

The London Printworks Trust

(A company limited by guarantee)

Report and Financial Statements for the year ended 31 March 2012

Charity Number	1014895
Company Number	2754530

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The London Printworks Trust

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The London Printworks Trust

Company Details

for the year ended 31 March 2012

Status	The London Printworks Trust has charitable status and is a company limited by guarantee and not having a share capital
Directors	R Smart (Chair) (re-appointed 20/2/2012) A Rothery (Treasurer) (re-appointed 20/2/2012) Z Whitley (resigned 4/7/2011) J Barrett (retired 20/2/2012) C Collet (resigned 20/2/2012) K Hinds (resigned 20/2/2012) J Hague (resigned 20/2/2012) M Armstrong (appointed 20/2/2012) D Gayle (appointed 20/2/2012, resigned 28/05/2012) L O'Sullivan (appointed 20/2/2012)
Company Secretary	L Dallas-Conte (Executive Director)
Registered Office	Unit 7, Piano House 9 Brighton Terrace Brixton London SW9 8HY
Charity registration no.	1014895
Company registration no.	275453
Bankers	NatWest Bank Plc 504 Brixton Road Brixton London SW9 8EB
Independent Examiner	Fryza Bannister Financials Limited Commercial House High Street Hadlow Kent TN11 0EE

Directors' Report

for the year ended 31 March 2012

The Directors present their report and the financial statements for the year ended 31 March 2012. The Directors confirm that the Annual report and financial statements of the organisation comply with the current statutory requirements, the requirements of the organisation's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued March 2005.

Due to the material uncertainty of the sustainability of the organisation the Board has taken professional advice, and held additional finance only meetings during this year. Every step has been taken to ensure that there has been rigorous control and recording of the decision making process to protect all parties. The Board recognises that the solvency of the organisation is dependent on the continued support of the landlords TCN (Brixton) Limited and the ability of the Executive Director to work in an unsalaried capacity for a limited period from April 2012.

Governing Document

The organisation is both a registered charity and a limited company by guarantee. The company was incorporated on 9 October 1992. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Its charitable objects are to

"advance education and to relieve poverty for the public benefit through the promotion of the arts with particular reference to the visual arts of textile printing and design, in particular (but not exclusively) by advancing the vocational training of people who have been unable to develop their talents due to poverty (the beneficiaries) "

The objects were amended on 19 January 2006, to better reflect the current and future work of the charity.

Recruitment and Appointment of Management Committee

The Directors of the company are also Trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. The Management Committee seeks to ensure that it has a diverse range of members, with the necessary experience and skills to ensure that the charity can deliver its objects effectively.

From time to time the Directors take professional advice to support their decision making process. During this financial period to assist with advice on Insolvency, the Board consulted with Ian Oakley-Smith of the National Council of Voluntary Organisations (NCVO), Insolvency Support Service. His support and guidance made a considerable contribution to the Board's ability to manage this difficult period.

To mark the end of the previous predominantly funded business model all the Directors were replaced with a new Board of Directors. The new Board would like to thank all the outgoing Directors for their exceptional support during this year of extreme change.

An induction pack has been developed for prospective and newly appointed members. Members of the Board are encouraged to attend events and activities to support the development of partnerships and improve their understanding of the day to day delivery of the Charity's objectives.

The Executive Director delivers the role of Company Secretary.

Directors' Report (continued)
for the year ended 31 March 2012

Risk Management

The Directors vigilantly assessed the major risks to which the organisation was exposed during the year and in particular those related to the future of the organisation as a going concern beyond March 2012

The future of the organisation was put in serious doubt beyond the close of the financial year, by the announcement that the organisation had been unsuccessful in its bid for the new Arts Council England National Portfolio funding, with the resulting loss of 50% of its core funding at the end of March 2012. Further pressure on income came from a lack of decision by the local authority on planned Arts funding changes that threatened another 25% of the organisation's income. These national and regional changes followed the Government announced cuts to the arts in response to the worsening economic climate.

In response the Directors sought professional advice through its membership of NCVO, took on no new contractual obligations and ensured other financial and delivery liabilities were settled, in the expectation that the organisation may have to close. At the same time the Board also supported the Executive Director (4 months in post) to attempt to attract new funding and support to the value of one year's expenditure, as well as to continue to deliver the services supported by the existing funding and investments for growth made in the previous year.

