

Registration number SC 052387

**Glasgow Print Studio Limited**  
**Financial statements**  
**for the year ended 31 March 2006**



**A S FISHER & CO**  
**CHARTERED ACCOUNTANTS**  
**Glasgow**

## **Glasgow Print Studio Limited**

### **Company information**

Council of management	D Palmer	
	R Farnham	
	R Paul	Resigned 23 May 2006
	P Reeves	
	E Wilkinson	Resigned 30 November 2005
	C Purslow	
	H Fay	
	H Haxworth	
	P Dowds	
	K Page	Appointed 7 December 2005
	A Campbell	Appointed 7 December 2005
Secretary	R Farnham	
Company number	SC 052387	
Registered office	48 King Street Glasgow G1 5QT	
Auditors	A S Fisher & Co 160 Hope Street Glasgow G2 2TJ	
Bankers	Clydesdale Bank PLC 30 St Vincent Place Glasgow G1 2HL	

# **Glasgow Print Studio Limited**

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## **Glasgow Print Studio Limited**

### **Council of management report for the year ended 31 March 2006**

#### **Financial statements**

The council submits the audited financial statements for the year ended 31 March 2006

#### **Principal activities**

Throughout the year, the company's principal activities consisted of providing printmaking facilities to its members and exhibiting artists' work throughout the United Kingdom

#### **Company status**

The company, which is registered as a charity in Scotland, is limited by guarantee and has no share capital. It receives financial assistance from Glasgow City Council, the Scottish Arts Council and the National Lottery.

#### **Review of the year**

The results for the year are set out on page 5

#### **Council of management**

The members of the council of management who served during the year are as stated below

D Palmer	
R Farnham	
R Paul	Resigned 23 May 2006
P Reeves	
E Wilkinson	Resigned 30 November 2005
C Purslow	
H Fay	
H Haxworth	
P Dowds	
K Page	Appointed 7 December 2005
A Campbell	Appointed 7 December 2005

#### **Statement of the council of management's responsibilities**

Company law requires the council to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that period. In preparing these the council is required to

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

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


**Glasgow Print Studio Limited**

**Council of management report  
for the year ended 31 March 2006**

**Auditors**

A S Fisher & Co having expressed their willingness to continue as auditors, a resolution proposing their re appointment will be submitted at the Annual General Meeting

This report was approved by the Council of Management on 8 October 2006 and signed on its behalf by



**R Farnham**  
**Secretary**

## **Glasgow Print Studio Limited**

### **Independent auditors' report to the members of Glasgow Print Studio Limited**

We have audited the financial statements of Glasgow Print Studio Limited for the year ended 31 March 2006 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2005) and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the council of management and auditors**

As described in the statement of the council of management's responsibilities the council is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing.

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 council of management 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 remuneration of members of the council of management and their transactions with the company is not disclosed.

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

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing 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 council of management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Glasgow Print Studio Limited**

**Independent auditors' report to the members of Glasgow Print Studio Limited continued**

**Going Concern**

In forming our opinion, we have considered the adequacy of the disclosures made in note 14 of the accounts concerning the company's current financial position. In view of the importance of this matter we consider that it should be drawn to your attention but our opinion is not qualified in this respect

**Opinion**

In our opinion the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2006 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985

In our opinion the information given in the Council of Management Report is consistent with the financial statements

A handwritten signature in black ink, consisting of a stylized 'A' followed by a long horizontal line that curves upwards at the end.

**A S Fisher & Co  
Chartered Accountants and  
Registered Auditors**

**160 Hope Street  
Glasgow  
G2 2TJ**

**8 October 2006**

**Glasgow Print Studio Limited**

**Statement of financial activities  
for the year ended 31 March 2006**

	<b>Note</b>	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>2006 £</b>	<b>2005 £</b>
<b>Incoming resources</b>	<b>2</b>				
<b>Incoming resources from generated funds:</b>					
<i>Activities for generating funds</i>					
Operating income			280,187	280,187	280,436
Investment income			26	26	22
<b>Incoming resources from charitable activities:</b>					
Grant income			173,930	173,930	162,000
<b>Total incoming resources</b>			<u>454,143</u>	<u>454,143</u>	<u>442,458</u>
<b>Resources expended</b>					
<b>Costs of generating funds</b>					
Fundraising trading cost of goods sold and other costs	<b>3.1</b>		95,538	95,538	79,929
<b>Charitable activities</b>	<b>3.2</b>	5,987	354,025	360,012	380,358
<b>Governance costs</b>	<b>4</b>		9,650	9,650	9,335
<b>Total resources expended</b>		<u>5,987</u>	<u>459,213</u>	<u>465,200</u>	<u>469,622</u>
<b>Net movement in funds</b>		(5,987)	(5,070)	(11,057)	(27,164)
<b>Reconciliation of funds</b>					
Total funds brought forward		22,549	(17,642)	4,907	32,071
Total funds carried forward		<u>16,562</u>	<u>(22,712)</u>	<u>(6,150)</u>	<u>4,907</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 7 to 14 form an integral part of these financial statements.



