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STIWT ARTS TRUST LIMITED

**REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR
ENDED 31ST MARCH 2002**



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STIWT ARTS TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2002

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STIWT ARTS TRUST LIMITED
Directors and Advisors
for the year ended 31 March 2002

Directors & Trustees

Chairman: David Evans

Board Members: William Paul Hanmer
Ceris Jones
Peter Jones
David Pritchard
John Hughes
John Oldfield
Geoffrey E Kilfoil
Ruby Tunnah
Myrddin Davies

Secretary: Aled Rhys Roberts

All the above were guarantors in the sum of £ 1.

Auditors: Conways
16 White Friars
Chester
CH1 1NZ

Registered Number: 3325921

Registered office

39 King Street
Wrexham
LL11 1HR

Bankers & Solicitors

BANK

HSBC Bank Plc
28 Market Street
Rhosllanerchrugog
Wrexham
LL14 2HY

SOLICITORS

Geoffrey Morris & Ashton
39 King Street
Wrexham
LL11 1HR

STIWT ARTS TRUST LIMITED

Report of the trustees for the year ended 31 March 2002

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2002.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice-Accounting and Reporting by Charities.

Objects of the Charity

The objects of the Charity are to promote and advance education by the encouragement of all cultural forms and the arts and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life of members of the public and to formulate, prepare and establish schemes. The theatre contributes to the quality of life of the people of the County Borough of Wrexham and wider area by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events. The principal activities continued to relate to the promotion and fostering of artistic knowledge and appreciation of the arts by the provision of facilities for the education and entertainment of the public in the fields of art, craft, music and drama. To achieve this the Stiwt Arts Trust:

- Offers opportunities for a broad range of people to get involved in arts activity exploring their own creative powers.
- Provides facilities for amateur and professional artists to develop. Groups in the County Borough are given discounted rates for hire of space and access to professional advice.
- Concentrates in involving young people in the arts to help encourage a culture in which different age ranges play a complimentary part.
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists of different cultural backgrounds and
- Presents a broad range of arts work.

Organisation

A Board of Directors/Trustees of up to 11 members who meet monthly administers the Charity. There are sub-committees covering marketing and finance. A Theatre Manager is appointed by the Board to manage the day to day activities of the charity.

STIWT ARTS TRUST LIMITED

Investment powers

Under the Memorandum and Articles of Association, the Charity has the power to make any investment which the Board sees fit.

Related parties

The Charity has a very close relationship with Wrexham County Borough Council, Rhosllannerchrugog Community Council both of which nominates directors/trustees and provide funding to enable the Charity to carry out its charitable objectives. The Friends organisation as well as making regular quarterly donations make a valuable supportive contribution in many practical, voluntary activities. A summary of transactions with those parties is available from the Company Secretary.

Review of the activities and future developments

On 25 September 2001 the Charity celebrated two years of successful operation at the refurbished Stiwt.

The end of the year saw an encouraging financial result following a difficult opening two years based on strict financial controls. The continued lack of revenue funding from the Arts Council of Wales means that the situation continues to be difficult and the programme is restricted to avoid unnecessary risks. Costs are contained within budget and income budgets were slightly exceeded. Artistic quality was high in the programme of events, courses, performances and workshops that appealed to a wide range of customers. Resources expended during the year exceeded incoming resources on the unrestricted fund for the year ending 31 March 2002 by £105. The addition of the restricted funds led to an excess of expenditure over income of £73,561.

Attendances at the theatre increased to 6493 against the target set of 6000 and 37 events were put on which approximately 10% were performed in the Welsh language. In excess of 30 community groups currently use the facility regularly.

During the year a direct marketing strategy was submitted to the Arts Council of Wales which would enable the Charity to expand our programmes for young people and the promotion of cultural diversity.

The staff deserve credit and praise for their skill, flexibility and enthusiastic efforts to provide a successful service to a growing broad range of customers.

STIWT ARTS TRUST LIMITED**Reserves policy and risk management**

In the early part of 2002 the Trustees carried out a detailed review of the Charity's activities and produced a comprehensive strategic plan with the assistance of the Wrexham County Borough Council. This set out the major opportunities available to the Charity and the risks to which it is exposed. The Trustees monitor progress against the strategic objectives set out at the monthly Board meetings and a comprehensive review of the plan will be carried out annually. As part of this process, the Trustees have implemented a risk management strategy which comprises:

- An annual review of the risks which the Charity may face.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

The strategic plan focused the Trustees on the need to continue to closely monitor the artistic programme in consultation with the Manager to avoid any resultant risks. The marketing of this newly refurbished facility is an important issue and continues to present some difficulty given the tight budget. There will also need to be close liaison with any Trust set up to run the proposed theatre facility at Wrexham to avoid conflict in programming and encouraging co-operation. The Trustees have therefore planned a new fund raising strategy concentrating on raising funds from other charitable funds within Wales as well as our existing customers. The Trustees recognise that there is a need to build up reserves to protect the charity from unforeseen events.

