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## **Arts & Business Services Limited**

### **Report and Financial Statements for the year ended 31 March 2004**

Registered company number: 4027285



## **Arts & Business Services Limited**

### **Directors' report for the year ended 31 March 2004**

The Directors present their report together with the audited financial statements for the year ended 31 March 2004. 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.

### **Results**

The Company made a loss for the financial year of £20,117 which has been retained by the company (2003: a profit of £30,934 which 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 2004 were:

\* Robin Wight CVO (Chairman)  
Clare Cooper  
\* Dr Chris Gibson-Smith  
\* Alan K P Smith  
Colin Tweedy

\* Indicates a non-executive director

### **Company Secretary**

Martin Williams

### **Bankers**

HSBC Plc  
19 Grosvenor Place  
London SW1X 7HT

## Arts & Business Services Limited

### **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 2004, any interest in shares of the Company, or the parent company with the exception of Messrs Wight, Gibson-Smith, and Smith - all of whom have a non-beneficial interest in the shares of the Company as members of the parent company, a company limited by guarantee.

### **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 year ended 31 March 2004. 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.

**Approved by the Directors on 15 July 2004 and signed on their behalf**



Robin Wight

Director

**Independent auditors' report to the members of Arts & Business Services Limited**

We have audited the financial statements of Arts & Business Services for the year ended 31 March 2004 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set 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 opinion we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with the 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 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 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 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 2004 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  
25 New Street Square  
London EC4A 3LN

*15 July 2004*

**ARTS & BUSINESS SERVICES LIMITED**  
**PROFIT & LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2004**

	Notes	2004 £	2003 £
Turnover	2	<u>1,280,260</u>	<u>1,226,385</u>
<b>Total turnover</b>		<u><b>1,280,260</b></u>	<u><b>1,226,385</b></u>
<b>Operating costs</b>			
Cost of sales		640,118	524,056
Office and administration costs	3	<u>664,021</u>	<u>675,983</u>
<b>Total operating costs</b>		<u><b>1,304,140</b></u>	<u><b>1,200,039</b></u>
<b>(Loss)/Profit on ordinary activities before interest and tax</b>	4	<b>(23,880)</b>	26,345
Net Interest receivable		<u>3,763</u>	<u>4,588</u>
<b>(Loss)/Profit on ordinary activities before tax</b>		<b>(20,117)</b>	30,934
Gift aid payment to parent company		<u></u>	<u>30,934</u>
<b>Net (Loss)/Profit on ordinary activities before tax</b>		<b>(20,117)</b>	-
Tax on profit on ordinary activities		<u>-</u>	<u>-</u>
<b>(Loss)/Profit for the financial year</b>		<u><b>(20,117)</b></u>	<u><b>-</b></u>

The notes on pages 6 and 7 form part of these accounts

**ARTS & BUSINESS SERVICES LIMITED**  
**BALANCE SHEET**  
**AT 31 MARCH 2004**

	Notes	2004 £	2003 £
<b>Current Assets</b>			
Debtors	5	264,353	205,103
Cash at bank and in hand		<u>246,260</u>	<u>124,051</u>
		510,613	329,154
<b>Creditors: amounts falling due within one year</b>	6	<u>530,727</u>	<u>329,151</u>
<b>Net Assets</b>		<u>(20,114)</u>	<u>3</u>
<b>Capital and reserves</b>			
Called up share capital	8	3	3
Profit and loss account		<u>(20,117)</u>	<u>-</u>
		<u>(20,114)</u>	<u>3</u>

The financial statements on pages 4 to 7 were approved by the Board of Directors on 15 July 2004 and were signed on their behalf by:

Robin Wight  
Chairman



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 & 7 form part of these accounts.

**ARTS & BUSINESS SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2004**

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**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 & 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 consisted entirely of services provided in the United Kingdom.

**3. Office and administration costs**

Office and administration costs comprise a management charge of £000 (2003: £675,581) levied by the parent company for services provided. Some incidental costs were also incurred directly by the Company.

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

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

**ARTS & BUSINESS SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2004**

<b>5. Debtors</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Trade debtors	159,166	191,791
Prepayments and accrued income	105,187	13,313
	<u>264,353</u>	<u>205,103</u>
<b>6. Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Trade Creditors	24,312	-
Deferred revenue	319,205	241,236
Accruals	63,774	4,549
Other creditors	26,211	1,501
Amount due to parent company	97,225	81,865
	<u>530,727</u>	<u>329,151</u>
<b>7. Called-up share capital</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
3 ordinary shares of £1 each	<u>3</u>	<u>3</u>
<b>8. Reconciliation of movement in shareholders' funds</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Opening shareholders' funds	3	3
Retained (loss)/profit for the financial period	(20,117)	-
Closing shareholders' funds	<u>(20,114)</u>	<u>3</u>

**9. 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.

**10. 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 Limited, a company incorporated in the United Kingdom held a 100% interest in the equity capital of the Company at 31 March 2004. Copies of the immediate and ultimate parent company's financial statement may be obtained from the Secretary, Arts & Business Limited, Nutmeg House, 60 Gainsford Street, London SE1 2NY.