across all 10 boroughs of Greater Manchester, delivering opportunities for refugees and asylum-seekers to engage in the *Exodus* participatory programme. Six of these projects were specifically designed to integrate the artistic activities of refugees and asylum-seekers with members of host communities.
- A series of consultation exercises, where people expressed their view of the priorities and future development of the programme.
- The inception of the *Exodus* Positive Action Programme, specifically targeted at refugee and asylum-seeker women, who had been under-represented in previous strands of the *Exodus* programme. Analysis of participants who engaged with the programme in 2008-9 showed that the proportion of women beneficiaries increased to 50% of the total number of participants.

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.

We were particularly happy to see evidence at both the *Festival* and at *Exodus Live* that the project provided a platform for refugees and asylum-seekers to show cultural production to the mainstream.

It is a condition of our funding with the Big Lottery fund that we proactively monitor specific outcomes of the project. We are therefore able to demonstrate the following outcomes of the first year of the programme:

- 312 refugees or asylum-seekers participated in projects;
- 40 members of host communities participated in projects;
- 168 refugees or asylum-seekers performed in events;
- 222 refugees or asylum-seekers attended consultations, or focus groups;
- 62 refugee artists accessed further employment opportunities;
- 38 refugee or asylum-seeker organisations benefited from the programme;
- 184 refugees or asylum-seekers stated that their sense of isolation had decreased through their participation on the *Exodus* programme;
- 185 refugees or asylum-seekers stated that their sense of well-being had increased through participation on the *Exodus* programme;

- 15 refugee community groups were supported to develop their own creative/cultural projects;
- 16 refugee organisations undertook capacity-building support;
- 5 partnerships were brokered between refugee organisations and local CVS organisations;
- 10 refugees attended capacity-building training.

Urban Music Theatre

December 2008 saw the culmination of CAN's strand of work with Children and Young People which brought together culturally diverse participants from both host and refugee and asylum-seeker communities.

Participants worked collaboratively for four months to create *Street Dreams*, where 151 young people participated in 182 workshops and performed to 528 people over three nights at the Zion Arts Centre. 32% of young people accessing the project were young refugees or asylum-seekers.

This work represented the final year of a three-year programme funded by the Big Lottery Young People's programme and the Paul Hamlyn Foundation. Urban Music Theatre has developed and produced high-quality participatory youth arts and has provided the best opportunities for excluded young people to develop skills and expressive work.

The project has established an effective working model that has created multi-media theatre projects within a participatory youth arts context over three years. It has established new partnerships with youth agencies across Greater Manchester as well as developing existing relationships with organisations such as the Zion Arts Centre.

In addition to the active participation of young people in high-quality artistic endeavour, the project was also able to report in 2008-9:

- 151 young people from refugee and host communities who had mixed together and had access to a range of creative activities (590 for the three-year project);
- 127 (including 70 young refugees or asylum-seekers) of the above demonstrated an increase in confidence and self-esteem by taking part in regular workshops;
- 22 of the above went on to access further development opportunities;
- 12 of the above became regular volunteers on the project; and
- 12 of the above took an active role in the steering group of the project.

The project actively explored issues associated with migration, isolation and diaspora. Chris Sudworth, the director stated in his evaluation

"The diversity of [the] mix of participants ... the creative exploration of relevant subject matter, increased the awareness among young people from host communities about issues affecting refugees and asylum-seeker young people."

He also cites specific examples of young people who reported a reduced sense of isolation by participating in the project, and of young people who embarked on journeys of personal, or creative development – evidence that was also supported by independent evaluation of the project.

Digital Work

CAN continued to offer its digital lab to a range of independent film-makers that were associated with its various participatory groups during the year. We are also very pleased to offer an expanded *Exodus Shorts* season in Manchester and Liverpool as discussed above. Digital arts was a major strand of the *Urban Music Theatre* project, under the supervision of independent film maker Richard Ramchurn.

Digital arts work became embedded in the delivery of the *Exodus* participatory programme across Greater Manchester, with four of the 21 projects having a substantive contribution from Digital Arts. Of particular note was the incorporation of an animation strand to a project working specifically with refugee women who

were victims of torture. This project, produced in association with Medical Foundation North West produced five short animation films.

