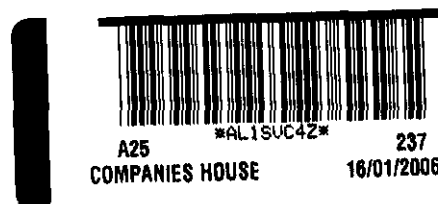


**SPREAD THE WORD**  
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENT  
YEAR ENDED 31 MARCH 2005**

**CHARITY NO : 1088890  
COMPANY NO : 3541037**



**TRUSTEES:**

Lida Cepuch (Chair)  
Roy Williams  
Selma El Rayah  
Liz Bartlett  
Greg Randall  
Liam Browne  
Elizabeth Ingrams  
Shankara Angadi  
Baden Prince

**SECRETARY**

Nick Murza

**REGISTERED OFFICE**

77 Lambeth Walk  
London SE11 6DX

**AUDITORS**

E. Grodzka & Co.  
Accountants & Auditors  
13 Manship Road,  
Mitcham, Surrey  
CR4 2AY

**BANKERS**

Barclays Bank PLC  
Brixton, Dulwich Group

## **REPORT OF THE TRUSTEES -Year ended 31st March 2005**

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2005. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, the Companies Act 1985 and follow the recommendation in Accounting and Reporting by Charities: Statement of Recommended Practice.

### **PRINCIPAL ACTIVITY**

The object of the charity is to advance the education of the public in literature in all its forms and in creative writing.

### **TRUSTEE'S RESPONSIBILITIES**

Company law requires the trustees to prepare financial statements that give true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to:

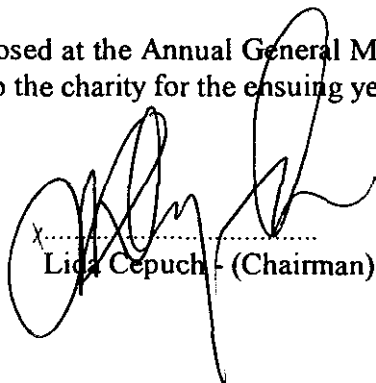
select suitable accounting policies and then apply them consistently;  
make judgements and estimates that are reasonable and prudent; and  
Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

### **AUDITORS**

A resolution will be proposed at the Annual General Meeting that E. Grodzka & Co. be re-appointed as auditors to the charity for the ensuing year.

By order of the Board:

  
.....  
Lidia Cepuch - (Chairman)

## **AUDITORS' REPORT TO THE MEMBERS OF SPREAD THE WORD**

We have audited the financial statements on pages 1 to 10, which have been prepared under the accounting policies set out on page 5.

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As described on page 6 the trustees, who are also directors of the company for the purpose of company law, are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

### **BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practises 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 judgement made by the trustees 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 materials misstatement, whether caused by fraud, other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.*

### **OPINION**

In our opinion, the financial statements give a true and fair view of the charitable company's state of affairs as at 31<sup>st</sup> March 2005 and of its incoming resources and application of resources, including its income and expenditure, for the year ended and have been properly prepared in accordance with the Companies Act 1985.

E. Grodzka & Co.

## **SPREAD THE WORD**

### **ACCOUNTING POLICIES - Year ended 31 March 2005**

The financial statements have been prepared in accordance with applicable accounting standards and with the Statement of Recommended Practice "Accounting by Charities". The particular accounting policies adopted are described below:

#### ***Basis of accounting***

The financial statements have been prepared under historical cost convention.

#### **Incoming resources and expenditure**

Income and expenditure is included on an accruals basis with fee income related to courses being recognised in the accounts at the conclusion of relevant courses.

Income and expenditure are allocated in the different categories of the Statement of Financial Activities on a basis, which reflects the day-to-day operations of the company. Salary costs are allocated on percentage basis, which reflects the responsibilities of individual employees.

#### **Fixed assets**

Depreciation is provided to write off the cost of tangible fixed assets by annual instalments over their estimated economic lives it is calculated at the following rates:

Office equipment -	40%	Per Annum FYA
	25%	Per Annum on Written Down Value

#### **Cash flow**

The financial statements do not include a cash flow statement because the company as a small reporting entity is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1, "Cash flow statements".

