

# **Rural Arts North Yorkshire**

(A company limited by guarantee)

## **Report and Financial Statements**

**Year ended: 31 March 2004**

Charity no: 1081007  
Company no: 3949494



**Rural Arts North Yorkshire**  
**For the year ended 31 March 2004**

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**Rural Arts North Yorkshire**  
**For the year ended 31 March 2004**

**Legal and Administrative Information**

**Status**

The organisation is a charitable company limited by guarantee (company no:3949494) and registered with the Charity Commission (charity no: 1081007).

The company was established under a Memorandum of Association that sets out the objectives and powers of the charitable company and is governed by the Articles of Association. Under these Articles, one third of the members of the Council of Management are required to retire annually by rotation and may offer themselves for re-election.

**Appointment of Trustees**

Trustees are appointed by invitation of the members of the Council of Management.

**Council of Management**

Dr B Thiede*	Chair
Mr C Shirtcliffe*	Vice Chair
Mr R Woodworth*	Hon. Treasurer
Mrs I Arnold*	
Mrs H Bloom	resigned December 2003
Mrs L Bradshaw*	
Mr J Bell*	
Mr M Bettison	
Mr R Hutchings	
Mr D Lloyd-Williams*	
Mr T Mould	
Mr S Roocroft**	Yorkshire Dales National Parks
Mr C MacPherson**	Arts Council England (Yorkshire)
Mrs A Dale**	Askham Bryan College

**Secretary**

Mrs J McVay

**Arts Director**

Mrs A Hall

\*These members of the Council of Management of the charitable company are directors for the purposes of Company Law. All members of the Council of Management are its Trustees for the purposes of Charity Law unless stated otherwise. (see below).

\*\* These members are appointed to the Council of Management in an advisory capacity and are not trustees for the purposes of Charity Law.

**Rural Arts North Yorkshire**  
**For the year ended 31 March 2004**

**Legal and Administrative Information contd.**

**Sub Committees**

The Council of Management has three sub committees to help manage the charity effectively. The nature and make up of the committees are set out below:-

**Personnel**

Dr B Thiede, Mr C Shirtcliffe, Mrs I Arnold, Mrs L Bradshaw, Mr D Lloyd-Williams, Mr R Woodworth, Mrs A Hall

**Finance**

Dr B Thiede, Mr R Woodworth, Mrs A Hall

**Courthouse Development**

Dr B Thiede, Mr C Shirtcliffe, Mr J Bell, Mr T Mould, Mrs A Hall

**Registered Office and Operation Address**

The Old Courthouse, Westgate, Thirsk, North Yorkshire YO7 1QS

**Auditors**

The Barker Partnership, 17 Central Buildings, Market Place, Thirsk, North Yorkshire. YO7 1HD

**Bankers**

Lloyds TSB, Thirsk Branch, Market Place, Thirsk, North Yorkshire YO7 1HB

**Solicitors**

Jacksons, Innovation House, Yarm Road, Stockton on Tees. TS18 3TN

**Rural Arts North Yorkshire**  
**Report of the Trustees for the year ended 31 March 2004**

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2004.

Legal and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

**Objects of the Charity**

The object of the Charity is to promote the Rural Arts, in all their forms, principally in the area of North Yorkshire. During the year the Charity proposed a change in the area served by the Charity to enable it to work in outside the boundary of North Yorkshire. The Charity Commission agreed the amendment to the Memorandum and Articles of Association on 1 December 2003.

The charity enhances the quality of life of the people in the local authorities making up the county of North Yorkshire through the provision of challenging programmes of community workshops, exhibitions and - through 'ON Tour' - live performances in local rural venues.

**Trustees**

There have been some minor changes to the Council of Members during the year. The Trustees wish to thank Mrs Bloom, on her resignation from the Council of Members, for the support she and her late husband has given to the charity.

North Yorkshire County Council have chosen to send, on a rotating basis, representatives from the North Yorkshire Cultural Officers Group (NYCOG).

**Organisation**

The Council of Management, made up of a minimum of three members, meet at regular intervals through out the year to administer the charity. There are three subcommittees to streamline and focus the management of the charity during the year. These are noted in the legal and administrative information on pages 1 and 2.

The Arts Director continues to manage the day today operations of the charity.

**Investment Powers**

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustees see fit.

