

LOWER MACHEN FESTIVAL
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

31 MARCH 2004

Charity number 1075159

Registered number: 3739816



LOWER MACHEN FESTIVAL
(A COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
for the year ended 31 March 2004

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LOWER MACHEN FESTIVAL
(A COMPANY LIMITED BY GUARANTEE)

COMPANY INFORMATION

31 March 2004

COMPANY NUMBER	3739816
DIRECTORS	D A Jones GL Davidson
SECRETARY	C Morris
COMMITTEE	Lord Raglan (Public Relations) P Reynolds (Artistic Director) G Williams (Event Management) G Davidson (Chair/Treasurer) M Evans (Hospitality) C Morris (Administration) C Jones (Event Management) W Ormrod (Event Management) P Whittaker (Event Management) D Jones (Event Management)
REGISTERED OFFICE	Llys Melus 75 Roath Court Road Cardiff CF24 3SF
BANKERS	Lloyds TSB plc 31 Queen Street Branch Cardiff CF10 4LP
AUDITORS	McGarry ,Worsey & Co 16 Llandaff Road, Canton Cardiff CF11 9NJ

LOWER MACHEN FESTIVAL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' AND DIRECTORS' REPORT

31 March 2004

The trustees and directors present their report and financial statements for the year ended 31st March 2004. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the charity.

Objects of the charity, principal activities and organisation of our work

The principal activity of the company is to present a series of Chamber Music concerts and related educational projects.

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The charity is organised so that the trustees meet regularly to manage its affairs.

Development, activities and achievements this year

During the year the Lower Machen Festival presented a series of six chamber concerts during the first week of July 2003. This was accompanied by two educational and outreach projects involving young people living in the Festival catchment area.

Future Developments

The company aims to present a series of six chamber concerts in the last week of June 2004 along with related educational projects involving school children in the local community. An important development planned for 2004/5 is the re-branding of the Festival's print material which it is hoped will increase box office income.

Transactions and financial position

The Statement of Financial Activities shows a net surplus for the year of £2,248 (2003 – surplus £2,332) and our reserves stand at £4,720 in total.

Directors and Trustees

The directors and trustees of the charitable company during the year are as shown on page 1 of the financial statements.

No directors received any remuneration in respect of his or her services other than reimbursement of expenses incurred in providing such services.

Risk management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

Continued...

LOWER MACHEN FESTIVAL

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' AND DIRECTORS' REPORT CONTINUED

31 March 2004

Continued.....

Reserves

It is the policy of the charity to work towards accumulating unrestricted net assets, representing three months of project running costs, which equate to approximately £4,400.

At present the unrestricted net current assets, which amount to £4,720, satisfy this requirement.

Statement of trustees' responsibilities in relation to the financial statements

The Trustees are required by company law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to :

- select suitable accounting policies and apply them consistently:
- make judgements that are reasonable and prudent:
- state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements:
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Company rules

These financial statements have been prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies.

Auditors

A resolution proposing McGarry, Worsey & Co be re-appointed as auditors of the charity will be put to the Annual General Meeting.

Approval

This report was approved by the board of directors and trustees on 15 June 2004 and signed on its behalf.

 **C Morris**
Secretary

Llys Melus
75 Roath Court Road
Roath
Cardiff
CF24 3SF

LOWER MACHEN FESTIVAL
(A COMPANY LIMITED BY GUARANTEE)

**Independent Auditors' report to the members of
Lower Machen Festival**

We have audited the financial statements of Lower Machen Festival for the year ended 31 March 2004 which comprise the Profit and Loss account, the Balance Sheet, and related notes. These financial statements have been prepared 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 auditors

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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. 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 are not required to consider whether the statement in the Trustees report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatement in it.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 2004 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

McGarry, Worsey & Co

McGarry, Worsey & Co
Registered Auditors
Cardiff
Chartered Accountants

Date: 29/6/04

LOWER MACHEN FESTIVAL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)
for the year ended 31 March 2004

	Note	General funds £	Restricted funds £	Total 2004 £	Total 2003 £
Incoming resources					
Grants receivable	2	11,769	-	11,769	10,527
Income from concerts	2	2,831	-	2,831	2,813
Other incoming resources	2	5,000	-	5,000	6,444
Total incoming resources		19,600	-	19,600	19,784
Resources expended					
Direct charitable expenditure		17,352	-	17,352	17,452
Total resources expended	3	17,352	-	17,352	17,452
Net incoming/(outgoing) resources		2,248	-	2,248	2,332
Gross Transfers between funds		-	-	-	-
Net incoming/(outgoing) resources for the year	4	2,248	-	2,248	2,332
Fund balances brought forward	7	2,472	-	2,472	140
Funds balances carried forward	7,8	4,720	-	4,720	2,472

Movements in reserves are shown in the notes to the financial statements.

There were no recognised gains and losses in 2004.

