

STIWT ARTS TRUST LIMITED

**REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR
ENDED 31ST MARCH 2003**



STIWT ARTS TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2003

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STIWT ARTS TRUST LIMITED

Directors and Advisors

for the year ended 31 March 2003

Directors & Trustees

Chairman: David Evans

Board Members: William Paul Hanmer
Ceri 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: Godfrey Edwards
Park Lodge
Rhosddu Road
Wrexham
LL1 1NF

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 2003

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2003.

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

In August 2002 Mr David Boyce left his post as General Manager and was replaced in October by Peter Read. The Stiwt continued to struggle to attract funding from the Arts Council and was unsuccessful in its attempt to become a revenue-funded client. This affected the cash flow problem throughout the year and resulted in the difficulties of being able to expand the cultural programme.

In spite of this, attendances at concerts and shows were up to 9255 an increase of nearly 3000 on the previous year, against the target of 6000. The facilities were used by a total of 42 different community groups and group and individual room hire resulted in 890 room hires against the target of 650.

We established partnerships with national arts bodies such as the National Youth Theatre of Wales and Community Dance Wales. In addition we forged good links with schools in the area with nine secondary schools taking part in our Shakespeare for Schools project and ten primary schools involved in our Poetry Week where two established poets worked with the school children for a week resulting in a performance of the children's poems on National Poetry Day.

For 2003/4 we have targeted over twenty grant bodies with a Welsh connection, in an attempt to secure core funding for our activities.

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

Prepared by Aled Rhys Roberts Company Secretary by order of the Trustees and approved by the Trustees at their meeting on 28 April 2004.

A handwritten signature in black ink, appearing to read 'David Evans', written over a dotted line.

29 April 2004

DAVID EVANS - Chairman

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 31 March 2003 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.

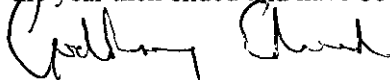
Basis of audit opinion

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 2003 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.



GODFREY EDWARDS

Registered Auditors

Park Lodge
Rhosddu Road
Wrexham
LL11 1NF

29 April 2004

STIWT ARTS TRUST LIMITED**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31ST MARCH 2003**

	NOTE	RESTRICTED FUNDS £	UNRESTRICTED FUNDS £	TOTAL 2003 £	TOTAL 2002 £
<u>INCOMING RESOURCES</u>					
Catering & Bar Sales		-	29,087	29,087	26,561
Sale of Theatre Tickets		-	10,959	10,959	11,750
Room Hire		-	18,968	18,968	16,061
Sundry Income		-	859	859	927
Rent		-	-	-	4,621
Donations		-	21,000	21,000	17,200
Interest		-	39	39	-
Other Grants & Contributions		4,522	69,900	74,422	72,600
TOTAL INCOMING RESOURCES		4,522	150,812	155,334	149,720
<u>RESOURCES EXPENDED</u>					
Direct charitable expenditure	2	72,456	142,230	214,686	214,569
Fundraising and publicity	3	4,522	2,777	7,299	1,826
Management and Administration of Charity	4	-	6,862	6,862	6,886
Total resources expended		76,978	151,869	228,847	223,281
Net (outgoing)/incoming resources					
Before transfers		(72,456)	(1,057)	(73,513)	(73,561)
Transfers between funds		-	-	-	-
Net (outgoing)/incoming resources For the year		(72,456)	(1,057)	(73,513)	(73,561)
Balances brought forward at					
1 April 2002	12	2,462,622	14,637	2,477,259	2,550,820
Balances carried forward					
at 31 March 2003		2,390,166	13,580	2,403,746	2,477,259

