

COMPANY NO. 2784677

Registered Charity No. 1045364

THE DANCEXCHANGE LIMITED

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2003

BISSELL & BROWN LIMITED

Registered Auditor and Chartered Accountants

1 Legge Street  
Birmingham B4 7EU



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THE DANCEXCHANGE LIMITED  
(LIMITED BY GUARANTEE)

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the company for the year ended 31 March 2003.

RESULTS

The result for the year, and the position at the year end are shown in the audited financial statements attached to this Report.

PRINCIPAL ACTIVITIES, TRADING REVIEW AND FUTURE DEVELOPMENTS

The principal activity of the company is the promotion of dance in the West Midlands by facilitating dance projects in the community, running and facilitating dance and choreographic classes and workshops and providing a central point of contact for dance organisations and performing venues throughout the West Midlands region.

SIGNIFICANT CHANGES IN FIXED ASSETS

Details of changes in fixed assets during the year are set out on page 7.

MEMBERS OF THE BOARD OF DIRECTORS

At 31 March 2003 the directors were:-

Jane Hawksley		Jill Timmis	
Nina Nannar		Julia Carruthers	
Susan Higgins	(Appointed 02/09/02)	Terry Grimley	
Alexander Coffey	(Appointed 02/09/02)	Malcolm McGivan	(Appointed 02/09/02)
Merle Wray	(Appointed 02/09/02)		

The following directors resigned during the year:-

Derek Purnell (Resigned 02/09/02)

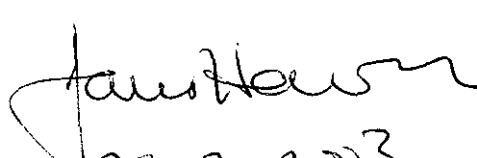
Each of the members of the Board is also a member of the company, and has undertaken to contribute up to £1 to the assets of the company in the event of a winding up.

AUDITOR

A resolution for the re-election of Bissell & Brown Limited as auditor is to be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD

Date

  
28.7.2003

THE DANCEXCHANGE LIMITED  
(LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DANCEXCHANGE LIMITED  
(A COMPANY LIMITED BY GUARANTEE)

We have audited the financial statements of the Danceexchange Limited for the year ended 31 March 2003 which comprise the income and expenditure account, the balance sheet and related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

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

**Respective responsibilities of Directors and Auditor**

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards.

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

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, as amended. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company 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 directors' remuneration and transactions with the company is not disclosed.

We read the Directors' 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 Auditing Standards 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 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.

THE DANCEXCHANGE LIMITED  
(LIMITED BY GUARANTEE)

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2003 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended and have been properly prepared in accordance with Companies Act 1985.

*Bissell & Brown Ltd*

Bissell & Brown Limited  
Registered Auditor &  
Chartered Accountants  
Legge Street  
Birmingham  
B4 7EU

Date

28 July 2003

THE DANCEXCHANGE LIMITED  
(LIMITED BY GUARANTEE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which gives a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year (unless the charity is entitled to prepare accounts on the alternative receipts and payments basis). In preparing financial statements giving a true and fair view, the trustees should follow best practice and:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue in operation.

THE DANCEXCHANGE LIMITED  
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2003

	General Funds £	Designated Funds £	Restricted Funds £	Total 2003 £	General Funds £	Designated Funds £	Restricted Funds £	Total 2002 £
<u>Incoming Resources</u>								
Donations & Grants	337,467	-	37,335	374,802	387,467	-	18,912	406,379
Other Income	144,337	-	-	144,337	118,964	-	-	118,964
Bank Interest	1,152	-	-	1,152	1,255	-	-	1,255
	482,956	-	37,335	520,291	507,686	-	18,912	526,598
<u>Resources Expended</u>								
Direct Project Expenditure	232,489	-	10,643	243,132	286,121	-	-	286,121
Management & Administration	264,829	-	1,241	266,070	227,754	-	-	227,754
Depreciation of Assets Acquired	-	-	6,089	6,089	-	-	13,042	13,042
	497,318	-	17,973	515,291	513,875	-	13,042	526,917
<u>NET MOVEMENTS IN FUNDS</u>	(14,362)	-	19,362	5,000	(6,189)	-	5,870	(319)
Transfer: Relocation Reserve	10,527	(10,527)	-	-	31,000	(31,000)	-	-
Fund Balances b/f	36,930	38,000	19,910	94,840	12,119	69,000	14,040	95,159
Fund Balances c/f	33,095	27,473	39,272	99,840	36,930	38,000	19,910	94,840

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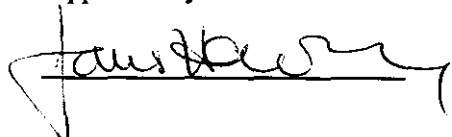
BALANCE SHEET

AS AT 31 MARCH 2003

	<u>Note</u>	<u>2003</u> <u>£</u>	<u>2002</u> <u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	3	62,173	57,995
<u>CURRENT ASSETS</u>			
Debtors & Prepayments	4	76,618	43,889
Bank and Cash		132,180	84,791
		<hr/>	<hr/>
		208,798	128,680
<u>CURRENT LIABILITIES</u>			
Creditors:			
Amounts falling due within one year	5	(171,131)	(91,835)
		<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		37,667	36,845
		<hr/>	<hr/>
		99,840	94,840
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>			
		<hr/>	<hr/>
		99,840	94,840
		<hr/>	<hr/>
<u>Represented by:</u>			
<u>RESTRICTED RESERVE</u>	6	39,272	19,910
<u>UNRESTRICTED RESERVE</u>			
Accumulated General Fund			
Surplus at beginning of year		36,930	12,119
(Deficit)/Surplus for the year		(3,835)	24,811
		<hr/>	<hr/>
<u>DESIGNATED RESERVE</u>	7	27,473	38,000
		<hr/>	<hr/>
		99,840	94,840
		<hr/>	<hr/>

Advantage is taken in the preparation of these financial statements of the special provisions applicable to small companies provided by Part VII of the Companies Act 1985. In the directors opinion, the company is entitled to those exemptions as a small company.