**Related Parties**

During the financial year the charity let the first floor of the Courthouse to Shirtcliffe and Co., Solicitors, of which Mr C Shirtcliffe, a member of the Council of Management, is the Senior Partner. This arrangement came to an end in August 2003 when Shirtcliffe and Co., Solicitors moved to new premises in Thirsk. The arrangement was an arm's length transaction with

**Rural Arts North Yorkshire**  
**Report of the Trustees for the year ended 31 March 2004**

the rent being set at an open market rate. Permission and approval for this arrangement was sought from the Charity Commission and this was given in November 2000.

**Review of the Activities and Future Developments**

It has been another busy and memorable year for Rural Arts. Our development workers and artists have delivered more than seven hundred activities across North Yorkshire reaching over twenty five thousand people. The work has taken Rural Arts to opposite ends of the region – from the north east coast to the Craven Villages, both areas having poor resources and limited access to services.

The charity has continued with its learning and training programmes initially established with the Learning and Skills Contract. Rural Arts, working in partnership with North Yorkshire colleges, has played a crucial role in establishing a network of Rural Learning Communities in Hambleton and Ryedale, which has, in turn, maintained good links with the Learning and Skills Council in North Yorkshire.

The 'On Tour' programme continues to go from strength to strength offering high quality performance theatre in local rural venues. With a good number of new promoters joining the scheme, On Tour selection was again over subscribed, leaving some of the more established promoters disappointed. The success of the 'On Tour' scheme has been so encouraging, Rural Arts now has most of the funding in place to develop a programme of mobile cinema to take, not only blockbusters but also 'art house' film, to rural venues.

The focus for Rural Arts for the coming year will be the development of the Courthouse in Thirsk. Rural Arts is in the position of having the funding in place for the first phase of transforming the Courtroom into a performance and exhibition space with a new reception area and disabled access.

**Reserves**

The Council of Management has established the policy whereby the unrestricted funds not committed or invested in tangible fixed assets are held as general funds at such a level that there are free reserves to provide financial flexibility over the next financial period.

**Risk Management**

The Council of Management has conducted its own review of the major risks to which the charity is exposed during the drawing up of a new Business Plan incorporating and focussing on the redevelopment of the Courthouse. Risks to external funding have also been identified and the company continues to seek sources of funding to support and develop its artistic and training programmes. Internal risks continue to be minimised by the close involvement of the Council of Management and the introduction of the 'Investors in People' programme.

## **Rural Arts North Yorkshire**

### **Report of the Trustees for the year ended 31 March 2004**

#### **Responsibilities of the Directors in relation to the Financial Statements**

Company Law requires the Directors to prepare financial statements that give a true and fair view of the state of affairs of the charitable company at the end of the financial period and its surplus or deficit for the financial period. In doing so the Directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent; and
3. prepare the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue in business.

The Directors are responsible for maintaining proper accounting records that Disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure the financial statements comply with the Companies Act 1985. The Directors are responsible for safeguarding the assets of the charity and hence take reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Directors:

*Brenda Ince*

Position; *Chairman of Executive*  
Date;

*22.10.04*

## Independent Auditors' Report to the Members of Rural Arts North Yorkshire

We have audited the financial statements set out on pages 7 to 20 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on pages 10 to 11.

This report is made solely to the charitable 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the trustees and auditors

The responsibilities of the charity trustees (who act as company directors of Rural Arts North Yorkshire) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

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 Trustees' Report is not consistent with the financial statements, if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

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

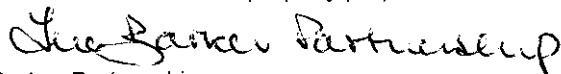
### Basis of opinion

We conducted our audit in accordance with 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 trustees in preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 the information in the financial statements.

