

REGISTRAR OF COMPANIES

THE METROPOLE ARTS CENTRE
TRUST LIMITED
(Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001

Registered Number : 696919

Registered Charity Number : 307759



SPAIN BROTHERS
CHARTERED ACCOUNTANTS



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COMPANIES HOUSE

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THE METROPOLE ARTS CENTRE TRUST LIMITED

(Limited By Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001

INDEX

Page No:

- | | |
|---------|--|
| 1. | Company Information |
| 2. | Report of the Board of Trustees |
| 3. | Report of the Auditors |
| 4. | Statement of Financial Activities |
| 5. | Balance Sheet |
| 6. - 8. | Notes forming part of the Financial Statements |

THE METROPOLE ARTS CENTRE TRUST LIMITED

(Limited By Guarantee)

COMPANY INFORMATION

FOR THE YEAR ENDED 31ST MARCH 2001

Incorporated in England and Wales on 29th June 1961.

BOARD OF TRUSTEES

R. De Haan (Chairman)
P. Bettley
P. Carr
C. Foster
N. Inwood
P. Inwood
M. Klugman
R. Lewis
C. Simmons

SECRETARY

M. P. Watson

REGISTERED OFFICE

The Metropole,
The Leas,
Folkestone,
Kent.
CT20 2LS

BANKERS

Midland Bank Plc.,
41 Sandgate Road,
Folkestone,
Kent.
CT20 1SA

AUDITORS

Spain Brothers & Co.,
Chartered Accountants,
29 Manor Road,
Folkestone,
Kent.
CT20 2SE

COMPANY NUMBER

696919

REGISTERED CHARITY NUMBER

307759

THE METROPOLE ARTS CENTRE TRUST LIMITED

(Limited by Guarantee)

REPORT OF THE BOARD OF TRUSTEES **FOR THE YEAR ENDED 31ST MARCH 2001**

1. The principal activity of the Company continues to be the promotion of the Metropole Arts Centre.

The Trustees would like to express their appreciation for the financial aid and support given by Shepway District Council, SAGA Group Ltd, the Friends of the Metropole, the many sponsors both business and private and to South East Arts for Project Funding.

The Trustees are most grateful to the staff and voluntary workers of the Centre for their hard work, loyalty and support throughout the year.

2. The financial statements of the Company show a deficit in the year of £1,841.

The accumulated deficit at 31st March 2001 was £956.

The financial position of the Company is as set out in the financial statements for the year and the Company continues to depend upon the financial support of Shepway District Council, SAGA Group Limited and various sponsors.

3. TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that year. In preparing these financial statements, the trustees are required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

4. The names of the present Trustees are shown at page 1.

THE METROPOLE ARTS CENTRE TRUST LIMITED
(Limited by Guarantee)

REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2001 (Continued)

5. AUDITORS

A resolution will be proposed at the Annual General Meeting to re-appoint Spain Brothers & Co. as Honorary Auditors.

In preparing this report, the Board of Trustees have taken advantage of the special exemptions available to small companies.

This report was approved by the Board of Trustees on ~~23~~ January 2002.

By Order of the Board

Mace-Watson

M.P. Watson
Secretary

The Metropole,
The Leas,
Folkestone,
Kent.
CT20 2LS

28 January 2002

REPORT OF THE AUDITORS TO THE MEMBERS OF

THE METROPOLE ARTS CENTRE TRUST LIMITED
(Limited by Guarantee)

We have audited the financial statements set out on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described on page 2, the Company's Trustees are responsible for the preparation of 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.

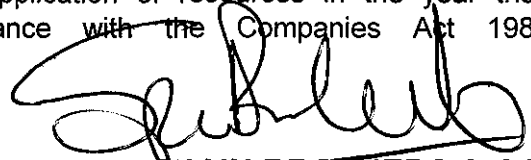
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing 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 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 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 Company's affairs at 31st March 2001 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



SPAIN BROTHERS & CO.
Chartered Accountants
Registered Auditors

29 Manor Road,
Folkestone,
Kent.
CT20 2SE

28 January 2002

THE METROPOLE ARTS CENTRE TRUST LIMITED

(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2001

	<u>Note</u>	<u>2001</u>	<u>2000</u>
<u>INCOME AND EXPENDITURE</u>			
Incoming Resources:-			
Activities	2.	21,567	25,756
Donations and Sponsorship		82,544	44,168
Subscriptions		7,292	5,095
Local Authority Grants		37,710	31,951
South East Arts Literary Residency		475	3,600
South East Music Scheme		280	360
Investment Income		1,429	1,759
Art Council (Lottery)		2,537	-
<u>Total Incoming Resources</u>		£153,834	£112,689
Resources Expended:-			
Activities	2.	50,752	55,033
Administration	3.	104,923	67,037
<u>Total Resources Expended</u>		£155,675	£122,070
Net (Outgoing) Resources for the Year		(1,841)	(9,381)
Surplus Brought Forward at 1st April 2000		885	10,266
<u>Balance Carried Forward at 31st March 2001</u>		(£956)	£885

The notes on pages 6 to 8 form part of these financial statements.