Approved by the directors on 28th July 2003 and signed on their behalf.



THE DANCEXCHANGE LIMITED  
(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES:

The following principal accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

(a) Basis of Accounting:

These accounts have been prepared under the historical cost accounting rules in accordance with the Companies Act 1985.

(b) Treatment of Grants:

Capital grants are amortised over the length of life of the asset purchased. Revenue grants are credited to the income and expenditure account for the year that they are received and to the appropriate year's activity that they are related.

(d) Depreciation:

Depreciation has been calculated on the following basis:-

Equipment & Computer	15% - 25% reducing balance and 25% straight line
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(e) Taxation:

The company is registered as a charity with the Charity Commissioners and is not liable to corporation tax on its income arising from its normal activities.

2. EMOLUMENTS OF THE COUNCIL OF MANAGEMENT

No member of the council received any emolument for so acting during the year.

3. TANGIBLE FIXED ASSETS

	<u>Computer &amp; Office Equipment</u> £
<u>Cost</u>	
At 1 April 2002	148,362
Additions	23,088
	<hr/>
At 31 March 2003	171,450
	<hr/>
<u>Accumulated Depreciation</u>	
At 1 April 2002	90,367
Depreciation Charge for the year	18,910
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At 31 March 2003	109,277
	<hr/>
<u>Net Book Values</u>	
At 31 March 2003	62,173
	<hr/>
At 31 March 2002	57,995
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THE DANCEXCHANGE LIMITED  
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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

4. <u>DEBTORS</u>		<u>2003</u>		<u>2002</u>
		<u>£</u>		<u>£</u>
Invoiced Debtors less Bad Debt Provisions		72,429		22,821
Grants & Income Due		1,500		16,600
Prepayments		1,579		720
Taxation and social security due		1,110		3,748
		<hr/>		<hr/>
		76,618		43,889
		<hr/>		<hr/>
5. <u>CREDITORS</u>		<u>2003</u>		<u>2002</u>
		<u>£</u>		<u>£</u>
Grants in Advance		101,724		34,835
Trade Creditors		54,526		40,497
Accruals		13,720		13,932
Other Creditors		1,161		2,571
		<hr/>		<hr/>
		171,131		91,835
		<hr/>		<hr/>
6. <u>RESTRICTED FUNDS</u>		<u>2003</u>		<u>2002</u>
	<u>Capital</u>	<u>Revenue</u>	<u>Total</u>	<u>Capital</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Brought Forward	19,910	-	19,910	14,040
Lottery Capital Grants Received	-	-	-	18,911
Lottery Revenue Grants Received	-	37,335	37,335	-
<u>Less</u> Released to Income & Expenditure Account	(6,089)	(11,884)	(17,973)	(13,042)
	<hr/>	<hr/>	<hr/>	<hr/>
	13,821	25,451	39,272	19,910
	<hr/>	<hr/>	<hr/>	<hr/>

Revenue grant received relates to Dance Borders Project.

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

7. <u>DESIGNATED RESERVE</u>	<u>2003</u>	<u>2002</u>
<u>Reserve for Relocation Costs</u>	<u>£</u>	<u>£</u>
Brought Forward	38,000	69,000
Transfer from Income & Expenditure Account	-	-
Transfer to Income & Expenditure Account:		
Relocation Costs		(20,785)
Additional Depreciation etc.	(10,527)	(10,215)
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	27,473	38,000
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8. RESERVES POLICY

The income and expenditure of the charity fluctuates according to the pattern of the grant and project income obtained. As the charity employs a number of staff, the Board of Directors consider that reserves are needed to provide for an orderly wind down in the event of unexpected reduction in the funds obtained. In the opinion of the Board of Directors the reserves of the charity are appropriate for its scale of operation.

9. CASH FLOW STATEMENT

The company has taken advantage of the small companies exemption under provisions of FRS1 and accordingly has not prepared a cash flow statement.

THE DANCEXCHANGE  
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INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2003

	<u>2003</u> <u>£</u>	<u>2002</u> <u>£</u>
<u>TURNOVER</u>	481,804	506,431
<u>COST OF SALES</u>		
Project Expenses	(232,489)	(286,121)
	<hr/> 249,315	<hr/> 220,310
Administrative Expenses	(264,829)	(227,754)
Bank Interest	1,152	1,255
	<hr/>	<hr/>
<u>DEFICIT ON ORDINARY ACTIVITIES</u>	(14,362)	(6,189)
Transfer from Designated Reserve	10,527	31,000
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<u>(DEFICIT)/SURPLUS FOR THE YEAR</u>	(3,835)	24,811
<u>ACCUMULATED SURPLUS BROUGHT FORWARD</u>	36,930	12,119
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<u>ACCUMULATED SURPLUS CARRIED FORWARD ON GENERAL FUND</u>	33,095	36,930
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The company has no recognised gains and losses other than those above and therefore no separate statement of total recognised gains and losses has been presented.