

COMMUNITY ARTS NORTH WEST LIMITED

(LIMITED BY GUARANTEE)

COMPANY NO. 1400213

CHARITY NO. 277135

REPORT AND ACCOUNTS

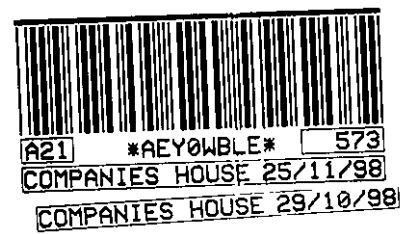
YEAR ENDED 31ST MARCH 1998

DE LA WYCHE TRAVIS & CO.

Registered Auditors

Chartered Accountants

MANCHESTER



COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 1998

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	G.Johnson - Resigned 21/10/97	T.Sanders-Wood
B.Doeser	D.Nzeribe	B.Selby - Resigned 21/10/97
E.Hill	K.Osivwemu	O.Thomas
M.Hood	A.Ronan	G.Wilson Kelly

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

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 1998

REVIEW OF DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

During 1997/98 CAN co-ordinated a steady stream of cultural, artistic and developmental work. The latter six months of the year were especially busy in terms of the number of projects completed. This programme was the fruit of development work which, in some cases, stretched back into the previous funding year and of the company's ability to respond to new proposals and initiatives.

The year ended on a high note with a very successful 20th birthday event which the company used as an effective marketing opportunity. Receipts for projects (monies additional to annual funding from NW Arts Board and Manchester City Council) increased three fold on 1996/97 levels to £43,000, or roughly one third of total company income. However, the continued standstill of annual funding levels - effectively a cut against inflation - and changes to the administration of the Council grant in 1998/99 offer new challenges to CAN.

On the personnel front, CAN's Artistic Director left the company in November 1997. The post was unfilled at the end of March 1998. CAN's management committee was strengthened by the appointment of several new directors during the latter part of the financial year.

REVIEW OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR

Income has increased to £128,013 (1997 - £99,193).

Expenditure has increased to £122,438 (1997 - £103,250).

Net Incoming Resources for the year are £5,575 (1997 - DEFICIT £(4,057))

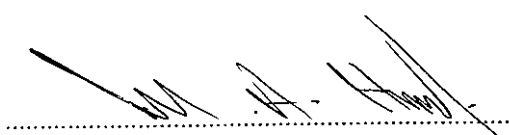
AUDITORS

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

17th September 1998



COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

REPORT OF THE AUDITORS

YEAR ENDED 31ST MARCH 1998

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 pages 7 to 9.

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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the company at 31st March 1998, and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

De la Wyche Travis

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

17th September 1998

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

SUMMARY INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31ST MARCH 1998

	<u>1998</u>		<u>1997</u>	
	£	£	£	£
Income		128,013		99,193
Expenditure				
Direct Charitable	89,163		60,631	
Fundraising & Publicity	1,984		570	
Equipment	-		2,588	
Management & Administration	31,291		39,461	
	-----		-----	
		122,438		103,250
		-----		-----
Net Income/(Expenditure) for the Year		£ 5,575		£ (4,057)
		=====		=====

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 1998

		Unrestricted Funds	Restricted Funds	Total Funds 1998	Total Funds 1997
	Notes	£	£	£	£
INCOME & EXPENDITURE					
INCOMING RESOURCES					
Grants					
North West Arts Board		45,000	-	45,000	45,000
Manchester City Council		39,975	-	39,975	39,975
Fees		43,038	-	43,038	14,110
Bank Interest		-	-	-	8
Apprenticeship Scheme		-	-	-	100
		-----	-----	-----	-----
Total Incoming Resources		128,013	-	128,013	99,193
		-----	-----	-----	-----
RESOURCES EXPENDED					
Direct Charitable	2	89,163	-	89,163	60,631
Fundraising & Publicity		1,984	-	1,984	570
Equipment		-	-	-	2,588
Management & Administration	3	31,291	-	31,291	39,461
		-----	-----	-----	-----
Total Resources Expended		122,438	-	122,438	103,250
		-----	-----	-----	-----
Net Incoming/(Outgoing) Resources for the year					
		5,575	-	5,575	(4,057)
Balance brought forward at 1st April 1997					
		(3,926)	-	(3,926)	131
		-----	-----	-----	-----
Balance carried forward at 31st March 1998					
		1,649	-	1,649	(3,926)
		-----	-----	-----	-----

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 1998

		<u>1998</u>	<u>1997</u>
		£	£
CURRENT ASSETS	Notes		
Debtors	5	4,079	4,759
Cash in Hand		21	69
		-----	-----
		4,100	4,828
		-----	-----
BANK OVERDRAFT		(748)	(3,240)
CREDITORS: Amounts falling due within one year	6	(1,703)	(5,514)
		-----	-----
		(2,451)	(8,754)
		-----	-----
NET CURRENT ASSETS/(LIABILITIES)		1,649	(3,926)
		-----	-----
NET ASSETS/(LIABILITIES)		£ 1,649	£ (3,926)
		=====	=====
REPRESENTED BY			
Unrestricted Funds		1,649	(3,926)
Restricted Funds		-	-
		-----	-----
	7	£ 1,649	£ (3,926)
		=====	=====

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:

17th September 1998

22nd October 1998

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 1998

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 Director's 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 1998 £	Total 1997 £
2. DIRECT CHARITABLE		
Salaries	62,231	51,226
Transport Costs	1,840	1,593
Project Production	7,284	-
Project Travel	2,149	625
Project Materials & Fees	14,907	5,048
Recruitment	752	2,139
	-----	-----
	89,163	60,631
	=====	=====

3. MANAGEMENT AND ADMINISTRATION

Salaries	11,985	20,183
Photocopier, Postage & Stationery	1,599	3,750
Telephone	1,233	1,304
Professional Fees	15	-
Insurance	3,822	4,231
Audit	1,292	1,585
Bank charges	256	233
Training	35	85
Rent & Rates, Heat & Light	9,437	7,890
Repairs & Maintenance	1,617	200
	-----	-----
	31,291	39,461
	=====	=====

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 1998

continued

4. DIRECTORS AND EMPLOYEES

The directors did not receive any remuneration during the year. The average number of employees was 4 (1997 - 4).

	<u>Direct</u>	<u>Administration</u>	<u>Total</u>	<u>Total</u>
	<u>Charitable</u>		<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Wages & Salaries	57,186	10,897	68,083	65,005
Social Security Costs	5,045	1,088	6,133	6,404
	-----	-----	-----	-----
	62,231	11,985	74,216	71,409
	-----	-----	=====	=====

5. DEBTORS

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Due within one year:		
Grants and Fees	4,079	4,759
	=====	=====

6 CREDITORS

Due within one year:		
Social Security and Other Taxes	-	4,222
Accruals	1,703	1,292
	-----	-----
	1,703	5,514
	=====	=====

7. MOVEMENT ON TOTAL FUNDS

Net Income/(Expenditure for the year)	5,575	(4,057)
Opening Funds	(3,926)	131
	-----	-----
Closing Funds	1,649	(3,926)
	=====	=====

COMMUNITY ARTS NORTH WEST LIMITED

CHARITY NO. 277135

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 1998

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. POST BALANCE SHEET EVENTS

The effect of events relating to the year ended 31st March 1998 which occurred before the date of approval of the financial statements by the board of directors, have been included to the extent required to show a true and fair view of the state of affairs at 31st March 1998 and of the results for the year ended on that date.