

COMMUNITY ARTS NORTH WEST LIMITED

(LIMITED BY GUARANTEE)

COMPANY NO. 1400213

CHARITY NO. 277135

REPORT AND ACCOUNTS

YEAR ENDED 31ST MARCH 2000



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 2000**

**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:

S. Bowen	E. Hill	O. Thomas
H. Caplan	M. Hood	
R. Finlayson	D. Nzeribe (resigned 22/9/00)	
S. Fletcher	A. Ronan	

**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 2000**

**REVIEW OF DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS**

1999/2000 was another successful year for Community Arts North West (CAN). It saw a total of 17 cultural production projects with several spanning 99/00 and 00/01 - the kick-off of our Millennium Festival programme throughout Greater Manchester

99/00 saw the start of CAN's Fresh Bites 2000 training course for artists, which was funded by the European Social Fund and franchised by City College Manchester. This course equips artists with employment skills in order to work in the community arts field. It is unique in that it is 50% classroom based learning with the other 50% of work undertaken on CAN's cultural production projects, under the supervision of lead artists.

CAN welcomed two new members of staff during 99/00 - Angela Harris, full time administrator and Jill Turner, Training Co-ordinator for Fresh Bites 2000. CAN employed 28 freelance artists during the year and gave information and advice to 262 telephone callers.

The company was pleased to have its grant from North West Arts Board increased for 99/00 by 4%; however the company did not receive all of its funding from Manchester City Council in the period and has had a 25% cut for 2000/2001.

CAN has been particularly pleased with its work with the homeless community during 99/00. Homeless people are at the sharp end of social exclusion with many the casualties of the heroin boom of the late eighties. The work CAN has undertaken with the Big Issue in the North has been extremely encouraging and shown clear, significant benefits for individual vendors.

Highlights of the year included the commencement of CAN's Millennium Project - "Inquotation". Inquotation is a participatory performance project combining Gospel and other African Caribbean musics with dance and moving image involving new choirs and jazz dance groups from across Manchester. Inquotation is a contemporary, spiritual and culturally diverse celebration of Manchester city life for the Millennium in partnership with Urban Voice.

**REVIEW OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR**

Income has increased to £146,889 (1999 - £108,093).

Expenditure has increased to £128,284 (1999 - £114,788).

Net Incoming Resources for the year are £18,605 (1999 - Deficit £6,695)

**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

16th November 2000

**COMMUNITY ARTS NORTH WEST LIMITED**

**CHARITY NO. 277135**

**REPORT OF THE AUDITORS TO THE MEMBERS**

**YEAR ENDED 31ST MARCH 2000**

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 unrestricted funds balance of £(7,457) 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 2000, 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*

DE LA WYCHE TRAVIS & CO.

Registered Auditors

Chartered Accountants

161 Slade Lane

Manchester

M19 2AF

16th November 2000

**COMMUNITY ARTS NORTH WEST LIMITED**

**CHARITY NO. 277135**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

**YEAR ENDED 31ST MARCH 2000**

	<u>2000</u>		<u>1999</u>	
	£	£	£	£
Income		146,889		108,093
Expenditure				
Direct Charitable	91,234		81,136	
Fundraising & Publicity	796		-	
Management & Administration	36,254		33,652	
	-----		-----	
		128,284		114,788
		-----		-----
Net Income/(Expenditure) for the Year		£ 18,605		£ (6,695)
		=====		=====

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 2000**

		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2000</b>	<b>Total Funds 1999</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME &amp; EXPENDITURE</b>					
<b>INCOMING RESOURCES</b>					
Grants					
North West Arts Board		46,350	-	46,350	45,000
Manchester City Council		20,000	12,958	32,958	40,213
European Fund (ESF)		-	34,711	34,711	5,999
Other Grants & Fees		24,870	8,000	32,870	16,881
Total Incoming Resources		91,220	55,669	146,889	108,093
<b>RESOURCES EXPENDED</b>					
Direct Charitable	2	67,094	24,140	91,234	81,136
Fundraising & Publicity		796	-	796	-
Management & Administration	3	25,741	10,513	36,254	33,652
Total Resources Expended		93,631	34,653	128,284	114,788
Net Incoming/(Outgoing) Resources for the year		(2,411)	21,016	18,605	(6,695)
Balance brought forward at 1st April 1999		(5,046)	-	(5,046)	1,649
Balance carried forward at 31st March 2000		(7,457)	21,016	13,559	(5,046)