The Toolkit and Artsnet

Artsnet continued to enable people interested in culture within the City of Manchester to engage in cultural dialogue within the city through representation on the Culture Pool. The service continued to run a Google group and a Facebook page which disseminate information about employment and participatory opportunities within the city. Artsnet produced a quarterly newsletter which was distributed to 5280 people. The service also ran an artists' residency across the city *I don't know about community networks, but I know what I like*, which showcased the work of seven artists across Manchester examining community and voluntary engagement.

www.thetoolkit.net continues to support artists working within participatory arts by providing information, signposting opportunities and training. Adelle Robinson, the Information Worker ran 14 sessions that benefited 217 artists. *The Toolkit* had 2001 registered users in March 2009.

Principal Funding Sources

Community Arts North West was grateful to receive financial resources from the following sources in 2008-9 who supported specific project activity.

Source	Activity Supported
The Big Lottery Reaching Communities Fund	<i>Exodus</i>
Association of Greater Manchester Authorities	<i>Exodus</i>
Manchester City Council Events	<i>Exodus Festival</i>
Network for Social Change	<i>Exodus Positive Action Programme for Women Refugees and Asylum-seekers</i>
Awards for All	<i>Exodus Positive Action Programme for Women Refugees and Asylum-seekers</i>
Community Network for Manchester	<i>Artsnet and The Toolkit</i>
Voluntary Action Manchester	<i>Artsnet Residency Project</i>
North West Vision	Digital Arts Work on <i>Exodus</i> programme
The Big Lottery Young People's fund	<i>Urban Music Theatre</i>
The Paul Hamlyn Foundation	<i>Urban Music Theatre</i>

In addition the charity received revenue funding from the following sources:

- Arts Council England North West
- Manchester City Council

Plans for Future Periods

CAN is currently delivering a three-year plan which began in April 2008 and aims to continue its work with beneficiaries who are excluded, or on the fringes of mainstream society. To this end we aim to undertake the following activity between April 2009 and March 2011:

1. Undertake cultural production with participants from refugee and asylum-seeker communities in second and third years of a new *Exodus* programme, supported by the Big Lottery fund;
2. Continue to develop the talents and creativity of young people by researching and delivering new streams of work, following on from the learning of the *Urban Music Theatre* project;
3. Provide on-going digital video facilities to beneficiaries;
4. Continue to provide information, training and capacity-building services through *The Toolkit*

These aims have been met through the following programme of activity in 2009-10:

- The second twelve month's activity of the new Big Lottery-funded *Exodus* programme, includes the *Festival*, *Exodus Shorts*, and two *Exodus Live* world music nights. In addition to the showcasing events above, twenty participatory projects are being run: ten in the City of Manchester; and ten in the remaining nine boroughs of Greater Manchester.
- At least six of these aim to integrate the work of refugees and asylum-seekers with that of indigenous communities.
- On-going support provided for the *Beating Wing Orchestra*, culminating in the production of two concerts in the Manchester International Festival in July 2009.
- Provision of ongoing digital arts facilities, with an emphasis on developing film projects with refugees and asylum-seekers. This work is embedded within the *Exodus* participatory programme, but will be augmented between April 2009 and March 2011 by financial support from the Lloyds TSB Foundation.
- An augmented *Exodus Shorts* film festival was held in June 2009 in both Greater Manchester and Liverpool to support and develop the work of refugee and asylum-seeker film-makers.
- Development, information and capacity-building programmes through both *Artsnet* and *The Toolkit*, including bespoke, free training.

Exodus will form the bedrock of CAN's work until March 2011. The digital arts programme will be tied into the *Exodus* programme with many of the participatory projects containing a strong digital art theme.

A key area of development is being prioritised in 2009-10, which is to research into work with young people, building on the successes of *Urban Music Theatre*, *In the Mix* and *Now We Talkin'*, identifying resources necessary to support this activity. It is envisaged that new projects exploring this theme will come on-stream from April 2010.