### Opinion

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



The Barker Partnership  
Registered Auditors  
Thirsk

Date: 22.10.2004



# Rural Arts North Yorkshire

Statement of Financial Activities (including Income and Expenditure Account)  
for the year ended 31 March 2004

	note	Restricted Funds	Unrestricted Funds	Total Funds 2004	As Restated Total Funds 2003
		£	£	£	£
<b>Incoming Resources</b>					
Donations, Legacies and other similar resources	3	-	381	381	7,150
<b>Incoming Resources from Operating Activities in furtherance of the Charity's objects</b>					
<u>General Activities</u>	4	-	114,712	114,712	89,997
<u>On Tour</u>	5	-	60,262	60,262	51,546
<u>Contracts</u>					
Learning & Skills Council		-	19,580	19,580	62,489
Single Regeneration Budget (Round 6)		-	51,315	51,315	35,574
Rural Learning Communities		-	45,926	45,926	-
		-	116,821	116,821	98,063
<u>Project Management</u>	6				
Forward Together		5,543	-	5,543	-
Its My Life		20,983	-	20,983	-
City of York- Count Me In		-	-	-	4,571
		26,526	-	26,526	4,571
<b>Investment Income</b>					
Rental Income		-	3,999	3,999	4,357
Bank Interest		-	810	810	532
Other Income		-	-	-	56
		-	4,809	4,809	4,945
<b>Other Incoming Resources</b>					
Courthouse Redevelopment		20,000	-	20,000	-
Other Capital Grants	7	30,269	-	30,269	-
		50,269	-	50,269	-
<b>Total Incoming resources</b>		76,795	296,985	373,780	256,272
<b>Less Cost of Generating funds</b>					
Marketing and Fundraising	8	-	7,441	7,441	3,145
<b>Net Incoming Resources available for Charitable Purposes c/fwd</b>		76,795	289,544	366,339	253,127

# Rural Arts North Yorkshire

Statement of Financial Activities (including Income and Expenditure Account)  
for the year ended 31 March 2004

	note	Restricted Funds	Unrestricted Funds	Total Funds 2004	As Restated Total Funds 2003
<b>Net Incoming Resources available for Charitable Purposes c/fwd</b>		<b>76,795</b>	<b>289,544</b>	<b>366,339</b>	<b>253,127</b>
<b>Costs of Activities in Furtherance of the Objects of the Charity</b>					
<u>General Activities</u>					
Contract Artists		-	27,556	27,556	34,875
Materials and Equipment		-	9,632	9,632	9,688
		-	37,188	37,188	44,563
<u>On Tour</u>					
Artists and Company Fees		-	33,196	33,196	23,803
Booking Agent		-	9,204	9,204	8,812
Touring Events		-	495	495	420
		-	42,895	42,895	33,035
<u>Contracts</u>					
Learning & Skills Council	9	-	10,644	10,644	34,159
Single Regeneration Budget (Round 6)	10	-	39,377	39,377	33,136
Rural Learning Communities	11	-	37,119	37,119	-
Learning & Skills Council Pilot Project Costs		-	-	-	5,540
		-	87,140	87,140	72,835
<u>Project Management</u>					
Forward Together		6,502	-	6,502	-
Its My Life		778	-	778	-
		7,280	-	7,280	-
<u>Courthouse Redevelopment</u>					
Professional Fees		-	4,421	4,421	-
<b>Resources expended on Managing and administering the Charity</b>					
<u>General Activities</u>					
Salaries	12	-	76,555	76,555	48,135
Travel and other employee costs		-	6,524	6,524	4,992
Office Expenses	13	12,718	25,975	38,693	33,193
Building Expenses	14	-	9,067	9,067	10,394
		12,718	118,121	130,839	96,714
<b>Total resources expended</b>		<b>19,998</b>	<b>289,765</b>	<b>309,763</b>	<b>247,147</b>
<b>Movement in total funds for the year - Net income/(expenditure) for the year</b>	15	56,797	(221)	56,576	5,980
Total funds brought forward as previously stated		20,102	52,457	72,559	77,379
Prior Year adjustment	26		10,800	10,800	
<b>Total funds carried forward</b>		<b>76,899</b>	<b>63,036</b>	<b>139,935</b>	<b>83,359</b>

**Rural Arts North Yorkshire**  
**Balance Sheet as at 31 March 2003**

	Note	2004 £	As Restated 2003 £
<b>FIXED ASSETS</b>	<b>17</b>	194,737	166,996
<b>CURRENT ASSETS</b>			
Trade Debtors		36,689	16,702
Prepayments		4,919	4,342
Cash at bank and in hand		51,877	39,630
		<u>93,486</u>	<u>60,674</u>
<b>CREDITORS: amounts falling due within one year</b>	<b>18</b>	<u>26,375</u>	<u>24,916</u>
<b>NET CURRENT ASSETS</b>		67,111	35,758
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>261,848</u>	<u>202,754</u>
<b>CREDITORS: amounts falling due after more than one year</b>	<b>21</b>	<u>121,912</u>	<u>119,395</u>
<b>NET ASSETS</b>		<u><u>139,935</u></u>	<u><u>83,359</u></u>
<b>Unrestricted Funds</b>			
General Funds		61,235	61,456
Designated Funds	<b>22</b>	<u>1,801</u>	<u>1,801</u>
		63,036	63,257
<b>Restricted Funds</b>	<b>23</b>	<u>76,899</u>	<u>20,102</u>
		<u><u>139,935</u></u>	<u><u>83,359</u></u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to smaller entities.

