

Company registration number 02908476
Charity registration number 1037730

Folk South West

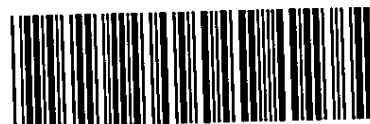
(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2012

BRC accountants
Aldwych House
Winchester Street
Andover
Hampshire
SP10 2EA

FRIDAY



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Folk South West
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Folk South West
Reference and Administrative Details

Charity name	Folk South West	
Charity registration number	1037730	
Company registration number	02908476	
Principal office	Church Farm Leigh Sherborne Dorset United Kingdom DT9 6HL	
Registered office	Church Farm Leigh Sherborne Dorset United Kingdom DT9 6HL	
Trustees	Mr J A Braithwaite, Company Director	
	D A Cltheroe, Retired	(Resigned 11 April 2011)
	C Dutiro, Musician	
	P Tabbush, Scientist	(Resigned 23 May 2012)
	J Haigh	(Appointed 11 April 2011)
Secretary	Edward Upton	
Accountant	BRC accountants Aldwych House Winchester Street Andover Hampshire SP10 2EA	

Folk South West

Trustees' Report

The Directors and Trustees present their report together with the financial statements of the Company for the year ended 31 March 2012

Folk South West Limited is constituted as a company limited by guarantee, and is therefore governed by a Memorandum and Articles of Association

Objectives and Principal Activities

Folk South West's mission is to stimulate enjoyment, participation and creativity in the music, song, dance and traditions of the South West of England. In practice this includes working in education and training, recordings and publications, local projects, skills development, professional development for artists, teachers and administrators, festival and event management, and offering information, advice and guidance.

Achievements and Performance

In order to further these objectives, we engaged in a number of projects and initiatives during the year. Our events attracted people from across the South West of England and beyond. We continued to play an active role in the management and programming of the children's and family events at the annual weeklong folk festival in Sidmouth, Devon. We continued to act as Area Leader for Sing Up in Somerset.

We started to work on the development of our programme of Forest School activities and made a planning application to West Dorset District Council for change of use of our site near Leigh from amenity land to educational use. We were contracted by various local authorities to run community initiatives, including starting a community choir for Sherborne.

Future developments

We will continue making funding applications to trusts and other bodies, including working in partnership with other organisations in sympathy with our charitable objectives. Some applications will depend on the success of our planning application.

We will diversify in our work with children and young people and will work with Somerset County Council and other arts organisations in setting up a Music Education Hub for the county.

Reserves Policy

The Board of Trustees believes that a policy of prudence should be adopted which reflects the importance of project income in contributing to the organisation's administrative overheads. With this in mind the Board of Trustees will, from time to time, allocate unrestricted earned income surpluses to designated Reserve Funds in order for them to be utilised in the event of there being a failure to attract revenue funding on a given project of programme work.

Although such Reserve Funds may be earmarked for a particular area of work, the Board of Trustees retains the right to treat those Reserves as unencumbered and therefore to allocate them to whatever project they think fit.

The level of reserves will be kept under review.

Risk Policy

The Trustees consider the national economic recession, the diminishing amounts of grant money available from charitable trusts and a reliance on project funding to be the major risks to the company. This and other risks, particularly those associated with particular projects, are reviewed on a quarterly basis.

Directors and Trustees

All the Directors of the company are also Trustees of the Charity, and there are no other Trustees. We recruit Directors/Trustees on a skills basis. We particularly seek people with business and marketing skills, financial acumen, and a knowledge of or interest in education and training practice. Our Directors/Trustees are people who have sympathy with our charitable objectives and mission, and are interested in the role of the folk arts in education and community development across the South West of England.

Director/Trustee induction includes an introduction to the work of Folk South West and training in Trustees' duties and responsibilities.

Folk South West Trustees' Report

Our current Director/Trustees are

John Braithwaite (Chair) Chief Executive and Chairman of IT services businesses and a marketing expert. He has a longstanding enthusiasm for the folk arts.

Chartwell Dutiro Traditional Zimbabwean musician and workshop leader, now resident in Devon. He is also a member of Arts Council England's cultural diversity action planning group.

Jacqui Haigh Director of Music Leader South West and a practising musician and songwriter.