CAN's outline plans for 2010-11 include the following objectives:

- Ongoing support for *Exodus Festival*, *Exodus Shorts* and *Exodus Live* through to March 2011, with the provision of 20 further participatory projects;
- Future work with young people, particularly from BME communities, primarily engaged in music-making and dance;
- Subject to a successful application to grants for the arts, production of the *Exodus Onstage* Refugee Arts Theatre Season in November 2010;
- Future development of CAN's information and capacity-building services for artists working within participatory arts.

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 £486,293 (2008 - £450,332)

Expenditure has increased to £513,666 (2008 - £509,021)

Net Incoming/(Outgoing) resources for the year are (£27,373) (2008 - (£58,689))

Unrestricted funds not invested in fixed assets are £44,586. The reserves policy is discussed below.

Reserves Policy

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. In order to prosecute this policy, the charity estimates that it needs reserves of £56,175. The charity needs to increase its reserves by approximately 20% to achieve this objective in the short term.

COMMUNITY ARTS NORTH WEST LTD
DIRECTORS' AND TRUSTEES' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

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.

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.

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.

Trustees' Expenses

In 2008-9 the amount of expenses claimed by trustees was £45. Two trustees claimed expenses. (In 2007-8 the amount of expenses claimed by trustees was £117; two trustees claimed expenses).

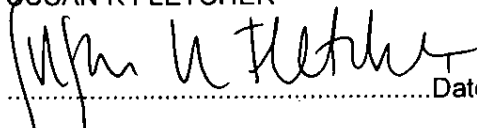
Auditors

Chittenden Horley Ltd. have expressed their willingness to accept re-appointment under section 384(1) 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 and the Financial Reporting Standard for Smaller Entities (January 2007).

Approved by the directors and signed on their behalf by

SUSAN K FLETCHER

 Date: 13 October 2009

Susan K Fletcher
Director

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMUNITY ARTS NORTH WEST LTD
FOR THE YEAR ENDED 31 MARCH 2009**

We have audited the financial statements of Community Arts North West Limited for the year ended March 31 2009, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 the directors of Community Arts North West Limited for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and 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 and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Annual 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' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the charity's affairs as at March 31 2009 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 Companies Act 1985; and
- the information given in the Trustees' Annual Report³ is consistent with the financial statements.

Chittenden H Ltd

Chittenden Horley Limited
Chartered Accountants & Registered Auditors

456 Chester Road
Old Trafford
Manchester M16 9HD

Date:- 06 April 16 2009



COMMUNITY ARTS NORTH WEST LTD
STATEMENT OF FINANCIAL ACTIVITY (Including Income and Expenditure Account)
FOR THE YEAR ENDED MARCH 31 2009

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income - Grants & donations	2	175,904	-	175,904	140,797
<i>Activities for generating funds</i>					
Other income	3	300	-	300	5,170
Bank interest		2,108	-	2,108	2,992
Incoming resources from charitable activities:					
Revenue grants	4	-	303,919	303,919	278,436
Other unrestricted income	5	3,300	-	3,300	21,430
Other restricted income	6	-	762	762	1,507
TOTAL INCOMING RESOURCES		181,612	304,681	486,293	450,332
RESOURCES EXPENDED					
Charitable activities:	7	176,988	324,837	501,825	498,161
Governance costs	8	11,841	-	11,841	10,860
TOTAL EXPENDITURE		188,829	324,837	513,666	509,021
NET INCOMING/(OUTGOING) RESOURCES					
(net expenditure for the period)		(7,217)	(20,156)	(27,373)	(58,689)
TRANSFERS					
		2,011	(2,011)	-	-
NET INCOMING/(OUTGOING) RESOURCES AFTER TRANSFERS					
		(5,206)	(22,167)	(27,373)	(58,689)
FUND BALANCES BROUGHT FORWARD					
		52,735	52,498	105,233	163,922
FUND BALANCES CARRIED FORWARD					
		47,529	30,331	77,860	105,233

The Company had no recognised gains or losses other than those shown above.

The notes on pages 13 to 20 form part of these financial statements.

