

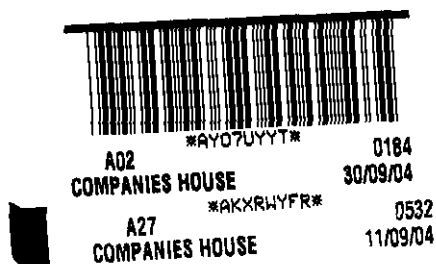
TRADDODIADAU CERDD CYMRU/MUSIC TRADITIONS WALES  
(TRAC)  
LIMITED

Report and financial statements

Year ended 30<sup>th</sup> November 2003

Charity number: 1085422

Company number: 4106014



**Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

**Report & Financial Statements**

**Year ended: 30th November 2003**

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**Traddodiadau Cerdd Cymru /Music Traditions Wales (TRAC) Limited**

**Legal and administrative information**

- Status:** The organisation is a charitable company limited by guarantee, incorporated on 10<sup>th</sup> November 2000 and registered as a charity on 7<sup>th</sup> March 2002. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.
- Trustees:** Sian L. James  
Daniel L. M. Kilbride  
Stephen P. Rees  
Annette M. Davies (appointed 6<sup>th</sup> July 2003)  
Patricia J. S. Thomas (resigned 25<sup>th</sup> September 2003)
- Secretary:** Patricia J. S. Thomas
- Registered Office:** 8a Heol y Gwyddau,  
Caerfyrddin,  
Sir Gaerfyrddin.  
SA31 1RE
- Accountants:** Patterson Jones & Evans  
Chartered Accountants,  
Registered Auditors,  
23 College Street,  
Lampeter,  
Ceredigion,  
SA48 7DY.
- Bankers:** Unity Trust Bank  
4 Oozells Square,  
Birmingham,  
B1 2HB.

## **Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

### **Report of the trustees for the year ended 30th November 2003**

The trustees present their report and financial statements for the year ended 30th November 2003.

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements for the year ended 30th November 2003. 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.

The charity is a charitable company limited by guarantee and was set up on 10<sup>th</sup> November 2000 when it took over the assets and liabilities of the former 'trac'. It is governed by a memorandum and articles of association.

#### **Activities**

The charity's principal activity is as a Folk Development Agency for Wales. Its objects are to increase awareness, understanding and confidence in the music, song and dance traditions within Wales; and to raise awareness outside Wales of traditional activities taking place, and to create links with other organisations and participants throughout the world.

#### **Results**

The results of the charity are shown in the Statement of Financial Activities on page 8. There were no incoming or outgoing resources in respect of general funds (2002: surplus of £325). The net outgoing resources of restricted funds amounts to a deficit of £1,675 (2002: Deficit of £2,613).

#### **Review of activities**

trac's main funding was again provided by the Arts Council of Wales via its Arts For All Lottery Award. This was match funded by an award from the Carnegie UK Trust.

trac during this financial year continued to develop a profile and portfolio of projects which will establish the organisation as a brand recognized by both the Traditional community and funders for provision of quality events and services.

The first trac Conference was held in February 2003. It provided an opportunity for a roundtable discussion between a number of traditional societies, as well as individuals. The Conference produced The Gregynog Declaration, a statement of support for traditional arts which was unanimously adopted by those present.

Two training events were funded through the Arts Training Wales Sectoral Skills Development project. trac contributed two master classes to the new Sesiwn Fach Dolgellau initiative in February 2003. "Handing It On 3" was held in Aberystwyth in March 2003 and was comprised of two 'streams', one for first-time attendees and another a refresher event for those who had attended previous sessions.

Two New Initiative Partnerships were undertaken in the year under review with Powys County Council and with South Pembrokeshire Arts Network.

A total of six musicians-tutors took part in the Powys project which was held in six schools in northern Powys and in their 'feeder' communities. Around 100 young people and children, and around 40 adults, direct experience of dancing, singing and playing folk instruments. A new monthly session has been established due to the project, and several schools are continuing with the work by booking musicians directly.

In Pembrokeshire, trac provided partnership funding to enable South Pembrokeshire Arts Network to take advantage of Objective 1 funding for a series of Welsh Traditional Music workshops. The Saturday morning series featured opportunities for all skills levels and made use of some tutors who had undergone Handing It On training.

## **Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

### **Report of the trustees for the year ended 30th November 2003 (continued)**

#### **Review of activities (continued)**

2003 also saw the beginning of the Wales-Sweden partnership. Ten young traditional musicians were given an opportunity to attend Ethnocamp in Sweden, thanks to European bursaries. They then hosted a return visit by five Swedish instrumentalists to Wales which included performances at the National Eisteddfod and the Norwegian Church. The project was made possible through additional funding from Wales Arts International and Cardiff 2008 European Capital of Culture.