The Trustees meet quarterly to review progress and determine policy.

Day to day affairs are in the hands of the Company Secretary (also Artistic Director) and the Education & Training coordinator.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by



Mr J A Braithwaite

Trustee

Date

14/12/12

Independent Examiner's Report to the Trustees of

Folk South West

I report on the accounts of the company for the year ended 31 March 2012, which are set out on pages 5 to 13

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The 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 needed.

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


Basis of 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 statement 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 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave 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



Jacqui Taylor FCCA
BRC accountants

20 December 2012

Aldwych House
Winchester Street
Andover
Hampshire
SP10 2EA

Folk South West
Statement of Financial Activities (including Income and Expenditure Account) for the
Year Ended 31 March 2012

		Unrestricted Funds	Total Funds 2012	Total Funds 2011
	Note	£	£	£
Incoming resources				
Incoming resources from generated funds				
Voluntary income	2	19,815	19,815	49,259
Investment income	4	11	11	15
Incoming resources from charitable activities	5	26,590	26,590	33,443
Total incoming resources		<u>46,416</u>	<u>46,416</u>	<u>82,717</u>
Resources expended				
Costs of generating funds				
Costs of generating voluntary income	6	6,830	6,830	8,612
Charitable activities	6	45,067	45,067	70,924
Governance costs	6	4,032	4,032	(2,582)
Total resources expended		<u>55,929</u>	<u>55,929</u>	<u>76,954</u>
Net movements in funds		(9,513)	(9,513)	5,763
Reconciliation of funds				
Total funds brought forward		17,576	17,576	11,813
Total funds carried forward		<u>8,063</u>	<u>8,063</u>	<u>17,576</u>

The notes on pages 7 to 13 form an integral part of these financial statements

Folk South West (Registration number: 02908476)

Balance Sheet as at 31 March 2012

		2012		2011	
	Note	£	£	£	£
Fixed assets					
Tangible assets	11		1		1
Current assets					
Stocks and work in progress		2,000		2,000	
Debtors	12	800		6,974	
Cash at bank and in hand		<u>7,944</u>		<u>12,062</u>	
		10,744		21,036	
Creditors: Amounts falling due within one year	13	<u>(2,682)</u>		<u>(3,461)</u>	
Net current assets			<u>8,062</u>		<u>17,575</u>
Net assets			<u>8,063</u>		<u>17,576</u>
The funds of the charity:					
Unrestricted funds					
Unrestricted income funds			<u>8,063</u>		<u>17,576</u>
Total charity funds			<u>8,063</u>		<u>17,576</u>

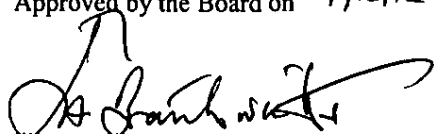
For the financial year ended 31 March 2012, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 14/12/12 and signed on its behalf by



Mr J A Braithwaite
Trustee

Folk South West

Notes to the Financial Statements for the Year Ended 31 March 2012

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity

Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate

Investment income is recognised on a receivable basis

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract

Grants are included in the SOFA in the year that they are receivable

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category

Costs of generating funds are 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

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage

Fixed assets

Individual fixed assets are initially recorded at cost

Folk South West

Notes to the Financial Statements for the Year Ended 31 March 2012

continued

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Office Equipment	25% straight line basis
Computer Equipment	33 3% straight line basis

Stock

Stocks of publications and recorded material are valued at the lower of cost and net realisable value

Folk South West

Notes to the Financial Statements for the Year Ended 31 March 2012

continued

2 Voluntary income

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Donations and legacies			
Appeals and donations	685	685	7,217
Gift Aid tax reclaimed	800	800	6,048
	<u>1,485</u>	<u>1,485</u>	<u>13,265</u>
Grants			
Grants - other agencies	<u>18,330</u>	<u>18,330</u>	<u>35,994</u>
	<u>19,815</u>	<u>19,815</u>	<u>49,259</u>

3 Grants receivable

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Grants - other agencies	<u>18,330</u>	<u>18,330</u>	<u>35,994</u>

4 Investment income

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Interest on cash deposits	<u>11</u>	<u>11</u>	<u>15</u>