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

**COMMUNITY ARTS NORTH WEST LIMITED**

**CHARITY NO. 277135**

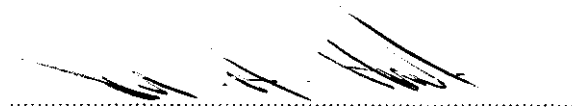
**BALANCE SHEET AS AT 31ST MARCH 2000**

		<b><u>2000</u></b>	<b><u>1999</u></b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>CURRENT ASSETS</b>			
Debtors	5	11,820	2,159
Cash in Bank		6,552	-
Cash in Hand		953	473
		<u>19,325</u>	<u>2,632</u>
<b>BANK OVERDRAFT</b>			
		-	(3,090)
CREDITORS: Amounts falling due within one year	6	(5,766)	(4,588)
		<u>(5,766)</u>	<u>(7,678)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
		<u>13,559</u>	<u>(5,046)</u>
<b>NET ASSETS/(LIABILITIES)</b>			
		<u>£ 13,559</u>	<u>£ (5,046)</u>
<b>REPRESENTED BY</b>			
Unrestricted Funds		(7,457)	(5,046)
Restricted Funds	9	21,016	-
	7	<u>£ 13,559</u>	<u>£ (5,046)</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:

16th November 2000



**COMMUNITY ARTS NORTH WEST LIMITED**

**CHARITY NO. 277135**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31ST MARCH 2000**

**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.

	<b><u>Total</u></b>	<b><u>Total</u></b>
	<b><u>2000</u></b>	<b><u>1999</u></b>
	<b>£</b>	<b>£</b>
<b>2. DIRECT CHARITABLE</b>		
Salaries	56,436	56,177
Transport Costs	2,407	2,137
Project Production	4,913	3,821
Project Travel	1,748	1,583
Project Materials & Fees	24,743	17,094
Recruitment	987	324
	-----	-----
	<u>91,234</u>	<u>81,136</u>
	=====	=====

**3. MANAGEMENT AND ADMINISTRATION**

Salaries	13,452	14,934
Photocopier, Postage & Stationery	2,433	1,435
Telephone	1,623	1,377
Professional Fees	141	-
Insurance	3,497	3,890
Audit	1,528	1,292
Bank charges	521	302
Training	17	120
Rent & Rates, Heat & Light	11,337	9,246
Repairs & Maintenance	1,705	1,056
	-----	-----
	<u>36,254</u>	<u>33,652</u>
	=====	=====



**COMMUNITY ARTS NORTH WEST LIMITED**

**CHARITY NO. 277135**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31ST MARCH 2000**

**continued**

**4. DIRECTORS AND EMPLOYEES**

The directors did not receive any remuneration during the year. The average number of employees was 4 (1999 - 4).

	<b><u>Direct</u></b>		<b><u>Total</u></b>	<b><u>Total</u></b>
	<b><u>Charitable</u></b>	<b><u>Administration</u></b>	<b><u>2000</u></b>	<b><u>1999</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
Wages & Salaries	51,871	12,380	64,251	64,824
Social Security Costs	4,565	1,072	5,637	6,287
	<u>56,436</u>	<u>13,452</u>	<u>69,888</u>	<u>71,111</u>

**5. DEBTORS**

	<b><u>2000</u></b>	<b><u>1999</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Due within one year:		
Grants and Fees	<u>11,820</u>	<u>2,159</u>

**6. CREDITORS**

Due within one year:		
Social Security and Other Taxes	2,527	1,567
Accruals	3,239	3,021
	<u>5,766</u>	<u>4,588</u>

**7. MOVEMENT ON TOTAL FUNDS**

Net Income/(Expenditure for the year)	18,605	(6,695)
Opening Funds	(5,046)	1,649
	<u>13,559</u>	<u>(5,046)</u>

**COMMUNITY ARTS NORTH WEST LIMITED**

**CHARITY NO. 277135**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31ST MARCH 2000**

**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**

	<b>Balance at 1 April 1999</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance at 31 March 2000</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Manchester City Council - Project Funds	-	12,958	12,958	-
ACE - Inquotation	-	8,000	3,176	4,824
ESF - European Fund	-	34,711	18,519	16,192
	<u>-</u>	<u>55,669</u>	<u>34,653</u>	<u>21,016</u>

**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b><u>Unrestricted</u></b>	<b><u>Restricted</u></b>	<b><u>Total</u></b>
	<b>£</b>	<b>£</b>	<b>£</b>
Net Current Assets/(Liabilities)	(7,457)	21,016	13,559
	<u>(7,457)</u>	<u>21,016</u>	<u>13,559</u>

**11. GOING CONCERN**

Although the balance sheet shows unrestricted funds of £(7,457) 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.