Ontrac, the in-house magazine, continues to be trac's prime direct-mail marketing resource and is now published in full colour. The trac database has developed and grown and now exceeds 700 names. Many registrations on the database have been harvested via the trac website.

In addition to project work, **trac** has been advocating on behalf of the sector in Wales to a variety of governmental and non-governmental organisations, including the Culture Minister for the Welsh Assembly Government, ELWa, Wales Tourist Board, Voluntary Arts Wales, Arts Council of Wales, Welsh Amateur Music Federation and to the English traditional music development body the Folk Arts Network. **Trac's** advocacy on behalf of the sector has also included the regional and national media and the charity's growing involvement with similar European agencies.

Trac has also maintained a presence at key events, including a stand at the National Eisteddfod in partnership with the Welsh Folk Song Society. This joint venture did much to raise the corporate profile and to strengthen communication between trac, traditional societies and other interested parties.

During the course of the 2002-3 financial year, negotiations with Arts Council for Wales bore fruit and trac became one of only three new Revenue-funded clients for 2003-4 with an understanding of a further two years' support. Applications to ACW for Capacity Building and Taking Part were also approved, although these require a level of match funding to be found in the next financial year. These successes were largely due to the work of the Development Director and the Administrator, assisted by the Board, and it was with regret that the Board received the news that both individuals were moving on to new work. Interim staff enabled trac to continue elements of its core work and two new full time positions – Director and Administrator – were appointed in November.

#### **Future strategy**

In the long term, the Charity hopes to establish the need for a Folk Development Agency on a permanent basis. At present, the charity is reviewing its business plan with a view to developing a long-term future strategy aiming, in the long term, at securing its core funding from a mix of private and public funding. Trac will also be researching the possibilities of generating revenue itself through a trading arm set up to deliver specific services.

#### **Reserves policy**

At present the charity's funding is of a restricted nature, which is all earmarked towards specific projects. The trustees therefore anticipate that the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity will be maintained at a low level whilst the specific projects are carried out. The trustees accept that the level of free reserves may therefore not be adequate to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed. The trustees are therefore considering ways in which additional unrestricted funds will be raised.

## **Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

### **Report of the Trustees for the year ended 30th November 2003 (continued)**

#### **Investment policy**

The Trustees' investment powers are governed by the Memorandum and Articles of Association. The trustees have a policy of keeping any surplus as liquid funds in high interest bearing short-term deposits, which can be accessed readily. The trustees are of the opinion that the charity does not have sufficient reserves at present to warrant investment in other forms.

#### **Risk review**

The board of trustees have conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. The Trustees are in the process of developing a strategic plan, which will allow for the development of the organisation and consider diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are annually reviewed to ensure that they still meet the needs of the charity.

#### **Responsibilities of the trustees**

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and applications of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practise and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

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

#### **Members of the board of trustees**

Members of the board of trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on page 3.

The minimum number of trustees required is three with no maximum. The Trustees are appointed by the members at the Annual General Meeting or otherwise appointed by the Trustees where there is a vacancy. One third of the Trustees retire at each annual general meeting.

The Board meet bi-monthly. The trustees use the services of a development officer, on a part time basis, to manage the day-to-day operations of the charity.

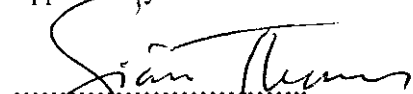
Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up.

**Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

**Report of the Trustees  
for the year ended 30th November 2003  
(continued)**

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the trustees on ...20.8..... 2004, and signed on its behalf by:



