

COMPANY NO. 2784677

Registered Charity No. 1045364

THE DANCEXCHANGE LIMITED

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005



47
BISSELL & BROWN LIMITED
Registered Auditor and Chartered Accountants

1 Legge Street
Birmingham B4 7EU

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 2005.

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 2005 the directors were:-

Merle Wray	Chair
Susan Higgins	
Alexander Coffey	
Jill Timmis	
Julia Carruthers	
Terry Grimley	
Malcolm McGivan	
Marcia Sparkes	Appointed 25 October 2004
Suzanne Virdee	Appointed 25 October 2004
Jane Hawksley	Resigned 25 October 2004
Nina Nannar	Resigned 25 October 2004

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

Merle Wray

Date 5.09.2005
MPW

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 2005 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

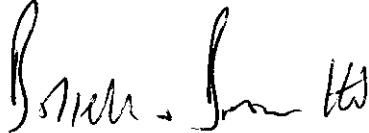
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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
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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 2005 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 Limited
Registered Auditor &
Chartered Accountants
Legge Street
Birmingham
B4 7EU

Date

5 Sept 2005

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 2005

	General Funds £	Designated Funds £	Restricted Funds £	Total 2005 £	General Funds £	Designated Funds £	Restricted Funds £	Total 2004 £
<u>Incoming Resources</u>								
Donations & Grants	721,061	-	-	721,061	632,946	-	-	632,946
Other Income	189,780	-	-	189,780	108,720	-	-	108,720
Bank Interest	3,237	-	-	3,237	2,460	-	-	2,460
	914,078	-	-	914,078	744,126	-	-	744,126
<u>Resources Expended</u>								
Direct Project Expenditure	548,983	-	-	548,983	393,200	-	8,989	402,189
Management & Administration	335,998	-	-	335,998	321,358	-	16,462	337,820
Depreciation of Assets Acquired	-	-	1,438	1,438	-	-	4,235	4,235
	884,981	-	1,438	886,419	714,558	-	29,686	744,244
<u>NET MOVEMENTS IN FUNDS</u>	29,097	-	(1,438)	27,659	29,568	-	(29,686)	(118)
Fund Balances b/f	62,663	27,473	9,586	99,722	33,095	27,473	39,272	99,840
Fund Balances c/f	91,760	27,473	8,148	127,381	62,663	27,473	9,586	99,722

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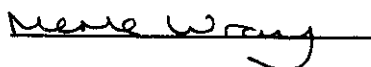
BALANCE SHEET

AS AT 31 MARCH 2005

	<u>Note</u>	<u>2005</u> <u>£</u>	<u>2004</u> <u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	3	50,920	60,606
<u>CURRENT ASSETS</u>			
Debtors & Prepayments	4	103,820	15,663
Bank and Cash		277,443	187,958
		<hr/>	<hr/>
		381,263	203,621
<u>CURRENT LIABILITIES</u>			
Creditors:			
Amounts falling due within one year	5	(304,802)	(164,505)
		<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		76,461	39,116
		<hr/>	<hr/>
		127,381	99,722
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>		-	-
		<hr/>	<hr/>
		127,381	99,722
		<hr/>	<hr/>
<u>Represented by:</u>			
<u>RESTRICTED RESERVE</u>	6	8,148	9,586
<u>UNRESTRICTED RESERVE</u>			
Accumulated General Fund			
Surplus at beginning of year		62,663	33,095
Surplus \ (Deficit) for the year		29,097	29,568
		<hr/>	<hr/>
<u>DESIGNATED RESERVE</u>	7	27,473	27,473
		<hr/>	<hr/>
		127,381	99,722
		<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 5 Sept 2005 and signed on their behalf.



THE DANCEXCHANGE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2005

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>TANGIBLE FIXED ASSETS</u>	<u>Computer & Office Equipment</u> £
<u>Cost</u>	
At 1 April 2004	191,901
Additions	13,198
Disposals	(121)
	<hr/>
At 31 March 2005	204,978
	<hr/>
<u>Accumulated Depreciation</u>	
At 1 April 2004	131,295
Depreciation Charge for the year	22,833
Disposals	(70)
	<hr/>
At 31 March 2005	154,058
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<u>Net Book Values</u>	
At 31 March 2005	50,920
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At 31 March 2004	60,606
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THE DANCEXCHANGE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2005

4.	<u>DEBTORS</u>			<u>2005</u>	<u>2004</u>	
				<u>£</u>	<u>£</u>	
	Invoiced Debtors less Bad Debt Provisions			96,807	14,051	
	Prepayments			603	360	
	Taxation and social security due			6,410	1,252	
				<hr/>	<hr/>	
				103,820	15,663	
				<hr/>	<hr/>	
5.	<u>CREDITORS</u>			<u>2005</u>	<u>2004</u>	
				<u>£</u>	<u>£</u>	
	Grants in Advance			134,735	77,406	
	Trade Creditors			147,559	56,199	
	Accruals			22,508	30,900	
				<hr/>	<hr/>	
				304,802	164,505	
				<hr/>	<hr/>	
6.	<u>RESTRICTED FUNDS</u>					
		<u>2005</u>		<u>2004</u>		
	<u>Capital</u>	<u>Revenue</u>	<u>Total</u>	<u>Capital</u>	<u>Revenue</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	
	Brought Forward	9,586	-	9,586	13,821	25,451
	Lottery Capital Grants Received	-	-	-	-	-
	Lottery Revenue Grants Received	-	-	-	-	-
	<u>Less</u> Released to Income & Expenditure Account	(1,438)	-	(1,438)	(4,235)	(25,451)
		<hr/>		<hr/>		<hr/>
		8,148	-	8,148	9,586	-
						9,586

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2005

7. <u>DESIGNATED RESERVE</u>	<u>2005</u>	<u>2004</u>
<u>Reserve for Relocation Costs</u>	<u>£</u>	<u>£</u>
Brought Forward	27,473	27,473
Transfer from Income & Expenditure Account	-	-
Transfer to Income & Expenditure Account: Relocation Costs Additional Depreciation etc.	-	-
	<hr/>	<hr/>
	27,473	27,473
	<hr/>	<hr/>

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. The company is also required on occasion to incur the costs of developing and researching work before the grants which have been awarded, and other related income, are actually received; the company therefore needs a level of reserve for cash flow reasons. 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.

10. RELATED PARTY TRANSACTIONS

During the period an amount of £1,250 was paid to director Jill Timmis for her role as dance education advisor.

THE DANCEXCHANGE
(LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2005

	<u>2005</u> £	<u>2004</u> £
<u>TURNOVER</u>	910,841	741,666
 <u>COST OF SALES</u>		
Project Expenses	(548,983)	(393,200)
	<hr/> 361,858	<hr/> 348,466
Administrative Expenses	(335,998)	(321,358)
Bank Interest	3,237	2,460
	<hr/>	<hr/>
<u>SURPLUS \ (DEFICIT) ON ORDINARY ACTIVITIES</u>	29,097	29,568
Transfer from Designated Reserve	-	-
	<hr/>	<hr/>
<u>SURPLUS \ (DEFICIT) FOR THE YEAR</u>	29,097	29,568
<u>ACCUMULATED SURPLUS BROUGHT FORWARD</u>	62,663	33,095
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<u>ACCUMULATED SURPLUS CARRIED FORWARD ON GENERAL FUND</u>	91,760	62,663
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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.