THE METROPOLE ARTS CENTRE TRUST LIMITED

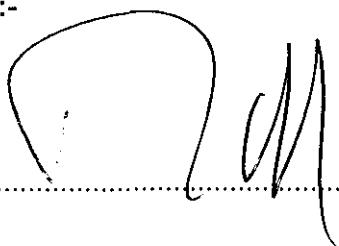
(Limited by Guarantee)

BALANCE SHEET AS AT 31ST MARCH 2001

	<u>Note</u>	<u>2001</u>	<u>2000</u>
<u>FIXED ASSETS</u>			
Tangible Fixed Assets	4.	3,045	1,166
<u>CURRENT ASSETS</u>			
Stocks		1,730	3,042
Debtors	5.	13,288	1,045
Cash at Bank and in Hand		16,787	48,175
		31,805	52,262
<u>CREDITORS</u> Amounts falling due within one year	6.	(25,806)	(42,543)
<u>NET CURRENT ASSETS</u>		5,999	9,719
<u>TOTAL ASSETS</u>		£9,044	£10,885
<u>FUNDS</u>			
General Fund		(956)	885
Dilapidations Reserve		10,000	10,000
		£9,044	£10,885

The Board of Trustees have taken advantage in preparing these financial statements of the special exemptions applicable to small companies on the grounds that the Company is a small company.

Approved by the Board of Trustees on 28 January 2002 and signed on their behalf by:-



..... - R. De Haan (Chairman)

The notes on pages 6 to 8 form part of these financial statements.

THE METROPOLE ARTS CENTRE TRUST LIMITED

(Limited by Guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001

1. ACCOUNTING POLICIES

The Company's financial statements are prepared in accordance with applicable accounting standards together with Statement of Recommended Practice "Accounting by Charities". The principal accounting policies adopted are as follows:-

Cash Flow Statement

The Company qualifies as a small company under the Companies Act 1985. The Trustees have elected to take advantage of the exemption under FRS1 not to prepare a Cash Flow Statement.

Basis of Preparation

The financial statements have been prepared on a going concern basis which assumes that the Company will continue to trade with the support of its sponsors. The validity of the going concern basis is dependent upon the Company being able to generate sufficient income to cover its outgoings. If the Company were unable to continue to trade, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets as current assets.

Depreciation

Depreciation is provided on all tangible fixed assets at annual rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:-

Furniture, Fittings and Equipment	10% on cost
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Stock

Stock is stated at the lower of cost and net realisable value.

Friends Subscriptions and Sponsors' Donations

Friends subscriptions and sponsors' donations for general purposes have been treated as being received annually in advance. Covenanted income and related reclaimable tax has been treated on the same basis.

2. ACTIVITIES

Income Resources:-

Kent Literature Festival
Hire of Gallery
Gallery Ticket Sales
Commission and Art Sales
Shop and Card Sales

Resources Expended:-

Exhibition Fees
Artists and Lecturers Fees
Advertising and Mail Shots
Printing and Photocopying
Carriage
Kent Literature Festival Authors Fees
Other Costs
Literary Residency (South East Arts Mix Match Scheme)

<u>2001</u>	<u>2000</u>
11,963	7,114
589	1,151
3,173	8,258
3,138	5,338
2,704	3,895
£21,567	£25,756
9,101	5,253
11,317	9,515
7,230	5,108
12,001	19,379
4,106	1,916
6,997	8,382
-	1,880
-	3,600
£50,752	£55,033

THE METROPOLE ARTS CENTRE TRUST LIMITED

(Limited by Guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001 (Continued)

3. ADMINISTRATION

Salaries and Employment Costs
Rent of Arts Centre
Arts Centre Costs
Office Costs
Depreciation
Consultancy Fees

<u>2001</u>	<u>2000</u>
60,524	33,908
10,041	10,051
13,757	14,324
7,856	8,059
357	695
12,388	-
£104,923	£67,037

4. TANGIBLE FIXED ASSETS

Cost

At 1st April 2000
Additions

At 31st March 2001

Depreciation

At 1st April 2000
Charge for the Year

At 31st March 2001

Net Book Value

At 31st March 2001

At 31st March 2000

<u>Furniture, Fixtures and Equipment</u>	<u>TOTAL</u>
1,329	1,329
2,238	2,238
£3,567	£3,567
163	163
357	357
£520	£520
£3,047	£3,047
£1,166	£1,166

5. DEBTORS

Other Debtors
Tax Recoverable on Covenant

<u>2001</u>	<u>2000</u>
12,388	595
900	450
£13,288	£1,045

<p align="center">THE METROPOLE ARTS CENTRE TRUST LIMITED (Limited by Guarantee)</p>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001 (Continued)

6. CREDITORS - Amounts falling due within one year

Creditors in Respect of Activities and Trading
Taxation and Social Security
Other Creditors

Accruals and Deferred Income

Grants
Commercial Sponsorship
Lottery Feasibility Study
Friends Subscriptions in Advance
Ticket Sales in Advance

<u>2001</u>	<u>2000</u>
15,801	8,425
3,194	1,888
3,301	17,003
-	750
-	7,800
-	2,537
1,953	2,408
1,557	1,732
£25,806	£42,543

7. In the event of the winding up of the Company, each member of the Company undertakes to contribute such sum as may be required not exceeding £10 each.