Trustees responsibilities in relation to the financial statements

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the Charity at the end of the financial year end 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.
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the Charity will continue in business.

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

STIWT ARTS TRUST LIMITED

Auditors

A report will be proposed at the Annual General Meeting that Godfrey Edwards of Wrexham be appointed as auditors to the Charity for the ensuing year following the firm's separation from Messrs Conways of Chester.

Prepared by Aled Rhys Roberts Company Secretary by order of the Trustees and approved by the Trustees at their meeting on 27 January 2003.

A handwritten signature in black ink, appearing to read 'David E Evans', with a stylized flourish at the end.

David E Evans (Chairman) 28 January 2003

STIWT ARTS TRUST LIMITED**Independent Auditor's Report to the members of Stiwt Art Trust Limited**

We have audited the financial statements of Stiwt Art Trust Limited for the year ended 31st March 2002 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the management committee and auditors

The trustees (who are also the directors of Stiwt Art Trust Limited for the purpose of company law) are responsible for preparing the trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees Responsibilities.

Our responsibility is to audit the financial statements in accordance with 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 our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit 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 judgements made by the trustees in the preparation of financial statements, and of whether the accounting policies are appropriate to the charitable 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 2002 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Conways

CONWAYS
Registered Auditors
16 White Friars
Chester
CH1 1NZ

29 January 2003

STIWT ARTS TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31ST MARCH 2002

	NOTE	RESTRICTED FUNDS £	UNRESTRICTED FUNDS £	TOTAL 2002 £	TOTAL 2001 £
<u>INCOMING RESOURCES</u>					
Catering & Bar Sales		-	26,561	26,561	25,043
Sale of Theatre Tickets		-	11,750	11,750	10,320
Room Hire		-	16,061	16,061	12,608
Sundry Income		-	927	927	1,933
Rent		-	4,621	4,621	4,800
Donations		-	17,200	17,200	15,242
Interest		-	-	-	16
Other Grants & Contributions		7,700	64,900	72,600	60,000
TOTAL INCOMING RESOURCES		7,700	142,020	149,720	129,962
<u>RESOURCES EXPENDED</u>					
Direct charitable expenditure	2	81,156	133,413	214,569	194,510
Fundraising and publicity	3	-	1,826	1,826	423
Management and Administration of Charity	4	-	6,886	6,886	6,287
Total resources expended		81,156	142,125	223,281	201,220
Net (outgoing)/incoming resources Before transfers		(73,456)	(105)	(73,561)	(71,258)
Transfers between funds		-	-	-	-
Net (outgoing)/incoming resources For the year		(73,456)	(105)	(73,561)	(71,258)
Balances brought forward at 1 April 2001	12	2,536,078	14,742	2,550,820	2,622,078
Balances carried forward at 31 March 2002		2,462,622	14,637	2,477,259	2,550,820

The notes on pages 9 to 14 form part of these accounts. None of the charity's activities were acquired or discontinued during the current or previous year.

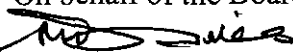
STIWT ARTS TRUST LIMITED

BALANCE SHEET AS AT 31ST MARCH 2002

	NOTES	31 MARCH 2002		31 MARCH 2001	
		£	£	£	£
FIXED ASSETS:					
Tangible Assets	6		2,546,193		2,609,568
CURRENT ASSETS:					
Stocks	7	1,000		1,000	
Debtors	8	10,743		34,631	
Cash at bank		1,477		1,841	
		13,220		37,472	
CREDITORS: Amounts falling					
Due within one year	9	(23,172)		(39,005)	
NET CURRENT LIABILITIES:			(9,952)		(1,533)
TOTAL ASSETS LESS CURRENT					
LIABILITIES:			2,536,241		2,608,035
CREDITORS: Amounts falling					
Due after more than one year	10		(58,982)		(57,215)
			<u>£2,477,259</u>		<u>£2,550,820</u>
CAPITAL AND RESERVES:					
Funds	12		2,477,259		2,550,820
Called up share capital	13		-		-
			<u>£2,477,259</u>		<u>£2,550,820</u>

These financial statements have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to Small Companies.

On behalf of the Board dated


MYRDDIN DAVIES
28 JANUARY 2003

STIWT ARTS TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included on a market value basis. The accounts have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

The Trustees believe that the going concern basis is appropriate given the ongoing financial support of Wrexham County Borough Council.

Fund accounting

General funds are available for use at the discretion of the directors in furtherance of the general objectives of the Trust.

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of any restricted funds is set out in the notes to the financial statements.

All income and expenditure is shown in the Statement of Financial Activities.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost including any incidental expenses of acquisition.