**Glasgow Print Studio Limited**

**Balance sheet  
as at 31 March 2006**

		2006		2005	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		22,597		31,045
<b>Current assets</b>					
Stocks	9	64,215		61,969	
Debtors	10	46,087		31,724	
Cash at bank and in hand		43,470		8,974	
		<u>153,772</u>		<u>102,667</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(182,519)</u>		<u>(128,055)</u>	
<b>Net current assets</b>			<u>(28,747)</u>		<u>(25,388)</u>
<b>Total assets less current liabilities</b>			<u>(6,150)</u>		<u>5,657</u>
<b>Deferred income</b>	12		-		(750)
<b>Net assets</b>			<u><u>(6,150)</u></u>		<u><u>4,907</u></u>
<b>Represented by:</b>					
<b>Unrestricted funds</b>					
General funds			(22,712)		(17,642)
<b>Restricted funds</b>			<u>16,562</u>		<u>22,549</u>
			<u><u>(6,150)</u></u>		<u><u>4,907</u></u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2005)

Approved by the council of management on 8 October 2006 and signed on its behalf

*David Palmer*

**David Palmer  
Chairman**

**The notes on pages 7 to 14 form an integral part of these financial statements.**

## **Glasgow Print Studio Limited**

### **Notes to the financial statements for the year ended 31 March 2006**

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

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985 and the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005

##### **1.2. Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through terms of appeal

##### **1.3. Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant

Donated services and facilities are included at the value the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts

Investment income is included when receivable

Incoming resources from charitable trading activity are accounted for when earned

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance

##### **1.4. Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's gallery and shop

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity

**Glasgow Print Studio Limited**

**Notes to the financial statements  
for the year ended 31 March 2006**

. continued

**1.5. Depreciation**

The cost of tangible fixed assets is written off by equal annual instalments over their expected useful lives as follows

Plant and machinery	10% to 25% straight line
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**1.6. Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

**1.7. Stock**

Stocks are valued at the lower of cost and net realisable value

Stock includes artists prints, the cost of which is calculated by reference to the original cost of production with due allowance for obsolescent or slow moving stock

**1.8. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year

**1.9. Deferred government grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to surplus or deficit over the expected useful lives of the relevant assets by equal annual instalments

Voluntary income and donations are accounted for as received by the charity. No permanent endowments have been received in the year but these are dealt with through the statement of financial activities when received.

Grants of a revenue nature are credited to income in the period to which they relate

**1.10. Taxation**

Taxation has not been provided for in the accounts as the company is a charitable organisation

**1.11. Cash flow statement**

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a cash flow statement for the year

**Glasgow Print Studio Limited**

**Notes to the financial statements  
for the year ended 31 March 2006**

continued

2. Incoming resources	Restricted £	Unrestricted £	2006 £	2005 £
<b>Operating income</b>				
Print sales and editioning		239,818	239,818	238,564
Subscriptions		5,715	5,715	5,669
Evening classes and session fees		9,630	9,630	12,046
Educational income		11,210	11,210	10,802
Art materials and publications		8,917	8,917	9,562
Hired out exhibitions		625	625	888
Miscellaneous income		2,100	2,100	2,905
Insurance claims receivable		2,172	2,172	
		<u>280,187</u>	<u>280,187</u>	<u>280,436</u>
<b>Investment income</b>				
Bank interest received		26	26	22
		<u>26</u>	<u>26</u>	<u>22</u>
<b>Grant income</b>				
Scottish Arts Council revenue grant		103,000	103,000	100,000
Glasgow District Council revenue grant		43,000	43,000	40,000
Glasgow District Council rates contribution		19,000	19,000	19,000
Glasgow District Council other grants		750	750	3,000
Other project grants		8,180	8,180	
		<u>173,930</u>	<u>173,930</u>	<u>162,000</u>

# Glasgow Print Studio Limited

## Notes to the financial statements for the year ended 31 March 2006

.. continued

	2006 £	2005 £
<b>3.1 Cost of goods sold and other costs</b>	<b><u>95,538</u></b>	<b><u>79,929</u></b>
<b>3.2 Charitable activities</b>		
Salaries and wages	142,912	151,515
Employer's NI contributions	11,206	11,613
Staff money purchase pension costs	2,820	2,820
Book keeping services	7,431	8,673
Telephone	3,932	3,615
Rent	21,100	21,100
Common charges	5,250	2,625
Rates	19,000	19,000
Water rates	4,290	4,234
Art dealers insurance	4,763	6,126
Heat and light	5,560	5,756
Repairs and renewals	2,887	3,051
Computer expenses	1,149	1,565
Cleaning	6,629	6,941
Carriage and postage	1,209	1,008
Library	622	508
Stationery	3,846	7,231
Advertising	3,732	5,201
Travelling and accommodation	10,194	7,743
Framing and crating	10,488	9,490
Buildings insurance	3,431	4,971
Extra invigilation	4,600	4,600
Private views	1,854	2,384
Catalogues, posters and invitations	2,930	5,077
Art materials and consumables	3,107	8,195
Stand rental	20,907	24,009
Editioning	14,133	14,039
Carriage and postage	3,546	4,838
Sundry programme costs	15,185	11,260
Project expenditure small grant aided projects	2,203	1,693
Accountancy	4,650	4,550
Bank and credit card charges	3,396	2,914
Sundries	2,389	2,758
Depreciation on plant and machinery	9,411	10,305
Amortisation of capital grants	(750)	(1,050)
	<b><u>360,012</u></b>	<b><u>380,358</u></b>