**SPREAD THE WORD****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2005**

TURNOVER	257,913.59
ADMINISTRATION EXPENSES	<u>197,720.17</u>
PROFIT            on ordinary activities	60,193.42
Interest gross received	<u>656.12</u>
	60,849.54
Capital brought down	<u>15,094.44</u>
Capital carried forward	<u>£75,943.98</u>

THERE WERE NO RECOGNISED GAINS OR LOSSES IN THE YEAR OTHER THAN THOSE SHOWN ABOVE.

**SPREAD THE WORD****BALANCE SHEET AS AT 31st MARCH 2005**

<b>FIXED ASSETS</b>	<b>Cost</b>	<b>Depreciation</b>	<b>N.B.V.</b>
Office equipment at N.B.V.	7,645.15	4,916.01	2,729.14
Computer addition	3,846.60	1,538.64	2,307.96
Office equipment addition	<u>2,020.11</u>	<u>808.04</u>	<u>1,212.07</u>
	13,511.86	7,262.69	6,249.17
<b>CURRENT ASSETS</b>			
Cash at bank	22,183.66		
Cash at Trucker a/c	50,670.00		
Loan	1,500.00		
Petty cash	<u>100.00</u>		<u>74,453.66</u>
			80,702.83
<b>CURRENT LIABILITIES</b>			
Creditors			<u>600.00</u>
<b>Excess Current Assets over Liabilities</b>			<u>£ 80,102.83</u>
<b>CAPITAL AND RESERVES</b>			
Capital introduced	4,158.85		
Profit and Loss Account C/F	<u>75,943.98</u>		<u>£ 80,102.83</u>

For the year ended 31.03.2005 the company was entitled to exemption under subsection 1 of section 249A(1) of the Companies Act 1985. No notice has been deposited under s249B(2) in relation to the financial year. The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affair of the company as at the end of the financial year and of its profit for the financial year in accordance with the requirements of section 226 of the Act, and which otherwise comply with the requirements of this Act relating to account so far as applicable to the company.

The Director has taken advantage of the exemptions conferred by Part I of Sch. 8 of the Companies Act 1985 and has done so on the grounds, that in his opinion the Company is entitled to these exemptions as a small company.

These financial statements were approved by the Board of Directors on 6/12/05

DIRECTOR 

## SPREAD THE WORD

### TRADING PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2005

	2004	2005
Fees received	6,575.90	10,267.96
Grants	<u>166,946.00</u>	<u>247,645.63</u>
PROJECTS EXPENSES	173,521.90	257,913.59
Publicity & marketing	6,881.73	31,554.69
Printing	6,133.92	0.00
Tutors fees	25,634.84	29,677.55
Move/RALP	30,969.31	1,731.89
Venue Hire & Costs	925.00	1,633.28
Miscellaneous expenses	31.16	0.00
Project admin. cost/ management	942.00	5,378.25
Refreshments/Hospitality	952.93	702.73
Materials	817.67	513.52
Market research & previews	776.64	1,870.99
Production costs	1,630.25	52.65
Education costs	0.00	2,786.58
Website development & internet	930.00	0.00
Travel	<u>1,518.88</u>	<u>2,804.06</u>
OVERHEADS EXPENSES	78,144.33	78,706.19
Staff fees/salary & employees NI	41,489.86	69,051.80
JS Expenses	783.79	174.70
NM Expenses	926.22	272.81
EH Expenses	185.24	855.08
JJ Expenses	177.41	239.34
Recruitment	1,651.54	5,194.61
Rent & rates, insurance	22,117.26	12,002.16
Repairs to office equipment	3,624.87	377.79
Office expenses	2,639.23	3,489.10
Printing, postage and stationery	3,316.25	4,724.15
Telephone & fax	2,680.96	3,805.91
Subscriptions & books	1,377.04	0.00
Professional fees	745.00	10,115.90
Household expenses, hospitality & refreshment	251.85	384.93
Bank charges & interest	79.40	592.63
Board meetings & planning days	269.14	164.67
Subsistence	9.83	0.00
Training & development	1,313.73	990.02
Unallocated	<u>(81.71)</u>	<u>3,321.99</u>
DEPRECIATION	83,556.91	115,757.59
Computers and office equipment	<u>4,006.30</u>	3,256.39
	<u>165,707.54</u>	<u>197,720.17</u>
Surplus for year	£ 7,814.36	£ 60,193.42