P.J.S Thomas  
Secretary

**Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

**Statement of Financial Activities (including Income and Expenditure Account)  
for the year ended 30th November 2003**

|   | Notes | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>Funds<br>2003<br>£ | Total<br>Funds<br>2002<br>£ |
|---|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>Incoming resources</b>                           |       |                            |                          |                             |                             |
| Donations   |       | -                          | -                        | -                           | 325                         |
| <i>Activities to further the charity's objects:</i> |       |                            |                          |                             |                             |
| Grants  | 2     | -                          | 98,759                   | 98,759                      | 68,225                      |
| Fees  |       | -                          | 1,092                    | 1,092                       | 1,260                       |
| <b>Total incoming resources</b>                     |       | <u>-</u>                   | <u>99,851</u>            | <u>99,851</u>               | <u>69,810</u>               |
| <b>Resources expended</b>                           |       |                            |                          |                             |                             |
| <i>Cost of generating funds:</i>                    |       |                            |                          |                             |                             |
| Promotion & publicity                               |       | -                          | 15,098                   | 15,098                      | 15,558                      |
| <i>Charitable expenditure:</i>                      |       |                            |                          |                             |                             |
| Outreach work                                       |       | -                          | 8,623                    | 8,623                       | 5,541                       |
| Development project                                 |       | -                          | 69,821                   | 69,821                      | 43,092                      |
| Management and administration                       |       | -                          | 7,984                    | 7,984                       | 7,907                       |
| <b>Total resources expended</b>                     | 3     | <u>-</u>                   | <u>101,526</u>           | <u>101,526</u>              | <u>72,098</u>               |
| <b>Net (outgoing)/incoming resources -</b>          |       |                            |                          |                             |                             |
| <b>Net (expenditure)/income for the year</b>        |       | -                          | ( 1,675)                 | ( 1,675)                    | ( 2,288)                    |
| <b>Net movement in funds</b>                        |       | <u>-</u>                   | <u>( 1,675)</u>          | <u>( 1,675)</u>             | <u>( 2,288)</u>             |
| <b>Total funds at 1st December 2002</b>             |       | ( 86)                      | 17,518                   | 17,432                      | 19,720                      |
| <b>Total funds at 30th November 2003</b>            | 10    | <u>(£ 86)</u>              | <u>£ 15,843</u>          | <u>£ 15,757</u>             | <u>£ 17,432</u>             |

Movements in funds are disclosed in note 10 to the financial statements.



# Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited

## Balance Sheet as at 30th November 2003

|   |       | 2003            | 2002            |
|---|-------|-----------------|-----------------|
|   | Notes | £               | £               |
| <b>Fixed assets</b>                                   |       |                 |                 |
| Tangible fixed assets                                 | 6     | 613             | 1,209           |
| <b>Current assets</b>                                 |       |                 |                 |
| Debtors   | 7     | 1,300           | -               |
| Cash at bank and in hand                              |       | <u>16,421</u>   | <u>22,466</u>   |
|   |       | 17,721          | 22,466          |
| <b>Creditors: amounts falling due within one year</b> | 8     | <u>2,577</u>    | <u>6,243</u>    |
| <b>Net current assets</b>                             |       | 15,144          | 16,223          |
| <b>Net assets</b>                                     | 9     | <u>£ 15,757</u> | <u>£ 17,432</u> |
| <b>Unrestricted funds</b>                             |       |                 |                 |
| General funds   |       | ( 86)           | ( 86)           |
|   |       | ( 86)           | ( 86)           |
| <b>Restricted funds</b>                               |       | 15,843          | 17,518          |
| <b>Total Funds</b>                                    | 10    | <u>£ 15,757</u> | <u>£ 17,432</u> |


The company is entitled to exemption from audit under Section 249A<sup>(a)</sup> of the Companies act 1985 for the year ended 30th November 2003. The members have not required the company to obtain an audit for its financial statements for the year ended 30th November 2003 in accordance with Section 249B(2) of the Companies Act 1985.

The trustees acknowledge their responsibilities for:

- a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

On behalf of the board of Trustees



Daniel L.M. Kilbride  
Trustee

Date: 20.8.2004

## **Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

### **Notes to the financial statements for the year ended 30<sup>th</sup> November 2003**

#### **1. Accounting policies**

##### **a. Basis of preparation**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and follow the recommendations in *Accounting and Reporting by Charities: Statement of Recommended Practice* issued in October 2000.

##### **b. Voluntary Income**

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

##### **c. Grants**

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

##### **d. Depreciation**

Depreciation is provided at rates calculated to write off the cost of each asset, less residual value, over its expected useful life as follows:

|                    |             |
|--------------------|-------------|
| Computer equipment | 33% on cost |
|--------------------|-------------|

##### **e. Incoming resources**

Incoming resources from outreach workshops and other income is included when receivable.

