

COMMUNITY ARTS NORTH WEST LIMITED

(LIMITED BY GUARANTEE)

COMPANY NO. 1400213

CHARITY NO. 277135

REPORT AND ACCOUNTS

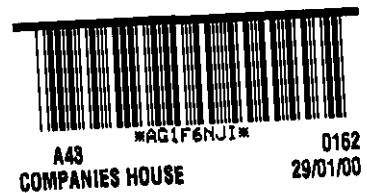
YEAR ENDED 31ST MARCH 1999

DE LA WYCHE TRAVIS & CO.

Registered Auditors

Chartered Accountants

MANCHESTER



COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

DIRECTORS' AND TRUSTEES' REPORT

YEAR ENDED 31ST MARCH 1999

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:

H.Caplan	D.Nzeribe	O.Thomas
B.Doesser	K.Osivwemu	G.Wilson Kelly
E.Hill	A.Ronan	
M.Hood	T.Sanders-Wood	

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 1999

REVIEW OF DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

1998/99 was a particular fruitful year in building alliances and partnership work with many other arts based agencies, particularly in Manchester. This has positive implications for the future in terms of the use of main stream resources for community arts based work, networking and the sharing of information. This year also saw considerable activity in preparation for major Millennium Festival submissions. We were pleased to learn that three of our major project proposals have been successful, totalling £72,500 over this and next year for cultural production work. We were also delighted to learn that our very first ESF application, for research into cultural industries employment patterns, had been successful.

We were seriously held back this year by the temporary loss of our Video Arts Development worker for a four month period, due to a road accident. This serves to remind the company of the tight financial margins that we operate within, particularly in a year where the company was putting into practise its new funding agreement with Manchester City Council.

The deficit for the year was caused by non-payment of a fee for a project taking place in the Northern Regeneration SRB area of Manchester; an issue which is still being pursued.

The deficit will be addressed with the projected surplus for 1999/2000.

Project highlights of the year included existing developments for two of our major sustainable development projects - 'The Longsight Youth Arts Projects' and 'The East Manchester Community Forum' - with a major award for a 2 year training through the 'History of Gospel' production project and a major festival for children and young people resident in East Manchester. Another highlight was the extremely successful video drama production of 'When John Met Kate' made by a group of young disabled people in Tameside. The video has had an enormous response locally and nationally and has been shortlisted for the 'Co-operative Young Film Makers Festival'.

CAN employed a total of 28 freelance artists and gave information, advice and support to over 300 people via telephone, correspondence or through face to face contact during the year.

REVIEW OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR

Income has decreased to £108,093 (1998 - £128,013).

Expenditure has decreased to £114,788 (1998 - £122,438).

Net Outgoing Resources for the year are £6,695 (1998 - Surplus £5,575)

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.

BY ORDER OF THE BOARD

22nd September 1999

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

REPORT OF THE AUDITORS TO THE MEMBERS

YEAR ENDED 31ST MARCH 1999

We have audited the financial statements on pages 4 to 9, which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amount and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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.

Going Concern

In forming our opinion we have considered the adequacy of the disclosures made in note 11 of the financial statements which refers to the net current liabilities of £5,046 shown on the balance sheet. As explained in the note the directors are satisfied that the company is a going concern.

We consider that these facts should be brought to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the Charitable Company's state of affairs at 31st March 1999, 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 Companies Act 1985.



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

22nd September 1999

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

SUMMARY INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31ST MARCH 1999

	<u>1999</u>		<u>1998</u>	
	£	£	£	£
Income		108,093		128,013
Expenditure				
Direct Charitable	81,136		89,163	
Fundraising & Publicity	-		1,984	
Management & Administration	33,652		31,291	
		114,788		122,438
Net Income/(Expenditure) for the Year		£ (6,695)		£ 5,575

All amounts relate to continuing operations.

The company has no recognised gains or losses other than those included in the Summary Income and Expenditure Account.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 5 which together with the notes to the accounts on pages 7 to 9 provide full information on the movements during the year on all funds.

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31ST MARCH 1999

		Unrestricted Funds	Restricted Funds	Total Funds 1999	Total Funds 1998
	Notes	£	£	£	£
INCOME & EXPENDITURE					
INCOMING RESOURCES					
Grants					
North West Arts Board		45,000	-	45,000	45,000
Manchester City Council		15,990	24,223	40,213	39,975
Other Grants & Fees		14,881	7,999	22,880	43,038
		<u>75,871</u>	<u>32,222</u>	<u>108,093</u>	<u>128,013</u>
RESOURCES EXPENDED					
Direct Charitable	2	58,360	22,776	81,136	89,163
Fundraising & Publicity		-	-	-	1,984
Management & Administration	3	24,206	9,446	33,652	31,291
		<u>82,566</u>	<u>32,222</u>	<u>114,788</u>	<u>122,438</u>
Net Incoming/(Outgoing) Resources for the year		(6,695)	-	(6,695)	5,575
Balance brought forward at 1st April 1998		<u>1,649</u>	<u>-</u>	<u>1,649</u>	<u>(3,926)</u>
Balance carried forward at 31st March 1999		<u>(5,046)</u>	<u>-</u>	<u>(5,046)</u>	<u>1,649</u>

The notes on pages 7 to 9 form part of these accounts.