Approved by the Directors and signed on their behalf:

*Brenda Ince*

Director: *Chairman of Executive*  
Date: *22.10.04*

**1). Accounting Policies**

**a) Basis of preparation of accounts**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002); the Companies Act 1985 and follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000. The accounting policies adopted in the preparation of the financial statements are as follows:

**b) Donations, legacies and similar incoming resources**

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

**c) Grants receivable**

Grants receivable, including grants for the purchase of fixed assets, are credited to the Statement of Financial Activities (SOFA) in the year in which they are received. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

**d) Rental income**

Rental income is included in the Statement of Financial Activities in the year in which it is receivable.

**e) Interest receivable**

Interest is included when received by the charity.

**f) Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis. The company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

All expenditure which is directly attributable to specific activities has been included in those cost categories.

Salary and wages are apportioned according to the time spent on the various activities of the charity.

**g) Pension costs**

The charity participates in a defined contribution scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

**h) Operating leases**

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the period of the lease.

## **Rural Arts North Yorkshire**

### **Notes to the financial statements for the year ended 31 March 2004**

#### **i) Tangible Fixed assets**

Individual fixed assets costing more than £500 or more are capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over the estimated useful lives as follows:-

	Annual rate
Freehold Land and Buildings	2%
Motor Vehicles	33%
IT equipment	25%
Other Equipment	25%
Kiln	5%

#### **j) Leasing and Hire Purchase Commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful economic lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Income and Expenditure Account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

#### **k) Restatement of Corresponding Figures**

The accounts for the year ended March 2004 have been prepared to comply with the Charities SORP (2000) for larger entities as the income has exceeded £250,000. This has meant that the expense headings for cost of generating funds; costs of activities in furtherance of the objects of the charity; and resources expended on managing and administering the charity have been included on the SOFA. These headings were not used last year. Therefore last year's comparatives have been presented under the new format.

# Rural Arts North Yorkshire

Notes to the financial statements for the year ended 31 March 2004

## 3. Donations, Legacies and other similar resources

	Restricted Funds	Unrestricted Funds	Total Funds 2004	Total Funds 2003
	£	£	£	£
Donation - Norwich Union		350	350	-
Legacy - Mrs D Hardy		31	31	-
Yorkshire Arts RALP		-	-	6,150
E Fairbairn Charitable Trust		-	-	1,000
		<u>381</u>	<u>381</u>	<u>7,150</u>

## 4. General Activities

	Restricted Funds	Unrestricted Funds	Total Funds 2004	Total Funds 2003
	£	£	£	£
Arts Council England (Yorkshire)		25,600	25,600	24,300
Local Authorities		28,800	28,800	28,850
Project Income		60,312	60,312	36,847
		<u>114,712</u>	<u>114,712</u>	<u>89,997</u>

## 5. On Tour

	Restricted Funds	Unrestricted Funds	Total Funds 2004	Total Funds 2003
	£	£	£	£
Arts Council England (Yorkshire)		25,001	25,001	20,000
Local Authorities		23,550	23,550	23,375
Project Income		11,711	11,711	8,171
		<u>60,262</u>	<u>60,262</u>	<u>51,546</u>

## 6. Project Management

'Forward Together' and 'It's My Life' are community regeneration projects part funded by Government Office under the ERDF scheme.

'Forward Together' is a six months contract working with 'Community Arts Now' based in Staithes. It employs a part time Lead Artist and part time Development Worker. This project is due for completion with a community arts based event in Staithes in July 2004.

'It's My Life' is a longer project with additional funding from Arts Council England and is based in the Whitby PACT area.

**Rural Arts North Yorkshire**  
**Notes to the financial statements for the year ended 31 March 2004**

**6. Project Management cont'd**

A Development Worker has been appointed and due to start work in April 2004. 'It's My Life' is also linked to a project based in the Craven area that is due to begin in April 2004.