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 2003

	NOTES	31 MARCH 2003		31 MARCH 2002	
		£	£	£	£
FIXED ASSETS:					
Tangible Assets	6		2,472,620		2,546,193
CURRENT ASSETS:					
Stocks	7	1,000		1,000	
Debtors	8	2,181		10,743	
Cash at bank		3,252		1,477	
		6,433		13,220	
CREDITORS: Amounts falling					
Due within one year	9	(15,257)		(23,172)	
NET CURRENT LIABILITIES:			(8,824)		(9,952)
TOTAL ASSETS LESS CURRENT					
LIABILITIES:			2,463,796		2,536,241
CREDITORS: Amounts falling					
Due after more than one year	10		(60,050)		(58,982)
			£2,403,746		£2,477,259
CAPITAL AND RESERVES:					
Funds	12		£2,403,746		2,477,259
Called up share capital	13		-		-
			£2,403,746		£2,477,259

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

28 April 2004

DAVID GUANS - CHAIRMAN

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 2003	TOTAL 2002
Maintenance of property	-	11,102	11,102	11,002
Premises costs	-	13,481	13,481	18,911
Catering and bar expenses	-	20,252	20,252	16,400
Theatre costs	-	16,400	16,400	15,463
Wages and national insurance	-	61,607	61,607	58,306
Licences and insurances	-	15,197	15,197	11,801
Bank charges	-	1,005	1,005	789
Loan interest	-	2,068	2,068	4,222
Depreciation charge	72,456	1,118	73,574	77,675
	£72,456	£142,230	£214,686	£214,569

3 FUNDRAISING AND PUBLICITY

	RESTRICTED	UNRESTRICTED	TOTAL 2003	TOTAL 2002
Advertising and marketing	4,522	£2,777	£7,299	£1,826

**4 MANAGEMENT AND ADMINISTRATION
OF CHARITY**

	UNRESTRICTED	TOTAL 2003	TOTAL 2002
Secretarial, administrative & Stationery expenses	5,362	5,362	4,684
Audit & Accountancy charges	1,500	1,500	2,202
	£6,862	£6,862	£6,886

STIWT ARTS TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

5 RESOURCES EXPENDED

Neither the directors nor 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 2002	64,011	2,452,651	231,831	2,748,493
Additions	-	-	-	-
As at 31 March 2003	64,011	2,452,651	231,831	2,748,493
<u>DEPRECIATION</u>				
As at 31 March 2002	3,200	122,204	76,896	202,300
Charge for the Year	1,280	49,053	23,240	73,573
As at 31 March 2003	4,480	171,257	100,136	275,873
<u>NET BOOK VALUE</u>				
At 31 March 2003	£59,530	£2,281,394	£131,696	£2,472,620
At 31 March 2002	£60,811	£2,330,447	£154,935	£2,546,193

The net book value at 31st March 2003 represents fixed assets for:

Direct Charitable Purposes	£59,530	£2,281,394	£131,696	£2,472,620
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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	2003	2002
Finished goods for resale	1,000	1,000
	£ 1,000	£ 1,000

8 DEBTORS	2003	2002
Grants and contributions	-	4,700
Other Debtors	1,677	4,063
VAT	504	229
Prepayments	-	1,751
	£2,181	£10,743

9 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003	2002
Creditors & Accruals	11,064	20,035
Social Security & Other Taxes	2,693	1,137
Loans	1,500	2,000
	£15,257	£23,172

10 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2003	2002
Loans	£60,050	£58,982
Amounts due in more than five years:		
Loans	-	-

A loan with a balance of £52,235 as at 31 March 2003 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	2,436,466	875	(47,175)	2,390,166
Unrestricted	36,154	(9,699)	(12,875)	13,580
	2,472,620	(8,824)	(60,050)	2,403,746

12 RESTRICTED FUNDS/UNRESTRICTED FUNDS

	BALANCE AT 1 APRIL 2002	MOVEMENT		BALANCE 31 MARCH 2003
		INCOMING	OUTGOING	
Restricted funds	2,462,622	4,522	(76,978)	2,390,166
Unrestricted funds	14,637	150,812	(151,869)	13,580
	£ 2,477,259	£155,334	£228,847	£2,403,746

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.