## SPREAD THE WORD

### SUMMARY CASH BOOK FOR THE YEAR ENDED 31st MARCH 2005

Opening balance	14,600.56	
ART Council Grant	240,950.00	
Sponsorship/funding	3,400.00	
Other grants	3,000.00	
Partnership Grants	295.63	
Miscellaneous income	30.00	
Unallocated	250.64	
Box office	9,987.32	
	<u>272,514.15</u>	
6-5120 Co-Director's salaries		21,015.29
6-5140 Administrator's salary		15,680.82
6-5160 Education Officer's salary		4,132.28
6-5170 Literature Office salaries		4,280.04
6-5180 Casual Employees fee		334.00
6-5200 Tax and National Insurance Contribution		23,609.37
5-1000 Artists/Tutors fees		29,677.55
5-1020 Venue Hire & Costs		1,633.28
5-1040 Other project costs		302.84
5-1060 Project management		3,685.00
5-1080 Refreshments/Hospitality		702.73
5-1100 Materials		513.52
5-1120 Duty Management fees		1,390.41
5-1140 Travel		1,633.96
5-1160 Education : Tutors fees		1,250.00
5-1200 Education: Materials		1,426.85
5-1260 Education : Other costs		109.73
5-1300 Other funded project costs		52.65
5-1500 Marketing: Season Brochure		19,508.01
5-1520 Marketing: Event flyers		10,229.09
5-1540 Marketing : Advertising		1,460.25
5-1560 Marketing: Website		2.60
5-1570 Marketing: Admin		105.00
5-1575 Marketing : Other costs		249.74
5-1600 Research : "Go and see" fund		293.20
5-1640 Research: Subs & Boos		961.41
5-2010 Urban II project		616.38
9-1000 Rent		11,477.25
9-1020 Office expenses		3,489.10
9-1060 Printing, postage and stationery		4,724.15
9-1080 Telephone & fax		3,805.91
9-1100 Professional fees		10,070.90
9-1120 Household expenses - refreshments, cleaning		63.95
9-1140 Bank charges & interest		592.63
9-1160 Board meetings & planning days		164.67
9-1180 Companies House fee		45.00
9-1200 Hospitality events		219.82
9-1220 Repairs to office equipment		377.79
9-1240 Insurance		524.91

9-1250	Meeting costs	101.16
9-1260	Travel (staff)	1,170.10
9-1280	Move/RALP	1,731.89
9-1240	Subsistence	0.00
6-5220	JS Expenses	174.70
6-5240	EH Expenses	855.08
6-5280	NM Expenses	272.81
6-5300	JJ Expenses	239.34
6-5320	Recruitment	5,194.61
6-5340	Training & development	990.02
9-2000	Unallocated	3,321.99
9-5000	Computers	3,846.60
9-5020	Equipment	2,020.11
	Transfer to Business Reserve Account	50,000.00
		<u>272,514.15</u>
	Balance as per cash book	<u>250,330.49</u>
		<u>22,183.66</u>
		<u><u>£272,514.15</u></u>

**RECONCILIATION OF BANK STATEMENT AS AT 31.03.2005**

Balance as per bank statement	33,943.97
Less o/s cheques	<u>11,760.31</u>
Balance as per cash book	<u>£ 22,183.66</u>

**BUSINESS RESERVE ACCOUNT AS AT 31.03.2005**

Opening balance	13.88
Transfer from Current a/c	50,000.00
Interest received gross	269.41
Transfer to Tracker Account	<u>50,283.29</u>
	<u>£ 50,283.29</u>

**BUSINESS BASE TRACKER ACCOUNT AS AT 31.03.2005**

Opening balance	0.00
Transfer from Business Reserve	50,283.29
Interest received gross	<u>386.71</u>
	<u>50,670.00</u>
Balance to Balance Sheet	<u>50,670.00</u>
	<u><u>£50,670.00</u></u>