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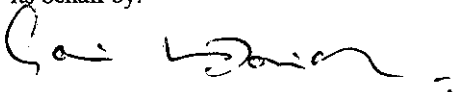
BALANCE SHEET

at 31 March 2004

		2004		2003	
	Note	£	£	£	£
Fixed assets					
Tangible assets			-		-
Current Assets					
Debtors	5	2,426		3,860	
Cash at bank and in hand		3,105		23	
		<u>5,531</u>		<u>3,883</u>	
Creditors: amounts falling due within one year	6	(811)		(1,411)	
Net Current Assets			<u>4,720</u>		<u>2,472</u>
Total assets less current liabilities			<u><u>4,720</u></u>		<u><u>2,472</u></u>
Reserves					
General funds	7		4,720		2,472
Restricted funds	7		-		-
Accumulated reserves	8		<u><u>4,720</u></u>		<u><u>2,472</u></u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 5 to 10 were approved by the board of directors on (8 June 2004) and signed on its behalf by:



G L Davidson

Director

LOWER MACHEN FESTIVAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES ON FINANCIAL STATEMENTS

31 March 2004

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Charity Statement of Recommended Practice, Accounting and reporting by Charities (SORP 2000) issued in October 2000, SORP Update Bulletin 1 issued in December 2002, applicable accounting standards and the Companies Act 1985.

Incoming resources

Incoming resources are accounted for on a receivable basis.

Grants

Grants are treated in different ways depending upon their purpose and the terms of the grant.

Grants receivable for the purpose of purchasing fixed assets for the continued use of the charity are treated as restricted funds. The restricted fund is then reduced by transfers of the amounts of equivalent to any depreciation charge over the expected useful life of the assets concerned.

Grants credited to general funds are to be used at the discretion of the trustees in furtherance of the objectives of the charity.

Grants receivable for particular purposes are treated as restricted funds so that any unused funds can be separately identified.

Resources Expended

Expenditure of a non capital nature incurred by the charity is shown in the Statement of Financial Activities and analysed between direct charitable expenditure, and costs of generating funds.

Items of expenditure which involve more than one cost category are apportioned on a reasonable, justifiable and consistent basis to the cost category involved.

LOWER MACHEN FESTIVAL
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NOTES ON FINANCIAL STATEMENTS

31 March 2004

2 Incoming resources

	General Funds £	Restricted Funds £	Total 2004 £	Total 2003 £
Grants receivable				
The Arts Council of Wales – Revenue grant	8,269	-	8,269	8,027
Newport Borough Council	700	-	700	500
R V W Trust	2,000	-	2,000	2,000
Other Grants	800	-	800	-
	<u>11,769</u>	<u>-</u>	<u>11,769</u>	<u>10,527</u>
Income from concerts				
Ticket sales	2,831	-	2,831	2,813
	<u>2,831</u>	<u>-</u>	<u>2,831</u>	<u>2,813</u>
Other incoming resources				
Donations and sponsorship	2,549	-	2,549	1,874
Other income	2,451	-	2,451	4,570
	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>6,444</u>

In the opinion of the director, none of the incoming resources of the company are attributable to geographical markets outside the UK.

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NOTES ON FINANCIAL STATEMENTS

31 March 2004

3 Total resources expended

	Staff Costs	Depreciation	Other costs	Total 2004	Total 2003
Direct charitable expenditure	-	-	17,352	17,352	17,452
	-	-	17,352	17,352	17,452

4 Net incoming/(outgoing) resources

Net incoming/(outgoing) resources are stated after charging:

	2004	2003
Auditors remuneration	411	294

5 Debtors

	2004	2003
	£	£
Grants receivable	2,000	2,000
Other debtors and prepayments	426	1,860
	2,426	3,860

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NOTES ON FINANCIAL STATEMENTS
31 March 2004

6 Creditors: amounts falling due within one year

	2004	2003
	£	£
Restricted Fund Deferred income	400	-
Accruals and other creditors	411	1,411
	<u>811</u>	<u>1,411</u>

7 Analysis of movements in funds

	General funds £
As at 1 April 2003	2,472
Surplus for the year	2,248
As at 31 March 2004	<u>4,720</u>

8 Analysis of net assets between funds

	Fixed Assets	Net Current Assets	Total Net Assets
General funds	<u>-</u>	<u>4,720</u>	<u>4,720</u>

LOWER MACHEN FESTIVAL
(A COMPANY LIMITED BY GUARANTEE)
ANALYSIS OF TOTAL RESOURCES EXPENDED

31 March 2004

	General Funds £	Restricted Funds £	Total 2004 £	Total 2003 £
Direct charitable expenditure				
Concerts	5,570	-	5,570	8,760
Artistes Expenses	354	-	354	566
Education	2,105	-	2,105	1,340
Other Concert Expenses	4,155	-	4,155	1,716
Administration Expenses	2,200	-	2,200	517
Marketing	2,083	-	2,083	3,484
Fundraising	474	-	474	455
Sundry	-	-	-	320
Auditors remuneration	411	-	411	294
	<u>17,352</u>	<u>-</u>	<u>17,352</u>	<u>17,452</u>