COMMUNITY ARTS NORTH WEST LTD
BALANCE SHEET
FOR THE YEAR ENDED MARCH 31 2009

	Notes	2009 £	2009 £	2008 £	2008 £
FIXED ASSETS					
Tangible Assets	11		3,583		6,638
CURRENT ASSETS					
Debtors	12	2,718		22,603	
Cash at Bank and in Hand		<u>82,279</u>		<u>92,375</u>	
		84,997		114,978	
CREDITORS					
Amounts falling due in one year	13	<u>10,720</u>		<u>16,383</u>	
NET CURRENT ASSETS / (LIABILITIES)			<u>74,277</u>		<u>98,595</u>
NET ASSETS			<u>77,860</u>		<u>105,233</u>
FUNDS					
Unrestricted	14		47,529		52,735
Restricted	14		<u>30,331</u>		<u>52,498</u>
TOTAL FUNDS			<u>77,860</u>		<u>105,233</u>

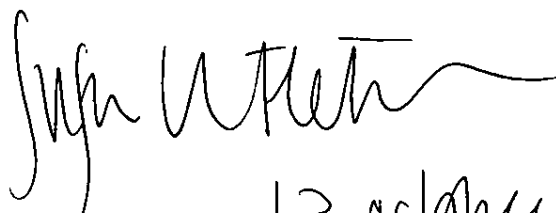
These financial statements have been prepared in accordance with the special provisions for small companies under part VII of the Companies Act 1985 and the Financial Reporting Standard for Small Entities (January 2007).

The notes on pages 13 to 20 form part of these financial statements.

Approved by the Trustees on:-

And signed on their behalf by:-

DIRECTOR


 13 October 09

1. Accounting policies

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 (January 2007), and comply with the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

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.

Incoming Resources

Income, including grants, is recognised in the accounting period in which it is receivable, except in the following circumstances, when the income is deferred and included in creditors:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded.

Income includes grants in respect of revenue and capital items.

Grants received in respect of capital expenditure are treated as restricted funds and included in incoming resources in the year of receipt. Once the related assets has been acquired the grant is transferred to unrestricted funds unless there are continuing restrictions over there use or disposal.

Where such restrictions apply, the grant remains in restricted funds and in so far as the conditions are being met and the grant is unlikely to be repayable, the related depreciation is charged against the restricted fund each year.

Expenditure

Costs are defined as follows:

Charitable expenditure

The costs delivering the charitable activities.

Governance costs

The costs associated with meeting the constitutional and statutory requirements of the charity and include fees for external scrutiny of the accounts and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories of the SoFA on a basis designed to reflect the use of resources.

The charity is not registered for VAT and, were applicable, costs are stated inclusive of the VAT incurred.

Fixed assets and Depreciation

Assets costing less than £500, and not forming part of a series of related purchases, are not capitalised but written off as revenue expenditure in the year of acquisition. Other assets are capitalised and depreciated over their useful lives.

Depreciation is provided on the cost or valuation of tangible fixed assets in order to write off the cost or valuation after taking account of scrap values over their expected useful lives as follows: -

Furniture and Equipment - 25% straight line

Taxation

The company is a registered charity and entitled to claim the annual exemption from UK corporation tax under s505 ICTA 1988. The company is not liable to taxation as it is a registered charity.

2 DONATIONS AND GRANTS

	Deferred b/f £	Received £	Deferred c/f £	Total 2009 £	Total 2008 £
Core grants:					
ACE North West	-	131,520	-	131,520	82,200
Manchester City council	-	44,384	-	44,384	43,514
ACE Organisational Development	-	-	-	-	1,350
The Baring Foundation	-	-	-	-	13,733
	-	175,904	-	175,904	140,797

3 OTHER INCOME FROM ACTIVITIES TO GENERATE FUNDS

Office rental and workshops	-	300	-	300	1,170
Mosscares Ltd	-	-	-	-	4,000
	-	300	-	300	5,170

4 REVENUE GRANTS**Restricted income:**

ACE	-	-	-	-	8,389
AGMA	-	15,000	-	15,000	10,000
Big Lottery - Reaching Communities	1,000	163,590	-	164,590	-
Big Lottery - Young People	-	49,620	-	49,620	50,380
Community Network for Manchester	1,110	24,390	-	25,500	26,945
DIGM	-	-	-	-	850
The Lankelly Chase Foundation	-	-	-	-	10,000
Culture Pool - VAM	-	12,239	-	12,239	8,500
MCC	-	31,970	-	31,970	143,290
North West Vision and Media	-	5,000	-	5,000	5,000
The Paul Hamlyn Foundation	-	-	-	-	9,590
Tameside MBC	-	-	-	-	4,012
Other project income	-	-	-	-	1,480
	2,110	301,809	-	303,919	278,436