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

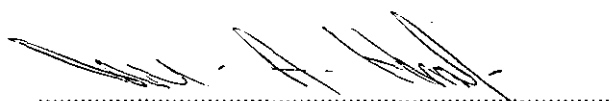
BALANCE SHEET AS AT 31ST MARCH 1999

		<u>1999</u>	<u>1998</u>
	Notes	£	£
CURRENT ASSETS			
Debtors	5	2,159	4,079
Cash in Hand		473	21
		<u>2,632</u>	<u>4,100</u>
BANK OVERDRAFT			
CREDITORS: Amounts falling due		(3,090)	(748)
within one year	6	(4,588)	(1,703)
		<u>(7,678)</u>	<u>(2,451)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(5,046)</u>	<u>1,649</u>
NET ASSETS/(LIABILITIES)		<u>£ (5,046)</u>	<u>£ 1,649</u>
REPRESENTED BY			
Unrestricted Funds		(5,046)	1,649
Restricted Funds	9	-	-
	7	<u>£ (5,046)</u>	<u>£ 1,649</u>

The notes on pages 7 to 9 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:

22nd September 1999



COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 1999

1. ACCOUNTING POLICIES

a) Basis of Preparation of financial statements

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting by Charities and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

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) Capital Equipment

All equipment is written off in the year of purchase.

c) Taxation

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

d) Income and Expenditure

Income and expenditure are included in the accounts on an accruals basis.

	Total 1999	Total 1998
	£	£
2. DIRECT CHARITABLE		
Salaries	56,177	62,231
Transport Costs	2,137	1,840
Project Production	3,821	7,284
Project Travel	1,583	2,149
Project Materials & Fees	17,094	14,907
Recruitment	324	752
	81,136	89,163

3. MANAGEMENT AND ADMINISTRATION

Salaries	14,934	11,985
Photocopier, Postage & Stationery	1,435	1,599
Telephone	1,377	1,233
Professional Fees	-	15
Insurance	3,890	3,822
Audit	1,292	1,292
Bank charges	302	256
Training	120	35
Rent & Rates, Heat & Light	9,246	9,437
Repairs & Maintenance	1,056	1,617
	33,652	31,291

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 1999

continued

4. DIRECTORS AND EMPLOYEES

The directors did not receive any remuneration during the year. The average number of employees was 4 (1998 - 4).

	<u>Direct Charitable</u>	<u>Administration</u>	<u>Total 1999</u>	<u>Total 1998</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Wages & Salaries	51,228	13,596	64,824	68,083
Social Security Costs	4,949	1,338	6,287	6,133
	<u>56,177</u>	<u>14,934</u>	<u>71,111</u>	<u>74,216</u>

5. DEBTORS

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Due within one year:		
Grants and Fees	<u>2,159</u>	<u>4,079</u>

6 CREDITORS

Due within one year:

Social Security and Other Taxes	1,567	-
Accruals	3,021	1,703
	<u>4,588</u>	<u>1,703</u>

7. MOVEMENT ON TOTAL FUNDS

Net Income/(Expenditure for the year)	(6,695)	5,575
Opening Funds	1,649	(3,926)
	<u>-----</u>	<u>-----</u>
Closing Funds	<u>(5,046)</u>	<u>1,649</u>

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 1999

continued

8. SHARE CAPITAL

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

9. RESTRICTED FUNDS

	Balance at <u>1 April 1998</u>	<u>Income</u>	<u>Expenditure</u>	Balance at <u>31 March 1999</u>
	£	£	£	£
Manchester City Council - Project Funds	-	24,223	24,223	-
North West Arts Board - Arts Development	-	2,000	2,000	-
ESF - Research Project	-	5,999	5,999	-
	<u>-</u>	<u>32,222</u>	<u>32,222</u>	<u>-</u>

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
	£	£	£
Net Current Assets/(Liabilities)	-	(5,046)	(5,046)
	<u>-</u>	<u>(5,046)</u>	<u>(5,046)</u>

11. GOING CONCERN

Although the balance sheet shows net current liabilities of £5,046 the company's budgets indicate that it is able to meet its liabilities as and when they fall due.

On this basis the directors consider that it is appropriate to prepare the financial statements on the going concern basis.