Organisational Structure

The London Printworks Trust has a Management Committee, which normally meets quarterly as a minimum and is responsible for the strategic direction and policy of the charity. Eight full Board meetings were held during this period of escalated risk as well as additional smaller meetings, email and phone communications.

The day to day responsibility for the provision of the services rests with the Executive Director who line managed the staff team until lack of secured funding made it necessary in mid-February to make all posts redundant. Beyond March 2012 the Executive Director has been working without a salary and with volunteers to progress the development of the new business model.

The Board recognised the tremendous effort made by the staff, freelancers and volunteers to continue to deliver the services to our beneficiaries, whilst also working hard to fund-raise, especially given the job insecurity.

Achievements and Performance

Despite of, or because of the vulnerability of the organisation, this was an impressive and energetic year of celebrations with old and new audiences developed and new opportunities, activities and work created. The year started with the celebration of the 20th anniversary of the incorporation of the organisation, with a private view and exhibition of textile print made in Brixton across the years and featuring the Surface Bursary programme funded by The Leverhulme Trust. The year ended with the screening of Episode 1 of the new series of The Apprentice, filmed at the facilities and promoting the accessibility of the visual arts to a nationwide audience of around 6 million viewers.

During the year an audacious campaign, Counter Feat, was mounted to raise much-needed funds. Eleven well-known Artists and Designers designed fake bank notes or Art Notes, to raise their face value in real money through a purpose built e-commerce site. Hand printed in limited editions, with support from the team at London Print Studio and John Purcell Papers, a herculean effort by staff and volunteers and a great deal of online support from Ian Wright and 3DPixel, enabled us to reach a global audience. The campaign attracted previous annual

Directors' Report (continued)
for the year ended 31 March 2012

online audience numbers in just a few days when Victoria Beckham added her design and support via Twitter

Our creative community was further developed through the extremely successful Open, 'The Hankie Show', inspired by a visit to the organisation by a well known Handkerchief collector. Handkerchief designs became a theme throughout several of our outreach activities and helped to raise funds for the organisation, thanks to the enthusiasm and support of Sophie Herxheimer, Florence Hawkins and their networks.

As well as sourcing new funding streams the organisation continued to deliver services to its beneficiaries, who despite the economic difficulties, continued to sample and make new work. We provided 13,311 person hours of participatory activities against a target of 9,125 in this year. This was a 36% increase in activity against a 2% decrease in target and included the short course programme, the youth programme, open access of the facilities and equipment hire. As well as the supported open access sessions, events and training opportunities were provided for 1,799 participants, a drop of 8% on the previous year caused by the ending of the Lambeth funding for the BTec programme for local 14 – 16 years olds. We continued to run our phone and email advice service.

The organisation was responsible for 252 new pieces of work through the production services, the 4 extended Surface Bursary residencies, The Hankie Show and Counter Feat, this figure does not include sampling and other research that is facilitated by the hire of the facilities and equipment and which leads to further production elsewhere by our users.

We stepped up our work with the local community providing printed table clothes for the local Royal Wedding episode of TV's 'Come Dine with Me'. This episode took Brixton and our work to an audience of approximately 13.5 million viewers. During the summer we were invited to provide two days of Heat Press workshops at the hugely popular 'Vintage' a festival created and promoted by designer Geradine and Wayne Hemingway and held in the Royal Festival Hall. Headscarves, Bandana, Tights and fabric samples were created by 100 participants inspired by the design of the 50's using the then new innovation of synthetic fabrics. Sublimation inks, specially designed vintage patterns by Constance Rodd and London inspired illustrations by Laura Knight all helped to create one off pieces.

In addition we opened again for Lambeth Open Studios, took part in the Lambeth Country Show, made work for the Camberwell Oxfam for Oxfam, ran workshops on Loughborough Junction bridges, continued to support Brixton Green with print and expertise, hosted a book launch and exhibition for one of our longest standing tutors Dawn Dupree and held workshops for Southside and UpBeat. Laura Knight held a solo-show in North London that received acclaim and online coverage. Towards the end of the year we hosted an exhibition for our Surface Bursary residents showing new work in the areas of sound, Braille and photography based print. We also developed our relationship with Texprint and ArtQuest, two established arts organisations in London and hosted talks drawing an audience of 40 new people at each event.