5 OTHER UNRESTRICTED INCOME

Manchester International Festival	-	-	-	-	19,500
Contact Theatre - box office sales	-	-	-	-	530
Oldham CAB	-	-	-	-	1,400
Miscellaneous Income	-	2,575	-	2,575	-
Fee Invoice	-	650	-	650	-
Donations	-	75	-	75	-
	-	3,300	-	3,300	21,430

6 OTHER RESTRICTED INCOME

Ancillary project income	-	-	-	-	1,507
Donations	-	412	-	412	-
Mosscares Ltd	-	350	-	350	-
	-	762	-	762	1,507

7 ANALYSIS OF CHARITABLE EXPENDITURE

	Unrestricted	Restricted	TOTAL	TOTAL
	£	£	2009	2008
	£	£	£	£
Direct costs:				
Staff costs	125,826	94,956	220,782	180,534
Freelance workers	13,787	5,668	19,455	43,114
Transport & travel	1,927	-	1,927	1,923
Project costs	3,250	191,455	194,705	207,112
Equipment & depreciation	2,556	1,082	3,638	7,380
Loss on disposal of fixed assets	-	-	-	360
Support costs:				
Printing, postage & stationery	10,583	-	10,583	6,606
Telephone & internet	1,410	-	1,410	1,365
Training	1,789	-	1,789	3,024
Rent, rates, heat and light	29,970	-	29,970	31,111
Repairs & maintenance	5,768	-	5,768	3,325
Insurance	9,147	-	9,147	9,752
Bank charges	143	-	143	177
Miscellaneous	2,508	-	2,508	2,378
Support costs charged to restricted funds	(31,676)	31,676		
	<u>176,988</u>	<u>324,837</u>	<u>501,825</u>	<u>498,161</u>

8 GOVERNANCE COSTS

	2009	2008
	£	£
Staff costs	4,846	3,488
Printing, postage & stationery	557	348
Telephone & internet	74	72
Rent, rates, heat and light	1,577	1,637
Insurance	482	513
Trustees' expenses	45	117
Other fees	277	676
Audit fees - De la Wyche Travis re 2006/7	-	455
Audit fees - Chittenden Horley	3,983	3,554
	<u>11,841</u>	<u>10,860</u>

9 STAFF COSTS

Salaries	203,818	190,271
Social security costs	19,206	18,138
Company Pension Scheme	1,546	-
Recruitment	1,058	-
	<u>225,628</u>	<u>208,409</u>

The average number of employees (excluding directors) was 12 (2008 - 10)

COMMUNITY ARTS NORTH WEST LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2009

10 NET INCOMING RESOURCES BEFORE TRANSFERS

This is stated after charging:	£	£
Auditors remuneration:-		
Audit fees	3,983	3,554
Accountancy fees	-	-
Depreciation of other fixed assets	3,638	7,380
Directors' remuneration	-	-
Trustees expenses	45	117
	<u>2</u>	<u>2</u>
Number of Trustees claiming expenses		
	<u>2</u>	<u>2</u>

11 TANGIBLE FIXED ASSETS

	Cost	Equipment
		£
As at April 1 2008		82,715
Additions		583
		<u>83,298</u>
As at March 31 2009		
	Depreciation	
As at April 1 2008		76,077
Charge for the year		3,638
		<u>79,715</u>
As at March 31 2009		
	Net Book Value	
As at March 31 2009		<u>3,583</u>
As at March 31 2008		<u>6,638</u>
	2009	2008
	£	£

12 TRADE DEBTORS

Grants & fees receivable	1,197	17,860
Prepayments	946	3,033
Loan accounts	575	1,710
	<u>2,718</u>	<u>22,603</u>

COMMUNITY ARTS NORTH WEST LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2009