5 Incoming resources from charitable activities

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Performance Fees			
Concerts	<u>26,590</u>	<u>26,590</u>	<u>33,443</u>

Folk South West

Notes to the Financial Statements for the Year Ended 31 March 2012

continued

6 Total resources expended

	Costs of generating voluntary income	Activities undertaken directly	Governance	Total 2012	Total 2011
	£	£	£	£	£
Direct costs					
Fundraising costs	-	5,081	-	5,081	13,560
Other fundraising costs	-	-	-	-	475
Employment costs	-	50	-	50	100
Other direct costs	-	2,797	-	2,797	7,886
Advertising and promotion	-	359	-	359	-
Depreciation of tangible fixed assets	-	-	-	-	42
	-	8,287	-	8,287	22,063
Support costs					
Employment costs	5,642	30,087	1,881	37,610	53,101
Office expenses	987	5,271	329	6,587	3,784
Printing, posting and stationery	125	668	42	835	1,280
Subscriptions and donations	-	-	-	-	232
Sundry and other costs	76	404	25	505	534
Accountancy fees	-	-	1,740	1,740	1,740
Legal and professional costs	-	350	15	365	1,265
Bad debt expense	-	-	-	-	(7,045)
	6,830	36,780	4,032	47,642	54,891
	6,830	45,067	4,032	55,929	76,954

7 Trustees' remuneration and expenses

No trustees received any remuneration during the year

8 Net (expenditure)/income

Net (expenditure)/income is stated after charging

	2012	2011
	£	£
Depreciation of tangible fixed assets	-	42

Folk South West

Notes to the Financial Statements for the Year Ended 31 March 2012

continued

9 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year was as follows

	2012 No.	2011 No.
Administrative	-	4

The aggregate payroll costs of these persons were as follows

	2012 £	2011 £
Wages and salaries	-	52,082

No employee received emoluments of more than £60,000 during the year (2011 - No 0)

10 Taxation

The company is a registered charity and is exempt from corporation tax

Folk South West
Notes to the Financial Statements for the Year Ended 31 March 2012

continued

11.. Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 April 2011 and 31 March 2012	<u>48,942</u>
Depreciation	
As at 1 April 2011 and 31 March 2012	<u>48,941</u>
Net book value	
As at 31 March 2012	<u>1</u>
As at 31 March 2011	<u>1</u>

12 Debtors

	2012 £	2011 £
Other debtors	<u>800</u>	<u>6,974</u>

13 Creditors: Amounts falling due within one year

	2012 £	2011 £
Bank loans and overdrafts	165	-
Trade creditors	776	-
Taxation and social security	-	1,720
Accruals and deferred income	<u>1,741</u>	<u>1,741</u>
	<u>2,682</u>	<u>3,461</u>

14 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Folk South West

Notes to the Financial Statements for the Year Ended 31 March 2012

continued

15 Related parties

Controlling entity

The company was controlled throughout the period by the Trustees, by virtue of the control afforded to them by the Memorandum and Articles of Association

16 Analysis of funds

	At 1 April 2011	Incoming resources	Resources expended	At 31 March 2012
	£	£	£	£
General Funds				
Unrestricted income fund	17,576	46,416	(55,929)	8,063

17.. Net assets by fund

	Unrestricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£
Tangible assets	1	1	1
Current assets	10,744	10,744	21,036
Creditors Amounts falling due within one year	(2,682)	(2,682)	(3,461)
Net assets	8,063	8,063	17,576

Folk South West
Statement of financial activities by fund Year Ended 31 March 2012

	Unrestricted income fund 2012	Unrestricted income fund 2011
	£	£
Incoming resources		
Incoming resources from generated funds		
Voluntary income	19,815	49,259
Investment income	11	15
Incoming resources from charitable activities	26,590	33,443
Total incoming resources	<u>46,416</u>	<u>82,717</u>
Resources expended		
Costs of generating funds		
Costs of generating voluntary income	6,830	8,612
Charitable activities	45,067	70,924
Governance costs	4,032	(2,582)
Total resources expended	<u>55,929</u>	<u>76,954</u>
Net movements in funds	(9,513)	5,763
Reconciliation of funds		
Total funds brought forward	17,576	11,813
Total funds carried forward	<u>8,063</u>	<u>17,576</u>