

**LOWER MACHEN FESTIVAL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**FINANCIAL STATEMENTS**

**31 MARCH 2003**

**Charity number 1075159**

**Registered number: 3739816**



**LOWER MACHEN FESTIVAL**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**FINANCIAL STATEMENTS**  
**for the year ended 31 March 2003**

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**LOWER MACHEN FESTIVAL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY INFORMATION**

**31 March 2003**

COMPANY NUMBER	3739816
DIRECTOR	D A Jones GL Davidson
SECRETARY	A G Plender (Resigned 4th March 2003) C Morris (Appointed 5th March 2003)
COMMITTEE	Lord Raglan (Public Relations)  P Reynolds (Artistic Director)  G Williams (Event Management)  <i>H Braithwaite (Education)</i>  G Davidson (Chair/Treasurer)  M Evans (Hospitality)  A G Plender (Administration)  C Jones (Event Management)  W Ormrod (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)**

**DIRECTORS' REPORT**

**31 March 2003**

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

**Principal activity**

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

**Directors**

The directors of the 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.

The company is limited by guarantee, and does not have any share capital.

**Taxation**

The company is a non profit making organisation and is not liable to Corporation Tax.

**Auditors**

McGarry, Worsey & Co. have agreed to offer themselves for re-appointment as auditors of the company.

**Small company exemptions**

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Continued.....

**LOWER MACHEN FESTIVAL**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS' REPORT CONTINUED**

**31 March 2003**

Continued.....

**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 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.

On behalf of the board



C Morris  
Secretary

Llys Melus  
75 Roath Court Road  
Roath  
Cardiff  
CF24 3SF

**Date: 5<sup>th</sup> January 2004**

**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 2003 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 read the Directors' 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 company's affairs as at 31 March 2003 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**McGarry, Worsey & Co**  
**Registered Auditors**  
**Cardiff**  
**Chartered Accountants**

**Date: 5<sup>th</sup> January 2004**

**LOWER MACHEN FESTIVAL**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating an income and expenditure account)**  
**for the period ended 31 March 2003**

	Note	General funds £	Restricted funds £	Total 2003 £	Total 2002 £
<b>Incoming resources</b>					
Grants receivable	2	10,527	-	10,527	10,679
Income from concerts	2	2,813	-	2,813	3,801
Other incoming resources	2	6,444	-	6,444	4,266
<b>Total incoming resources</b>		<u>19,784</u>	<u>-</u>	<u>19,784</u>	<u>18,746</u>
<b>Resources expended</b>					
Direct charitable expenditure		17,452	-	17,452	19,541
<b>Total resources expended</b>	3	<u>17,452</u>	<u>-</u>	<u>17,452</u>	<u>19,541</u>
Net incoming/(outgoing) resources		2,332	-	2,332	(795)
Gross Transfers between funds		-	-	-	-
<b>Net incoming/(outgoing) resources for the year</b>	4	<u>2,332</u>	<u>-</u>	<u>2,332</u>	<u>(795)</u>
<b>Fund balances brought forward</b>	6	140	-	140	935
<b>Funds balances carried forward</b>	6,7	<u>2,472</u>	<u>-</u>	<u>2,472</u>	<u>140</u>

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

There were no recognised gains and losses in 2003 other than the deficit for the year.

**LOWER MACHEN FESTIVAL**  
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**BALANCE SHEET**

at 31 March 2003

		2003	2002
	Note	£	£
<b>Fixed assets</b>			
Tangible assets		-	-
<b>Current Assets</b>			
Debtors		3,860	1,750
Cash at bank and in hand		23	-
		<u>3,883</u>	<u>1,750</u>
<b>Creditors: amounts falling due within one year</b>	5	(1,411)	(1,610)
<b>Net Current Assets</b>		<u>2,472</u>	140
<b>Total assets less current liabilities</b>		<u><u>2,472</u></u>	<u><u>140</u></u>
<b>Reserves</b>			
General funds	6	2,472	140
Restricted funds	6	<u>-</u>	<u>-</u>
<b>Accumulated reserves</b>	7	<u><u>2,472</u></u>	<u><u>140</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 5<sup>th</sup> January 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 2003**

**1 Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules and comply with the Charity Statement of Recommended Practice 2000..

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under 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.

**Apportionment of expenses**

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**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES ON FINANCIAL STATEMENTS**

31 March 2003

**2 Incoming resources**

	General funds £	Restricted Funds £	Total 2003 £	Total 2002 £
<b>Grants receivable</b>				
The Arts Council of Wales – Lottery grant	8,027	-	8,027	6,979
Newport Borough Council	500	-	500	700
R V W Trust	2,000	-	2,000	1,500
Other Grants	-	-	-	1,500
	<u>10,527</u>	<u>-</u>	<u>10,527</u>	<u>10,679</u>
<b>Income from concerts</b>				
Ticket and programme sales	2,813	-	2,813	3,801
	<u>2,813</u>	<u>-</u>	<u>2,813</u>	<u>3,801</u>
<b>Other incoming resources</b>				
Donations and sponsorship	1,874	-	1,874	1,640
Other income	4,570	-	4,570	2,626
	<u>6,444</u>	<u>-</u>	<u>6,444</u>	<u>4,266</u>

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

**LOWER MACHEN FESTIVAL**  
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**NOTES ON FINANCIAL STATEMENTS**

**31 March 2003**

**3 Total resources expended**

	<b>Staff Costs</b>	<b>Depreciation</b>	<b>Other costs</b>	<b>Total 2003</b>	<b>Total 2002</b>
Direct charitable expenditure	-	-	17,452	17,452	19,541
	-	-	17,452	17,452	19,541

	<b>2003</b>	<b>2002</b>
Staff costs:		
Wages and salaries	-	1,520
Social Security Costs	-	-
	-	1,520

No employee earned £40,000 pa or more

The artistic director and the festival administrator waived their aggregate fee entitlement of £1,950 for the 2002 festival, which is the activity recorded in these accounts.

**4 Net incoming/(outgoing) resources**

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

	<b>2003</b>	<b>2002</b>
Auditors remuneration	294	294

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**NOTES ON FINANCIAL STATEMENTS**  
**31 March 2003**

**5 Creditors: amounts falling due within one year**

	<b>2003</b>	<b>2002</b>
	£	£
Bank Overdraft	-	166
Accruals and Other creditors	1,411	1,444
	<u>1,411</u>	<u>1,610</u>

**6 Analysis of movements in funds**

	<b>General funds</b>
	£
As at 1 April 2002	140
Surplus for the year	2,332
As at 31 March 2003	<u>2,472</u>

**7 Analysis of net assets between funds**

	<b>Fixed Assets</b>	<b>Net Current Assets</b>	<b>Total Net Assets</b>
<b>General funds</b>	<u>-</u>	<u>2,472</u>	<u>2,472</u>

**LOWER MACHEN FESTIVAL**  
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**ANALYSIS OF TOTAL RESOURCES EXPENDED**

**31 March 2003**

	<b>General Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2003 £</b>	<b>Total 2002 £</b>
<b>Direct charitable expenditure</b>				
Concerts	8,760	-	8,760	8,246
Artistes Expenses	566	-	566	764
Education	1,340	-	1,340	1,445
Other Concert Expenses	1,716	-	1,716	2,522
Administration Expenses	517	-	517	2,263
Marketing	3,484	-	3,484	2,112
Merchandising	455	-	455	1,895
Sundry	320	-	320	-
Auditors remuneration	294	-	294	294
	<u>17,452</u>	<u>-</u>	<u>17,452</u>	<u>19,541</u>