	2009 £	2008 £
13 CREDITORS falling due within one year		
Trade creditors	1,189	5,819
Other taxation and social security	5,531	2,726
Accruals	4,000	4,230
Income and grants in advance	-	2,110
Other creditors	-	1,498
	<u>10,720</u>	<u>16,383</u>

14 STATEMENT OF FUNDS

	Balance 1/4/08 £	Income £	Expenditure £	Transfers £	Balance 31/3/09 £
Unrestricted funds:					
General fund	52,735	181,612	(188,829)	2,011	47,529
	<u>52,735</u>	<u>181,612</u>	<u>(188,829)</u>	<u>2,011</u>	<u>47,529</u>
Restricted Funds:					
Revenue fund:					
Artsnet	1,192	25,500	(26,692)	-	-
Youth Music	2,011	-	-	(2,011)	-
Digital	-	5,000	(5,000)	-	-
Urban Music Theatre	18,692	49,750	(68,442)	-	-
Exodus	4,930	212,192	(197,951)	-	19,171
Dance Initiative Greater Manchester	850	-	(135)	-	715
Culture Pool - VAM	8,500	12,239	(20,739)	-	-
Toolkit	14,601	-	(4,796)	-	9,805
Capital grants:					
Capital Grants Expended	1,722	-	(1,082)	-	640
	<u>52,498</u>	<u>304,681</u>	<u>(324,837)</u>	<u>(2,011)</u>	<u>30,331</u>
Total Funds	<u>105,233</u>	<u>486,293</u>	<u>(513,666)</u>	<u>-</u>	<u>77,860</u>

The purposes of the funds are set out below.

Fund	Purpose
Artsnet	Conduct activity aimed at people interested in arts and culture to help them to engage with the wider strategic issues which affect their work, play and quality of life in the City of Manchester through the Cultural Partnership.
Youth Music	Conduct educational activity through outreach workshops within Greater Manchester encouraging young people to engage in musical activity.
Digital	Conduct educational activity through workshops within Greater Manchester encouraging people from marginalised communities, particularly those from refugee, or asylum-seeker backgrounds to engage in digital film-making and ancillary activity.
Urban Music Theatre	Conduct educational and cultural activity through workshops, rehearsals and public performances encouraging young people to engage in cultural production across a range of art forms.
Exodus	Conduct educational and cultural activity through training, workshops, rehearsals, public performances with members of refugee and asylum-seeker communities and members of host communities to encourage well-being, integration, enhanced community cohesion and mutual understanding between people seeking sanctuary and host communities.
Dance Initiative Greater Manchester	To conduct dance-based workshops with people living with HIV/AIDS from refugee and host communities to encourage enhanced fitness, well-being, integration, enhanced community cohesion and mutual understanding between people seeking sanctuary and host communities.
Culture Pool – VAM	To conduct educational and cultural activity in 2008-9 with seven North West-based artists examining structures and networks of community and voluntary engagement leading to public exhibition.
Toolkit	To conduct educational activity to offer information and free, bespoke training to individuals engaged in artistic activity.
Capital Equipment	Restricted funds received for and spend on fixed assets where there are continuing restrictions and against which the related depreciation is charged

All of the above revenue funds are intended to be utilised in 2008-9 and 2009-10.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at March 31 2009 are represented by:-			
Tangible fixed assets	2,943	640	3,583
Current assets	55,306	29,691	84,997
Current liabilities	(10,720)	-	(10,720)
	<u>47,529</u>	<u>30,331</u>	<u>77,860</u>

16 CONSTITUTION

The Company is limited by guarantee and does not have a share capital. In the event of the Company being wound up the members are committed to contributing £1 each.

There were 97 members at the year end (2008 - 9).

17 TAXATION

The Company is a registered charity and is entitled to claim annual exemption from UK corporation tax under s505 of the ICTA 1988.

18 COMMITMENTS

The company had no capital commitments at the year end.

The company had annual operating lease commitments as follows:

	2009	2008
Within one year	Nil	Nil
Two to five years	330	330
Over five years	Nil	Nil

19 TRANSACTIONS WITH DIRECTORS

There are no other transactions with Directors in the year which require to be disclosed in these accounts, either under the FRSSE or the SoRP.