##### **f. Resources expended**

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Where costs cannot be directly attributed, they have been apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

##### **g. Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

##### **h. Designated funds**

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

##### **i. Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of management and support costs.

## Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited

Notes to the financial statements  
for the year ended 30th November 2003

### 2. Incoming resources from activities to further the charity's objects

|                                   | Unrestricted<br>£ | Restricted<br>£ | 2003<br>Total<br>£ | 2002<br>Total<br>£ |
|-----------------------------------|-------------------|-----------------|--------------------|--------------------|
| <b>Grants:</b>                    |                   |                 |                    |                    |
| The Arts Council of Wales         | -                 | 75,856          | 75,856             | 49,825             |
| The Carnegie United Kingdom Trust | -                 | 2,000           | 2,000              | 8,000              |
| Gwynedd County Council            | -                 | 4,903           | 4,903              | 3,500              |
| Powys County Council              | -                 | 3,600           | 3,600              | -                  |
| Caerphilly County Council         | -                 | 25              | 25                 | -                  |
| BBC                               | -                 | 75              | 75                 | -                  |
| Cardiff 2008                      | -                 | 3,150           | 3,150              | -                  |
| <b>Outreach work:</b>             |                   |                 |                    |                    |
| Education Learning Wales          | -                 | -               | -                  | 3,900              |
| Arts Training Wales               | -                 | 9,125           | 9,125              | 3,000              |
| Gwynedd County Council            | -                 | 25              | 25                 | -                  |
|                                   | -                 | <b>98,759</b>   | <b>98,759</b>      | <b>68,225</b>      |

### 3. Total resources expended

|                                 | Outreach<br>work<br>£ | Development<br>project<br>£ | Management<br>and<br>Administration<br>£ | 2003<br>Total<br>£ | 2002<br>Total<br>£ |
|---------------------------------|-----------------------|-----------------------------|--|--------------------|--------------------|
| Salaries                        | 2,100                 | 16,459                      | 2,062                                    | 20,621             | 24,332             |
| Social security                 | -                     | 1,168                       | 130                                      | 1,298              | -                  |
| Travelling & subsistence costs  | 1,625                 | 10,186                      | 69                                       | 11,880             | 5,856              |
| Secretarial fees                | -                     | -                           | 200                                      | 200                | -                  |
| Board Expenses                  | -                     | -                           | 279                                      | 279                | -                  |
| Training costs                  | 250                   | 1,642                       | -  | 1,892              | 3,558              |
| Trustees' expenses              | -                     | 2,298                       | -  | 2,298              | 1,723              |
| Marketing & promotion           | 315                   | 9,166                       | 5,617                                    | 15,098             | 15,558             |
| Workshop fees                   | 1,650                 | 12,424                      | -  | 14,074             | 10,540             |
| Trainers' fees                  | 750                   | 15,814                      | -  | 16,564             | -                  |
| Legal & professional            | -                     | 693                         | 2,686                                    | 3,379              | 1,071              |
| Accountancy fees                | -                     | 895                         | 896                                      | 1,791              | 934                |
| Subscriptions                   | -                     | -                           | 285                                      | 285                | 68                 |
| Printing, postage & stationery  | 703                   | 1,568                       | 591                                      | 2,862              | 3,725              |
| Computer software & maintenance | -                     | -                           | 921                                      | 921                | -                  |
| Telephone                       | -                     | 822                         | 91                                       | 913                | 836                |
| Rent                            | -                     | 516                         | 57                                       | 573                | 750                |
| Hire of venues                  | 1,545                 | 1,777                       | 114                                      | 3,436              | 2,263              |
| Hire of car & mini bus          | -                     | 1,428                       | -  | 1,428              | -                  |
| Insurance                       | -                     | -                           | 659                                      | 659                | 288                |
| Depreciation                    | -                     | 596                         | -  | 596                | 596                |
| Repairs & maintenance           | -                     | -                           | 264                                      | 264                | -                  |
| Bank charges                    | -                     | -                           | 10                                       | 10                 | -                  |
| Sundry expenses                 | -                     | 90                          | 115                                      | 205                | -                  |
|                                 | <b>8,938</b>          | <b>77,542</b>               | <b>15,046</b>                            | <b>101,526</b>     | <b>72,098</b>      |

Travel costs amounting to a total of £1,581 (2002:£1,723) were reimbursed to 3 trustees for the year.

# Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited

## Notes to the financial statements for the year ended 30th November 2003

### 4. Staff costs and numbers

Staff costs were as follows:

|                    | 2003          | 2002          |
|--------------------|---------------|---------------|
|                    | £             | £             |
| Salaries and wages | 20,621        | 23,147        |
| Social security    | 1,298         | 1,185         |
|                    | <u>21,919</u> | <u>24,332</u> |

No employee received emoluments of more than £50,000

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

|                        | No.        | No.        |
|------------------------|------------|------------|
| Development officer    | 0.6        | 0.6        |
| Administrative officer | 0.6        | 0.6        |
|                        | <u>1.2</u> | <u>1.2</u> |

### 5. Taxation

The charitable company is exempt from corporation tax on its charitable activities.