Depreciation has been charged at the following rates:

- Land & Buildings/Development of Property – 2% Straight Line
- Fixtures, Fittings & Equipment – 15% Reducing Balance

Stock

Stock is included at the lower at cost or net realisable value.

STIWT ARTS TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2 DIRECT CHARITABLE EXPENDITURE

	RESTRICTED	UNRESTRICTED	TOTAL 2002	TOTAL 2001
Maintenance of property	-	11,002	11,002	10,164
Premises costs	-	18,911	18,911	19,327
Catering and bar expenses	-	16,400	16,400	12,434
Theatre costs	-	15,463	15,463	14,216
Wages and national insurance	4,669	53,637	58,306	45,409
Licences and insurances	-	11,801	11,801	10,224
Bank charges	-	789	789	522
Loan interest	-	4,222	4,222	-
Depreciation charge	76,487	1,188	77,675	82,214
	£81,156	£133,413	£214,569	£194,510

3 FUNDRAISING AND PUBLICITY

	UNRESTRICTED	TOTAL 2002	TOTAL 2001
Advertising and marketing	£1,826	£1,826	£423

**4 MANAGEMENT AND ADMINISTRATION
OF CHARITY**

	UNRESTRICTED	TOTAL 2002	TOTAL 2001
Secretarial, administrative & stationery expenses	4,684	4,684	3,599
Audit & Accountancy charges	2,202	2,202	2,688
	£6,886	£6,886	£6,287

STIWT ARTS TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

5 RESOURCES EXPENDED

Included in management and administrative costs is auditors remuneration of £1,772.

Neither the directors or any persons connected with them have received any remuneration in the year.

6 TANGIBLE FIXED ASSETS

	LAND & BUILDINGS	DEVELOPMENT LEASEHOLD	FIXTURES FITTINGS & EQUIPMENT	TOTAL
<u>COST</u>				
As at 31 March 2001	64,011	2,438,351	231,831	2,734,193
Additions	-	14,300	-	14,300
As at 31 March 2002	64,011	2,452,651	231,831	2,748,493
<u>DEPRECIATION</u>				
As at 31 March 2001	1,920	73,151	49,554	124,625
Charge for the Year	1,280	49,053	27,342	77,675
As at 31 March 2002	3,200	122,204	76,896	202,300
<u>NET BOOK VALUE</u>				
At 31st March 2002	£60,811	£2,330,447	£154,935	£2,546,193
At 31st March 2001	£62,091	£2,365,200	£182,277	£2,609,568

The net book value at 31st March 2002 represents fixed assets for:

Direct Charitable Purposes	£60,811	£2,330,447	£154,935	£2,546,193

The leasehold development is held under the terms of a lease with the Wrexham County Borough Council. The lease expires on 31 January 2011 and confirmation has been received that the authority would wish to negotiate a new or continue lease with the company provided the company's finances allow them to continue to provide a Welsh Cultural facility at the Stiwt.

STIWT ARTS TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7 STOCKS	2002	2001
Finished goods for resale	1,000	1,000
	£ 1,000	£ 1,000

8 DEBTORS	2002	2001
Grants and contributions	4,700	31,500
Other Debtors	4,063	1,145
VAT	229	53
Prepayments	1,751	1,933
	£10,743	£34,631

9 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
Creditors & Accruals	20,035	38,405
Social Security & Other Taxes	1,137	-
Loans	2,000	600
	£23,172	£39,005

10 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002	2001
Loans	£58,982	£57,215
Amounts due in more than five years:		
Loans	-	-

A loan with a balance of £50,887 as at 31 March 2002 is secured on a property owned by the company known as Bryn Maelor, Peter Street, Rhosllanerchrugog.

STIWT ARTS TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

11 ALLOCATION OF THE CHARITY NET ASSETS

The net assets held for the restricted and unrestricted funds are as follows:

	FIXED ASSETS	NET CURRENT LIABILITIES/ ASSETS	LONG TERM LIABILITIES	TOTAL
	£	£	£	£
<u>FUNDS</u>				
Restricted	2,508,922	875	(47,175)	2,462,622
Unrestricted	37,271	(10,827)	(11,807)	14,637
	2,546,193	(9,952)	(58,982)	2,477,259

12 RESTRICTED FUNDS/UNRESTRICTED FUNDS

	BALANCE AT 1 APRIL 2001	MOVEMENT		BALANCE 31 MARCH 2002
		INCOMING	OUTGOING	
Restricted funds	2,536,078	7,700	(81,156)	2,462,622
Unrestricted funds	14,742	142,020	(142,125)	14,637
	£ 2,550,820	£149,720	£223,231	£2,477,259

The restricted funds represent grants and donations received for the restoration and development of the Stiwt.

13 SHARE CAPITAL

The company is limited by guarantee (£ 1 per member) and therefore has no share capital.

STIWT ARTS TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

14 RELATED PARTY TRANSACTIONS

The company is controlled by it's directors acting in accordance with the Memorandum and Articles of Association.