# Glasgow Print Studio Limited

## Notes to the financial statements for the year ended 31 March 2006

. . . continued

<b>4. Governance costs</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Salaries and wages	4,800	4,600
Employers NI contributions	500	460
Book keeping costs	1,200	1,200
Telephone	500	475
Auditors' remuneration	2,650	2,600
	<u>9,650</u>	<u>9,335</u>
<b>5. (Deficit)/surplus for the year</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
The deficit of income over expenditure is stated after charging:		
Depreciation of tangible fixed assets		
owned by the charity	9,411	10,305
Auditors' remuneration	2,650	2,600
	<u></u>	<u></u>
and after crediting		
Amortisation of capital grants	750	1,050
	<u>750</u>	<u>1,050</u>
<b>6. Staff costs</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages and salaries	147,712	156,115
Social security costs	11,706	12,073
Other pension costs	2,820	2,820
	<u>162,238</u>	<u>171,008</u>

### 7. Pension costs

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £2,820 (2005 - £2,820).

**Glasgow Print Studio Limited**

**Notes to the financial statements  
for the year ended 31 March 2006**

continued

<b>8. Tangible fixed assets</b>	<b>Short leasehold property £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2005	98,612	161,477	260,089
Additions		963	963
At 31 March 2006	<u>98,612</u>	<u>162,440</u>	<u>261,052</u>
<b>Depreciation</b>			
At 1 April 2005	98,612	130,432	229,044
Charge for the year		9,411	9,411
At 31 March 2006	<u>98,612</u>	<u>139,843</u>	<u>238,455</u>
<b>Net book values</b>			
At 31 March 2006		<u>22,597</u>	<u>22,597</u>
At 31 March 2005		<u>31,045</u>	<u>31,045</u>

<b>9. Stocks</b>	<b>2006 £</b>	<b>2005 £</b>
Art materials	13,770	14,299
Frames and framing materials	9,920	10,470
Publications, prints etc	40,525	37,200
	<u>64,215</u>	<u>61,969</u>

<b>10. Debtors</b>	<b>2006 £</b>	<b>2005 £</b>
Trade debtors	24,717	21,146
Grants receivable	620	
Other debtors	2,172	
Prepayments and accrued income	18,578	10,578
	<u>46,087</u>	<u>31,724</u>

# Glasgow Print Studio Limited

## Notes to the financial statements for the year ended 31 March 2006

continued

11. Creditors: amounts falling due within one year	2006 £	2005 £
Trade creditors	77,991	66,566
Other taxes and social security costs	13,292	10,002
Grants in advance	60,500	23,000
Other creditors	4,721	3,874
Accruals	26,015	24,613
	<u>182,519</u>	<u>128,055</u>

The company's bank facility is secured by means of a floating charge over the assets of the company dated 1 December 1988.

12. Deferred income	2006 £	2005 £
This relates to capital grants received from the following sources prior to 1 April 2003		
Glasgow City Council		
The Scottish Arts Council		
At 1 April 2005	750	1,800
Released in year	(750)	(1,050)
At 31 March 2006	<u>750</u>	<u>750</u>

### 13. Restricted fund

This comprises funds received from the National Lottery and funds raised by the members towards the cost of constructing a digital print and media facility

The grant has been credited to a restricted fund, against which the depreciation of the equipment is charged each year



**Glasgow Print Studio Limited**  
**Notes to the financial statements**  
**for the year ended 31 March 2006**

continued

**14. Going concern**

The accounts have been prepared on the going concern basis which assumes the company will continue trading for the foreseeable future. The company's ability to continue trading principally depends on the continuing and sufficient funding support of the Scottish Arts Council, Glasgow City Council, the company's bankers and the success of the council of managements' plans to return the company to a position of surplus. If the company was unable to continue trading in the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts and to provide for further liabilities that might arise in such circumstances.

**15. Related party transactions**

Due to the nature of the organisation some of the council of management are also artists.

One of the functions of the Glasgow Print Studio is the sale of artists' works. As a consequence of this at times it sells works on behalf of artists who are also members of the council of management. Such sales are on normal commercial terms.