### 6. Tangible fixed assets

|                       | Plant &<br>machinery etc. |
|-----------------------|---------------------------|
| Cost                  | £                         |
| At 1st December 2002  | <u>1,805</u>              |
| At 31st November 2003 | <u>1,805</u>              |
| <b>Depreciation</b>   |                           |
| At 1st December 2002  | 596                       |
| Charge for year       | <u>596</u>                |
| At 31st November 2003 | <u>1,192</u>              |
| <b>Net book value</b> |                           |
| At 31st November 2003 | <u>£ 613</u>              |
| At 31st November 2002 | <u>£ 1,209</u>            |

All assets are used by the charity for continuing activities.

# Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited

## Notes to the financial statements for the year ended 30th November 2003

### 7. Debtors

|               | 2003  | 2002 |
|---------------|-------|------|
|               | £     | £    |
| Trade Debtors | 1,300 | -    |

### 8. Creditors: amounts falling due within one year

|                                 | 2003         | 2002         |
|---------------------------------|--------------|--------------|
|                                 | £            | £            |
| Trade creditors                 | 715          | 3,032        |
| Other creditors                 | -            | 1,264        |
| Other taxes and social security | 962          | 1,066        |
| Accruals                        | 900          | 881          |
|                                 | <u>2,577</u> | <u>6,243</u> |

### 9. Analysis of net assets between funds

|                                  | General Funds | Restricted Funds | 2003 Total Funds | 2002 Total Funds |
|----------------------------------|---------------|------------------|------------------|------------------|
|                                  | £             | £                | £                | £                |
| Tangible fixed assets            | -             | 613              | 613              | 1,209            |
| Current assets                   | -             | 17,721           | 17,721           | 22,466           |
| Current liabilities              | ( 86)         | ( 2,491)         | ( 2,577)         | ( 6,243)         |
| Net assets at 30th November 2003 | <u>( 86)</u>  | <u>15,843</u>    | <u>15,757</u>    | <u>17,432</u>    |

### 10. Movements in funds

|                                 | At 1st December 2002 | Incoming Resources | Outgoing Resources | Transfers | At 30th November 2003 |
|---------------------------------|----------------------|--------------------|--------------------|-----------|-----------------------|
|                                 | £                    | £                  | £                  | £         | £                     |
| <b>Restricted funds:</b>        |                      |                    |                    |           |                       |
| Development projects            | 14,899               | 90,271             | ( 92,588)          | -         | 12,582                |
| Outreach work                   | 2,619                | 9,580              | ( 8,938)           | -         | 3,261                 |
| <b>Total restricted funds</b>   | <u>17,518</u>        | <u>99,851</u>      | <u>( 101,526)</u>  | <u>-</u>  | <u>15,843</u>         |
| <b>Unrestricted funds:</b>      |                      |                    |                    |           |                       |
| General funds                   | ( 86)                | -                  | -                  | -         | ( 86)                 |
| <b>Total unrestricted funds</b> | <u>( 86)</u>         | <u>-</u>           | <u>-</u>           | <u>-</u>  | <u>( 86)</u>          |
| <b>Total funds</b>              | <u>17,432</u>        | <u>99,851</u>      | <u>( 101,526)</u>  | <u>-</u>  | <u>15,757</u>         |

## **Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

### **Notes to the financial statements for the year ended 30th November 2003**

#### **11. Purposes of restricted funds**

##### ***Development project***

This project is primarily funded by the Arts Council of Wales as well as being partly funded by The Carnegie UK Trust. It is a two year project aimed at establishing the Charity as a Folk Development Organisation for Wales.

##### ***Training/Outreach project***

This relates to the provision of specialist training workshops for traditional musician teachers/singers in Wales, funded by Elwa and Arts Training Wales. This fund will also enable the development of a pilot mentoring scheme and a masterclass for musicians.

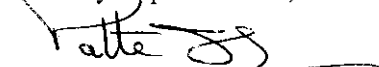
**Traddodiadau Cerdd Cymru/Music Traditions Wales (TRAC) Limited**

*Accountants' report  
on the unaudited accounts  
to the Trustees of*

**TRADDODIADAU CERDD CYMRU/MUSIC TRADITONS WALES (TRAC) LIMITED**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30<sup>th</sup> November 2003, set out on pages 8 to 14, and you consider that the charitable company is exempt from an audit and a report under S249A(2) of the Companies Act 1985.

In accordance with your instructions, we have prepared these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations provided to us.



**Patterson, Jones & Evans**

*Chartered Accountants*

*Registered Auditors*

23 College Street

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Date: .....1/9/.....,2004