Meanwhile work created in our studios was exhibited to the wider world. New to our space was Turkish designer Bora Aksu whose London Fashion Week runway show was breath taking. Yinka Shonibare's 'Nelson's ship in a bottle' continued to take pride of place on Trafalgar Square's fourth plinth seen by over 1.3 million visitors in its two final months. Mark Wallinger's 'Oxymoron' flag (commissioned in 1994) was flown opposite the South Bank. Although our intern programme is still being developed, 22 volunteers supported us and without whom we would not have been able to run so many activities and reach so many people this year. We have grown our online

Directors' Report (continued)
for the year ended 31 March 2012

activities and created an entire new e-commerce website for the Counter Feat. Many of our activities were captured in film and stills and we have attracted global press and benefited from some exceptional audiences because of the TV coverage and prestigious London venue's used to display our work.

Financial review

It is disappointing to report that despite twenty years of successful and commended support for our beneficiaries, as well as good and longstanding relationships with its regular funders, the loss of 100% of our core funding from the Arts Council of England, with insufficient time to replace it with third party funding by the end of this period meant the organisation is no longer financially viable in its current form. This was especially disappointing considering the steps that the Board had taken to future proof the organisation by starting to put into place the recommendations of the Arts Council of England funded Organisational Development Programme and by the appointment of the new Executive Director. However this effort has not been wasted and continued improvements to budgeting and reporting procedures meant that the organisation remained in control during this difficult period. Such has been this control and development of new opportunities that with the support of the landlords and the executive director who is developing a new business model and a new Board, the organisation has avoided closure in the short term and is cautiously looking to develop a new and viable future.

Additional financial controls and meetings have been put in place to protect the interests of the organisation's creditors, and to prevent a situation of 'wrongful trading' occurring. Additional professional advice to the Board was arranged through the National Council of Voluntary Organisations, and the Board would like to thank Ian Oakley Smith for his generous support of expertise, and advice. The organisation was supported by its reserves. A degree of additional comfort was provided to the Board, with the valuation by Marriott & Co, of the fixed assets of the organisation (recorded in the accounts as having no book value). In their report Marriott & Co advised that sold as a working textile specialist facility there would be a value of some £45,150, however if the fixed assets had to be removed from the premises for sale they would realise £5,290.

The organisation had only just started to enjoy a return on last year's refurbishment of the workshop (supported by The Clothworkers Foundation) and the provision of additional staffing to extend the opening hours to attract new users and to increase earned income through primary trading activities. The loss of 14% of total revenue to £225,815 belies the 24% improvement to earned income in 12 months to £71,872, despite the economic situation and the uncertainty of the future of the organisation. Other funds came from Arts Council of England's final year of Regular Funded Organisation core funding providing 50% of the resources, Lambeth Local Authority 14% (a reduction of 33% caused by the cuts to the Youth BTec Programme), The Leverhulme Trust continued to support the Surface Bursary rolling programme with £10,600.

Fund-raising activities throughout the year were mainly focused on creating and selling work that represented the expertise, calibre and range of the beneficiaries of the organisation and raised a total of £8,000. This activity had the dual purpose of promoting the visual arts, a core charitable objective, whilst also showcasing the talent and the opportunities that the organisation's facilities provide. This total was disappointing against the target of £200,000 however the press coverage and subsequent other opportunities that came from the raising of the profile of the organisation through Counter Feat made it possible for the consideration of an alternative business model. Another area that showed potential was the uptake in the course programme that amounted to a 67% increase in revenue of some £8,000 making a significant contribution to earned income. However there was a 4% decrease in revenue from hire of the workshop facilities that reflects the change of focus away from core service.

Directors' Report (continued)
for the year ended 31 March 2012

provision and into the outreach and fund-raising activities. This decline arrested by several University Textile departments who had problems with the relocation of workshops and used our facilities for emergency support to students. Income from memberships also declined as this service was ended pending the future of the organisation and some refunds were made where a membership would extend beyond March 2012.

Actual expenditure was down on the previous year by some £10,000, however there was an increased deficit from £22,284 to £53,866 that was paid from the reserves to cover redundancy payments and the final settlement of outstanding liabilities. Included in the expenses were some unavoidable improvements to the infrastructure that had to be replaced despite the vulnerable situation of the organisation. The book-keeping software was so out of date it was no longer compatible with the operating software and the telephone system needed renewing as it had become irreparable just before the main fund-raiser. It also became necessary to set up a server and improvements to the email and web provision to support the new online activities, to ensure work was backed up reliably and to enable the increased number of staff to hot-desk and have access to the computers. £5,246 was expended and was written off during the year for these purposes.