**7. Other Capital Grants**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total 2004</b>	<b>Total 2003</b>
	£	£	£	£
Arts Council England (Yorkshire)	27,000	-	27,000	-
Rural Learning Communities	3,269	-	3,269	-
	<u>30,269</u>	<u>-</u>	<u>30,269</u>	<u>-</u>

The Arts Council England grant was for the purchase of further laptops to extend and enhance the mobile classroom of laptops used by the Charity in outreach programmes.

The Rural Learning Communities grant was for the purchase of equipment to use in the provision of arts based courses to support the Rural Learning Communities contract.

**8. Marketing and Fundraising**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2004</b>	<b>Total Funds 2003</b>
	£	£	£	£
General Activities		4,043	4,043	2,496
On Tour		3,398	3,398	649
		<u>7,441</u>	<u>7,441</u>	<u>3,145</u>

**9. Learning & Skills Council**

	<b>2004</b>	<b>2003</b>
	£	£
Development Worker Salaries	7,459	17,184
Development Worker Travel	533	795
Contract Artists and Tutors	346	10,359
Administrative Support including wages	2,058	5,678
Miscellaneous Expenses	248	143
	<u>10,644</u>	<u>34,159</u>

**Rural Arts North Yorkshire**  
**Notes to the financial statements for the year ended 31 March 2004**

**10. Single Regeneration Budget (Round 6)**

	<b>2004</b>	<b>2003</b>
	£	£
Development Worker Salaries	34,666	28,885
Development Worker Travel	2,685	3,364
Contract Artists and Tutors	1,001	647
Miscellaneous Expenses	1,025	240
	<u>39,377</u>	<u>33,136</u>

**11. Rural Learning Communities**

	<b>2004</b>	<b>2003</b>
	£	£
Development Worker Salaries	19,899	-
Development Worker Travel	1,459	-
Contract Artists and Tutors	10,385	-
Administrative Support	5,303	-
Miscellaneous Expenses	73	-
	<u>37,119</u>	<u>-</u>

**12. Wages and Salaries**

	<b>Core</b>	<b>SRB</b>	<b>RLC</b>	<b>LSC</b>	<b>Forward together</b>	<b>Total 2004</b>	<b>Total 2003</b>
Wages and Salaries	66,834	31,565	18,122	8,185	2,128	126,834	87,199
Social Security Costs	6,379	3,101	1,777	673	83	12,013	7,994
Pension Costs	3,343	-	-	-	-	3,343	3,133
	<u>76,556</u>	<u>34,666</u>	<u>19,899</u>	<u>8,858</u>	<u>2,211</u>	<u>142,190</u>	<u>98,326</u>

No employee earned more than £50,000 per annum.

The members of the Council of Management were not paid or reimbursed for expenses during the year.



**Rural Arts North Yorkshire****Notes to the financial statements for the year ended 31 March 2004****12.1 Staff Numbers**

The average number of full time equivalent employees during the year is made up as follows:-

	2004	2003
Directors	8	8
Arts Director	1	1
Administrative Staff	2	2
SRB Development Workers	2	2
RLC Development Worker	1	-
LSC Training Officer	-	1
Project Development Workers	0.3	-

**13. Office Expenses**

Post, copying & stationery	5,374	5,374	5,914
Telephones	3,028	3,028	3,823
Insurances	2,763	2,763	3,702
Computer Maintenance	2,585	2,585	2,365
Professional Services	4,322	4,322	6,921
Depreciation	12,718	1,497	14,215
Staff Recruitment	-	-	187
Miscellaneous Expenses	5,338	5,338	-
Loss on Disposal of Fixed Assets	763	763	-
Interest and Bank Charges	307	307	-
	<u>12,718</u>	<u>25,975</u>	<u>38,693</u>
			<u>33,193</u>

**14. Building Expenses**

	2004	2003
	£	£
Power and Rates	1,781	2,440
Loan Interest	3,035	3,419
Depreciation	3,681	3,155
Building repairs	570	1,380
	<u>9,067</u>	<u>10,394</u>

**Rural Arts North Yorkshire**  
**Notes to the financial statements for the year ended 31 March 2004**

**15. Movement in total funds for the period**

This is stated after charging:

	<b>2004</b>	<b>2003</b>
	£	£
Operating leases - Office Equipment(note 16)	1,241	1,241
Depreciation of tangible fixed assets		
- owned by the company	18,595	16,636
- held under hire purchase agreements	900	-
Auditor's remuneration	2,999	500

**16. Operating Leases**

The amounts payable in the next year in respect of operating leases for office equipment are shown below, analysed according to the expiry date of the lease:

	<b>2004</b>	<b>2003</b>
	£	£
Expiry date:		
Between 2 and 5 years	1,241	1,241

**17. Tangible Fixed Assets**

	<b>Freehold Land and Buildings</b>	<b>IT Equipment</b>	<b>Motor Vehicles</b>	<b>Kiln and Other Equipment</b>	<b>Total 2004</b>
Cost					
At 1 April 2003	146,738	41,367	9,500	543	198,148
Additions during the year		29,145	15,300	3,554	47,999
Disposals during the year		(1,181)			(1,181)
At 31 March 2004	146,738	69,331	24,800	4,097	244,966
Depreciation					
At 1 April 2003	8,278	13,676	8,800	398	31,152
Charge for the year	3,010	14,215	1,599	671	19,495
Disposals during the year		(418)			(418)
At 31 March 2004	11,288	27,474	10,399	1,069	50,229
Net Book Value					
At 31 March 2004	135,450	41,858	14,401	3,028	194,737
At 31 March 2003	138,460	27,691	700	145	166,996

In the Trustees opinion the Freehold Land and Buildings have a market value of approximately £200,000.

**Rural Arts North Yorkshire****Notes to the financial statements for the year ended 31 March 2004**

Included in Motor Vehicles are assets held under hire purchase agreements.  
Net book values and depreciation are set out below:-

	Depreciation		Net Book Value	
	2004	2003	2004	2003
	£	£	£	£
Motor Vehicles	900	-	14,400	-

**18. Creditors: amounts falling due within one year**

	2004	2003
	£	£
Bank loans and overdrafts (secured)	7,029	3,213
Other taxes and social security costs	-	3,190
Hire Purchase Creditor	3,143	-
Accruals	16,203	7,737
Amounts received in advance (note 19)	-	8,551
Countryside Agency - Local Heritage Initiative (note 20)	-	2,225
	<u>26,375</u>	<u>24,916</u>

**19. Amounts received in advance**

These represent grants received for the Spring 2003 'On Tour' season that straddles the end of the financial accounting period.

	2004	2003
	£	£
Arts Council England (Yorkshire)	-	5,001
Local Authorities	-	3,550
	<u>-</u>	<u>8,551</u>

**20. Countryside Agency – Local Heritage Initiative**

This is a project funded by the Countryside Agency to support the production of 'Upshoots' – an exhibition of photographic images and imaginative text by two artists documenting the people that make their living from the soil of the Howardian Hills. The grant also funds the touring of the exhibition and the costs of any supporting workshops that may accompany the work.

During the financial year the project was substantially completed and the application for the final portion of the grant is due for completion in July 2004.

**Rural Arts North Yorkshire**  
**Notes to the financial statements for the year ended 31 March 2004**

**20. Countryside Agency – Local Heritage Initiative cont'd**

	<b>2004</b>	<b>2003</b>
	£	£
Funds received	4,815	4,815
Expenses - Cost of Exhibition	(3,609)	(2,370)
- workshop costs	(3,055)	(100)
- sundry expenses	(481)	(120)
Balance of funding outstanding at 31 March 2004	<u>(2,330)</u>	<u>2,225</u>

This amount is recoverable and included in Trade debtors.

**21. Creditors: amounts falling due after more than one year**

	<b>2004</b>	<b>2003</b>
	£	£
Hire Purchase Agreement Creditor	6,110	-
Lloyds TSB plc (secured)	35,752	39,345
Trustees of Thirsk Infants School Charity (secured)	40,000	40,000
Mr S Clements (secured)	<u>20,000</u>	<u>20,000</u>
	101,862	99,345
Undated Loans	<u>20,050</u>	<u>20,050</u>
	<u>121,912</u>	<u>119,395</u>

**Lloyds TSB plc**

This loan is secured by a first charge on the freehold land and buildings. This represents 32% of the charged asset value.

**Thirsk Infants School Trustees**

This loan is secured by a second charge on the freehold land and buildings. This represents 27% of the charged asset value.

