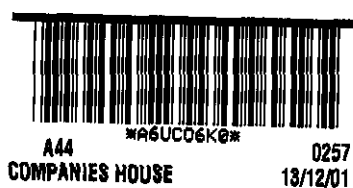


SIGNED

## **Arts & Business Services Limited**

### **Report and Financial Statements for the year ended 31 March 2001**

Registered company number: 4027285



**Directors' report  
for the period ended 31 March 2001**

The Directors present their report together with the audited financial statements for the period ended 31 March 2001. This report is prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies.

**Principal activity and review of business**

The principal activities of Arts & Business Services are the provision of membership and consultancy services to the business community and the organisation of arts-based training.

The Company was incorporated on 30 June 2000 as a wholly owned subsidiary of Arts & Business Limited and commenced trading immediately thereafter. On 11 July 2000, the appropriate form was filed at Companies House changing the accounting reference date of the Company to 31 March in order to bring it into line with the year-end of its parent company.

**Results**

The Company's profit for the financial year of £155,167 was paid to the parent company by gift aid.

**Dividends**

The Directors do not recommend the payment of a dividend.

**Directors and directors' interests**

The Directors of the Company during the year ended 31 March 2001 were:

Robin Wight (Chairman)  
Jonathan Cameron (from 23 November 2000)  
Clare Cooper (from 15 March 2001)  
Dr Chris Gibson-Smith (from 11 January 2001)  
Russell Jones (from 23 November 2000)  
Caroline Lisser (from 23 November 2000)  
Nigel Mullan (from 23 November 2000)  
Malcolm Naylor (from 11 January 2001)  
Alan Smith (from 23 November 2000)  
Tim Stockil (until 23 November 2000)  
Colin Tweedy  
Fields Wicker-Miurin (from 23 November 2000)

## **Directors' report (continued)**

According to the register required to be kept by Section 325 of the Companies Act 1985, the Directors did not have, at any time during the year ended 31 March 2001, any interest in shares of the Company, or the parent company with the exception of Messrs Wight, Cameron, Gibson-Smith, Naylor, Smith and Wicker-Miurin - all of whom have a non-beneficial interests in the shares of the Company as members of the parent company, a company limited by guarantee.

### **Company secretary**

On 23 November 2000, Nigel Mullan resigned from the post of Company Secretary and was succeeded by Martin Williams, the company secretary of the parent company, Arts & Business Limited.

### **Directors' responsibilities**

The Directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the company for that period.

The Directors confirm that suitable accounting policies have been used and applied consistently and that reasonable and prudent judgements have been made in the preparation of the financial statements for the period ended 31 March 2001. The Directors also confirm that applicable accounting standards have been followed and that it is appropriate for the financial statements to be prepared on the going concern basis.

The Directors are responsible for keeping proper accounting records, for safeguarding the assets of the Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

On 7 June 2001, the Board resolved to appoint Messrs Horwath Clark Whitehill as auditors to the company with immediate effect. A resolution to reappoint that firm as the auditors of the Company for a further year will be presented at the next Annual General Meeting.

### **Approved by the Directors and signed on their behalf**

Robin Wight

**Director**

26 July 2001

A large, stylized handwritten signature in black ink, likely belonging to Robin Wight, is written over the text 'Director' and '26 July 2001'.

Arts & Business Services Limited

**Report of the auditors  
to the members of Arts & Business Services Limited**

We have audited the accounts on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

As stated on page 2, the Company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

**Unqualified opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Horwath Clark Whitehill

*Horwath Clark Whitehill*

**Chartered Accountants and Registered Auditors**

**London**

26 July 2001

Arts & Business Services Limited

**Profit and Loss Account  
for the period ended 31 March 2001**

	Notes	2001 £
<b>Turnover</b>	2	<u>588,713</u>
<b>Total turnover</b>		<u>588,713</u>
<b>Operating costs</b>		
Cost of sales		84,955
Staff costs	3	13,869
Office and administration costs	4	<u>341,242</u>
<b>Total operating costs</b>		<u>440,066</u>
<b>Profit/(loss) on ordinary activities before interest and tax</b>	5	148,647
Net interest receivable		<u>6,520</u>
<b>Profit/(loss) on ordinary activities before tax</b>		155,167
Gift Aid payment to parent company		<u>(155,167)</u>
<b>Net profit/(loss) on ordinary activities before tax</b>		-
Tax on profit on ordinary activities		-
<b>Profit/(Loss) for the financial year</b>		<u>-</u>

The notes on pages 6 to 8 form part of these accounts.