Other changes to items of expenditure include the increase in Salaries, and the decrease in Contractor's fees reflecting the appointment of the Executive Director just before the end of the previous financial year. The Arts Programme costs were reduced by 30% and reflect the high cost of the BTec programme in previous years. It also demonstrates that the organisation was beginning to work in new and more cost effective ways to reach a much broader and wider audience through digital, online and TV activities.

An exceptional control was kept on the finances during the year and under extremely difficult conditions, for which the Executive Director was commended. In the circumstances the Board was pleased to report a final position of a small reserve of restricted and unrestricted funds with which to start the development of the new business model.

Reserves Policy

The Directors reviewed the Reserves Policy in light of the financial situation. It was agreed that a change of policy was required. It was agreed that the Reserves would be released to settle redundancy payments and to discharge other outstanding liabilities of delivery and other commitments to the year-end. The Board monitored the level of the reserves through finance updates and budgets issued at regular Board meetings.

Public Benefit

The Directors have complied with their duty to have due regard to the Charity Commission's published guidance concerning the operation of public benefit.

Responsibilities of the Management Committee

Company Law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of the company's affairs and of its surplus or deficit for that period. In preparing those financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that

The London Printworks Trust

the company will continue in business

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Members of the Management Committee

Those who served as Directors and Trustees during the year are detailed on page 2 of these financial statements. No Director has any beneficial interest in the company. All Directors are members of the company and guarantee to contribute £1 in the event of winding up.

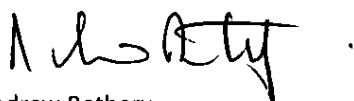
Fixed Assets

Details of movements in fixed assets during the year are summarised in note 6 to the financial statements.

Auditors/Independent Examiner

The Board Fryza Bannister Chartered Certified Accountants have been re-appointed by the Board to carry out an audit through Independent Examination in accordance with the legal requirements for an organisation of this size.

This report was approved by the Board on 13 December 2012
and signed on its behalf by



Andrew Rothery
Director

The London Printworks Trust

Independent Examiner's Report to the Trustees of The London Printworks Trust (A Company limited by guarantee)

I report on the financial statements for the year ended 31 March 2012 set out on pages 10 to 18

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under Section 145 of the 2011 Act,
- to follow the procedure laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act), and
- to state whether particular matters have come to my attention

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

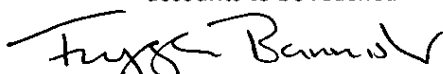
Independent examiner's statement

In connection with my examination, no matter has come to my attention

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met, or

- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



Fryza Bannister Financials Limited
Chartered Certified Accountants
Commercial House, High Street
Hadlow
Kent TN11 0EE

Date 13 December 2012

The London Printworks Trust

Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2012

		Unrestricted Funds £	Restricted Funds £	2012 Total £	2011 Total £
	Notes				
Incoming Resources:					
Incoming resources from charitable activities:					
Grants and donations receivable		137,756	16,066	153,822	207,738
Sales of services and fundraising income		71,872	-	71,872	57,559
Incoming resources from generated funds:					
Investment income		121	-	121	297
Total incoming resources	3	209,749	16,066	225,815	265,594
Resources expended:					
Charitable activities		(234,567)	(35,569)	(270,136)	(280,598)
Governance costs		(9,545)	-	(9,545)	(7,280)
Total resources expended	4	(244,112)	(35,569)	(279,681)	(287,878)
Net expenditure for the year	5	(34,363)	(19,503)	(53,866)	(22,284)
Reconciliation of funds:					
Accumulated funds brought forward		37,430	22,414	59,844	82,128
Accumulated funds carried forward		3,067	2,911	5,978	59,844

The company derived its income from continuing charitable grants and activities. The company has no other gains or losses other than those stated.

The notes on pages 12 to 18 form part of these accounts.