**Mr S Clements**

This loan is secured by a third charge on the freehold land and buildings. This represents 13% of the charged asset value.

**22. Designated Repairs Funds**

The designated Repairs Fund is for the general maintenance and minor repairs of the Courthouse.

	<b>2004</b>	<b>2003</b>
	£	£
Balance as at 1 April 2003 and 31 March 2004	1,801	1,801

**Rural Arts North Yorkshire****Notes to the financial statements for the year ended 31 March 2004****23. Restricted Funds**

	<b>At 1 April 2003</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>At 31 March 2004</b>
	£	£	£	£
<b>Capital Funds</b>				
Arts Centre Development	2,500	-	-	2,500
TargIT Grant	14,475	-	(5,264)	9,211
Lloyds TSB Foundation	3,127	-	(1,463)	1,664
Courthouse Redevelopment	-	20,000	-	20,000
Arts Council England	-	27,000	(5,465)	21,535
Rural Learning Communities	-	3,269	(526)	2,743
	<u>20,102</u>	<u>50,269</u>	<u>(12,718)</u>	<u>57,653</u>
<b>Project Management Funds</b>				
It's My Life	-	20,983	(778)	20,205
Forward together	-	5,543	(6,502)	(959)
	<u>-</u>	<u>26,526</u>	<u>(7,280)</u>	<u>19,246</u>
<b>Total Funds</b>	<u>20,102</u>	<u>76,795</u>	<u>(19,998)</u>	<u>76,899</u>

Arts Centre Development was a donation from the Thirsk Infants School Trustees for developing the Courthouse as an Arts Centre for Thirsk. Courthouse Redevelopment was a grant received from Hambleton District Council to support redeveloping the Old Courthouse. It is expected that both of these grants will be spent in the next financial year.

TargIT grant was a grant from the DfES for the provision of a mobile classroom of 10 laptops for use in the outreach environment. The laptops were purchased in January 2002. The balance outstanding represents the cost of the classroom less the depreciation incurred to date.

The Lloyds TSB Foundation awarded a grant of £5,200 for office computer equipment which was purchased in November 2001. The balance outstanding represents the cost of the equipment less depreciation incurred to date.

Rural Learning Communities was a grant towards purchasing equipment to support the running of outreach courses during the period of the contract. The balance outstanding represents the cost of the equipment less depreciation incurred to date.

**Project Management Funds**

It's My Life funding represents a grant from the Arts Council England (Yorkshire) to support a regeneration and community reengagement project based in Whitby. The expenditure is the cost of employing a part time development worker and running workshops with community groups in the Whitby Pact area.

Forward together funding represents a grant under the ERDF scheme. The expenditure is the cost of employing a part time Lead Artist and Development

## **Rural Arts North Yorkshire**

### **Notes to the financial statements for the year ended 31 March 2004**

worker and running workshops in Staithes, North Yorkshire. The debit balance outstanding represents the funds due to the charity from Government Office. This balance is due has arisen due to timing differences in receiving matched funding.

#### **24. Related Parties**

Mr C. Shirtcliffe, a member of the Council of Management is also the senior partner in Shirtcliffe & Co., Solicitors to whom the charity let office space under normal commercial terms and at arm's length. Shirtcliffe & Co., Solicitors vacated the premises in August 2003. There were no monies outstanding at this point or at the year end.

During the year £2,127 (2003 £4,254) was received in rent from Shirtcliffe & Co, Solicitors at an 'open market' rate as established by Joplings, Estate Agents and Valuers, Thirsk.

Thirsk Infant School Charitable Trust

Dr B Theide, who is Chair and Director of Rural Arts North Yorkshire, also serves as a Trustee for the Thirsk Infant School Charitable Trust. Rural Arts North Yorkshire has an outstanding loan with Thirsk Infant School Charitable Trust of £40,000 which is secured on the Courthouse. The loan is interest free and repayable in February 2010.

#### **25. Comparative Figures**

The company took advantage of the exemption conferred by Section 249A(1) of the Companies Act 1985 for the year ended 31 March 2003 and hence the comparative figures have not been audited.

#### **26. Prior Year Adjustment**

Comparative figures have been restated to include a £10,800 debtor from the Single Re-generation Board (Round 6), that had been omitted from the 31 March 2003 accounts.