Arts & Business Services Limited

**Balance sheet as at 31 March 2001**

	Note	2001 £
<b>Current assets</b>		
Debtors	6	400,968
Cash at bank and in hand		<u>383,533</u>
		784,501
<b>Creditors: amounts falling due within one year</b>	7	<u>784,498</u>
<b>Net assets</b>		<u>3</u>
<b>Capital and reserves</b>		
Called up share capital	8	3
Profit and loss account		<u>-</u>
<b>Total shareholders' funds</b>	9	<u>3</u>

The financial statements on pages 4 to 8 were approved by the Board of Directors on 26 July 2001 and were signed on its behalf by:

R Wight X

Director



This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. The notes on pages 6 to 8 form part of these accounts.

**Notes to the financial statements  
for the period ended 31 March 2001**

**1. Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been consistently applied, is set out below.

*Basis of accounting*

The financial statements have been prepared under the historical cost convention and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

*Cash flow statements*

The Company, being a small reporting entity as defined by Financial Reporting Standard No. 1 (revised 1996) on 'Cash Flow Statements', is exempt from the requirement to prepare a cash flow statement. Accordingly, no cash flow statement is presented within these accounts.

*Income Receivable*

Income is credited in the Profit and Loss Account when receivable. To the extent that income relates to a future period, it is carried forward as deferred revenue.

**2. Turnover**

Turnover is exclusive of value added tax and represents grant income received on behalf of the parent in addition to the invoiced value of business memberships sold and training and consultancy services supplied. Turnover consisted entirely of services provided in the United Kingdom.

**3. Staff costs**

The Directors of the Company received no emoluments in the exercise of their office. The Company had no employees during the year. Staff costs represent an apportionment of parent company staff costs.

**4. Office and administration costs**

Office and administration costs comprise in the main a management charge levied by the parent company for servicing the business members. Some incidental costs were also incurred directly by the Company.

**Notes to the financial statements (continued)**

**5. Profit on ordinary activities before taxation**

The auditor's remuneration for audit services was borne by the parent company during the year. There was no remuneration for non-audit services during the year.

**6. Debtors: amounts falling due within one year**

	2001 £
Trade debtors	173,212
Amount due from parent company (Arts & Business Limited)	123,099
Amount due from associate company (Arts & Business Workshops Limited)	93,060
Prepayments and accrued income	<u>11,597</u>
	<u>400,968</u>

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

	2001 £
Deferred revenue	282,705
Accruals	
- Management charge from parent company (Arts & Business Limited)	340,000
- Other	6,542
Other creditors	84
Gift aid payment to parent	<u>155,167</u>
	<u>784,498</u>

**8. Called-up share capital**

	2001 £
<b>Authorised</b>	
1,000 ordinary shares of £1 each	<u>1,000</u>
<b>Allotted, called up and fully paid</b>	
3 ordinary shares of £1 each	<u>3</u>



## Notes to the financial statements (continued)

### 9. Reconciliation of movement in shareholders' funds

	2001 £
Opening shareholders' funds	3
Retained profit for the financial period	-
Closing shareholders' funds	<u>3</u>

### 10. Related party disclosures

The company is not required to disclose transactions with fellow group undertakings under the exemptions provided by Financial Reporting Standards Number 8. There were no other transactions with related parties that would require disclosure under the standard or other requirements.

### 11. Immediate and ultimate parent company

The Directors regard Arts & Business Limited as the immediate and ultimate parent company and the ultimate controlling party. According to the register kept by the company, Arts & Business, a company incorporated in the United Kingdom held a 100% interest in the equity capital of the Company at 31 March 2001. Copies of the immediate and ultimate parent companies' financial statements may be obtained from the Secretary, Arts & Business Limited, Nutmeg House, 60 Gainsford Street, London SE1 2NY.