The London Printworks Trust

Balance Sheet

at 31 March 2012

	Notes	£	2012 £	2011 £
Tangible Fixed Assets	6		-	-
Current Assets				
Debtors	7	18,509	22,784	
Cash at bank and in hand		3,149	54,088	
		<u>21,658</u>	<u>76,872</u>	
Creditors				
Amounts falling due within one year	8	(15,680)	(17,028)	
Net current assets			5,978	59,844
Net Assets			<u>5,978</u>	<u>59,844</u>
Funds				
Unrestricted funds	10		3,067	37,430
Restricted funds	10		2,911	22,414
Total Funds			<u>5,978</u>	<u>59,844</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2012

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2012 in accordance with Section 476 of the Companies Act 2006

The trustees acknowledge their responsibilities for

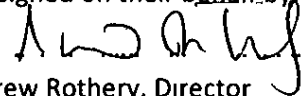
- ensuring that the charitable company keeps accounting records that comply with Sections 286 and 287 of the Companies Act 2006, and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit of each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small entities

The notes on pages 12 to 18 form part of these financial statements

Approved by the Board on 13 December 2012

and signed on their behalf by


Andrew Rothery, Director

Notes to the Financial Statements

For the year ended 31 March 2012

1 Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements

a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards, the Companies Act 2006 and the Statement of Recommended Practice "Accounting and Reporting for Charities" – 2005

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The company's activities have been dependent upon the availability of adequate continued funding. Many of these lines of funding have since ceased with effect from 31 March 2012 leaving the directors to reassess the company's activities and its ability to continue as a going concern.

The directors regard the going concern basis as remaining appropriate although material inherent uncertainties exist as to whether sufficient cash resources can be generated to sustain the company in the near future. The directors have therefore agreed to a period of transition from the current operational form to the cautious development of a new business model. This transition period is dependant on the continued support of the landlords and the Executive Director. The directors recognise the need to protect the interests of all parties concerned.

The company has taken advantage of the exemption available to small entities not to produce a cash flow statement.

b) Tangible fixed assets, depreciation and amortisation

The accounting policy on plant and machinery, fixtures and equipment and computer equipment is to write off all such expenditure in the year of acquisition to match the funding received.

c) Fund accounting

The accounts distinguish between restricted and unrestricted funds. Restricted funds are received from donors and are subject to restrictions on the purposes for which they may be used. Unrestricted funds are those where there are no externally imposed restrictions. They include those freely available to the charity for expenditure or appropriation to reserves for internally designated purposes.

d) 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:

Notes to the Financial Statements (continued)

For the year ended 31 March 2012

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

e) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT that 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.
- 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 Independent Examination fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designated to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capital or estimated usage.

f) Leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

2 Taxation, including Value Added Tax

The London Printworks Trust is a registered charity and is exempt from Income Tax and Corporation Tax on its normal activities. Value Added Tax is not recoverable by the charity and, as such, is included in the relevant costs in the Statement of Financial Activities.

Notes to the Financial Statements (continued)

For the year ended 31 March 2012

3 Incoming Resources

	Unrestricted Funds £	Restricted Funds £	2012 Total £	2011 Total £
Incoming resources from charitable activities:				
Grants and donations receivable				
London Borough of Lambeth	27,129	5,466	32,595	48,813
Arts Council of England	110,627	-	110,627	118,825
Leverhulme Trust	-	10,600	10,600	10,600
Lambeth Schools	-	-	-	1,500
Clothworkers Foundation	-	-	-	25,000
Other Trusts	-	-	-	3,000
	<u>137,756</u>	<u>16,066</u>	<u>153,822</u>	<u>207,738</u>
Sales of services and fundraising income				
Course fees	20,682	-	20,682	12,318
Workshop income	40,736	-	40,736	42,633
Membership fees	1,950	-	1,950	2,155
Other income	8,504	-	8,504	453
	<u>71,872</u>	<u>-</u>	<u>71,872</u>	<u>57,559</u>
Incoming resources from generated funds:				
Investment income	121	-	121	297
	<u>121</u>	<u>-</u>	<u>121</u>	<u>297</u>
Total incoming resources	<u>209,749</u>	<u>16,066</u>	<u>225,815</u>	<u>265,594</u>

Notes to the Financial Statements (continued)

For the year ended 31 March 2012

4 Resources expended

				2012	2011
		Unrestricted	Restricted		
		Funds	Funds	Total	Total
	Notes	£	£	£	£
Charitable activities					
Salaries and National Insurance	13	120,238	1,022	121,260	72,949
Contractor's fees		27,409	2,700	30,109	69,118
Arts programme costs		37,896	7,038	44,934	63,468
Printing, postage, stationery and copying		8,050	-	8,050	8,579
Telephone		1,248	-	1,248	1,493
Travel and subsistence		2,295	835	3,130	3,936
Rent and services		44,438	-	44,438	44,438
Other premises costs		10,239	-	10,239	10,253
Insurance		6,728	-	6,728	6,364
Charged to restricted funds		(23,974)	23,974	-	-
		<u>234,567</u>	<u>35,569</u>	<u>270,136</u>	<u>280,598</u>
Governance costs					
Accountancy and Independent Examination		7,264	-	7,264	5,707
Legal and professional		614	-	614	510
Bank charges and interest		1,667	-	1,667	1,063
		<u>9,545</u>	<u>-</u>	<u>9,545</u>	<u>7,280</u>
Total resources expended		<u>244,112</u>	<u>35,569</u>	<u>279,681</u>	<u>287,878</u>

5 Net expenditure for the year

The net expenditure for the year is arrived at after charging

	2012	2011
	£	£
Depreciation	5246	31,361
Provision for Independent Examiner's fee	2,000	2,500
Auditor's fee for accountancy services	-	3,207

Notes to the Financial Statements (continued)

For the year ended 31 March 2012

6 Tangible Fixed Assets

	Land & Buildings £	Plant & Machinery £	Fixtures & Equipment £	Total £
Cost				
Balance at 1 April 2011	31,293	98,767	57,453	187,513
Additions in the year	-	-	5,246	5,246
Balance at 31 March 2012	31,293	98,767	62,699	192,759
Depreciation				
At 1 April 2011	31,293	98,767	57,453	187,513
Written off in the year	-	-	5,246	5,246
Balance at 31 March 2012	31,293	98,767	62,699	192,759
Net book value				
At 31 March 2011	-	-	-	-
At 31 March 2012	-	-	-	-

7 Debtors

	2012 £	2011 £
Grants receivable	13,141	13,141
Programme income, prepayments and miscellaneous fees receivable	5,368	9,643
	18,509	22,784

8 Creditors: Amounts falling due within one year

	2012 £	2011 £
Taxation and social security	1,692	1,109
Accruals and other creditors	13,988	15,919
	15,680	17,028

Notes to the Financial Statements (continued)

For the year ended 31 March 2012

9 Analysis of Net Assets Between Funds

	Restricted Funds £	Unrestricted Funds £	Total £
Fixed assets	-	-	-
Net current assets	2,911	3,067	5,978
Total net assets	2,911	3,067	5,978

10 Statement of Funds

	Balance at 1/4/11 £	Incoming Resources £	Resources Expended £	Balance at 31/3/12 £
General funds	37,430	209,749	(244,112)	3,067
Restricted funds				
Surface Bursary	10,600	10,600	(18,289)	2,911
Organisational Development	4,583	-	(4,583)	-
Options Extra	4,724	4,666	(9,390)	-
University of the Arts	2,507	-	(2,507)	-
Others	-	800	(800)	-
Total funds	59,844	225,815	(279,681)	5,978

The balance of any funds will be utilised in the forthcoming months to meet commitments made by the charity

11 Future Financial Commitments

At 31 March 2012, the company had annual commitments under operating leases (expiring in more than five years) for its premises of £33,720 (2011 £33,120) due within one year

12 Reserves Policy

The Directors have reviewed the Reserves Policy. In the exceptional circumstances presented to the Board it was agreed that the unrestricted reserves would be used to make redundancy payments to staff in accordance with current legislation and where possible discharge all other obligations and draw all project working to a close. The Board continued to monitor the level of the reserves through finance updates and budgets issued at regular and additional Board meetings.

Notes to the Financial Statements (continued)

For the year ended 31 March 2012

13 Staff Costs

Staff costs were as follows

	2012	2011
	£	£
Wages and salaries	112,249	68,179
Social security costs	9,011	4,770
	<u>121,260</u>	<u>72,949</u>

The Directors do not receive any remuneration or expenses in respect of their services
Trustees expenses were £nil (2011 £nil)

The average number of employees during the year was 8 staff, equivalent of 4 full time posts
(2011 5 staff, 3 full time posts) One member of staff was on maternity leave during this year
All posts were made redundant during this year, due to the end of regular funding from Arts
Council of England

The Executive Director will continue to develop a new funding model with a suspended salary
from April 2012 subject to regular Board reviews during 2012/13

14 Controlling Party

The Directors do not consider the company to have a controlling party