

Financial statements Lower Machen Festival Company Limited by Guarantee

For the Year Ended 31 March 2009

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COMPANIES HOUSE

Company No. 3739816

Members of the board and professional advisers

Registered charity name	Lower Machen Festival
Charity number	1075159
Company registration number	3739816
Registered office	26 Kent Street Cardiff CF11 7DL
Trustees	R J Maskrey M J Evans Lord Raglan P R J Whittaker B G Williams
Secretary	R Edwards
Committee	Lord Raglan (Public Relations) P Reynolds (Artistic Director) G Williams (Event Management) R Maskrey (Chair / Treasurer) M Evans (Hospitality) P Whittaker (Event Management) L Evans (Financial Support) V Jenkins (Event Management)
Bankers	Lloyds TSB Bank Plc 31 Queen Street Cardiff CF10 2AF
Auditor	Haines Watts Wales LLP Chartered Accountants Registered Auditors 7 Neptune Court Vanguard Way Cardiff CF24 5PJ

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Trustees annual report

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2009.

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 2 of the financial statements.

The trustees

The trustees who served the charity during the period were as follows:

R J Maskrey
M J Evans
Lord Raglan
P R J Whittaker
B G Williams

Structure, governance and management

Governing document

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The charity is organised so that the trustees meet regularly to manage its affairs.

Recruitment and appointment of Trustees

Members of the Board of Trustees are appointed or removed by resolution of the Trustees.

Trustee induction and training

New trustees are given a briefing on the work of the Board and the individual projects of the Board as part of their induction. When appropriate, training sessions are open to Board of members where the training is considered useful to their role.

Objectives and activities

The principal activity of the company is to advance public education by the provision of concerts of classical music and similar artistic events.

The trustees have complied with their duty to have due regard to the guidance on the public benefit published by the Charity Commission in exercising their powers or duties.

Achievements and performance

During the year Lower Machen Festival presented a week-long festival of chamber music consisting of seven evening concerts, three day time concerts and one school concert. This was accompanied by an educational outreach programme involving local school children and young people from the community.

Trustees annual report

Financial review

The Statement of Financial Activities shows a net deficit for the year of £2,830 (2008 - £238) and our reserves stand at £4,333 in total (2008 - £7,163).

Reserves policy

It is the policy of the charity to work towards accumulating unrestricted net assets, representing three months of project running costs and at present the funds have reached this level.

Plans for future periods

The company aims to present a week-long festival of music in the last week of June 2009, consisting of twelve concerts and an education programme involving local school children.

Risk management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

Responsibilities of the trustees

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Trustees annual report

Auditor

During the year the auditors underwent an internal re-organisation as a result of which HWCA Limited resigned and Haines Watts Wales LLP were appointed to fill the vacancy. A resolution to re-appoint Haines Watts Wales LLP as auditor for the ensuing year will be proposed at the Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD

R Edwards
Secretary
14/9/09

A handwritten signature in black ink, appearing to be 'R Edwards', written over a horizontal line.

Independent auditor's report to the members of the Lower Machen Festival Company Limited by Guarantee Year ended 31 March 2009

We have audited the financial statements of Lower Machen Festival Company Limited by Guarantee for the year ended 31 March 2009 on page 9 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The responsibilities of the trustees (who also act as directors of Lower Machen Festival Company Limited by Guarantee for the purposes of company law) for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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, and whether the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company 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 remuneration of the trustees and other transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Independent auditor's report to the members of the Lower Machen Festival Company Limited by Guarantee Year ended 31 March 2009

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Haines Watts Wales LLP

Haines Watts Wales LLP
Chartered Accountants
& Registered Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

23 November 2009

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Resources expended

Expenditure of a non capital nature incurred by the charity is shown in the Statement of Financial Activities and analysed between charitable expenditure, and costs of generating funds.

Items of expenditure which involve more than one cost category are apportioned on a reasonable, justifiable and consistent basis to the cost category involved.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountants' fees and costs linked to the strategic management of the charity.

Incoming resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Capital grants

Grants receivable for the purpose of purchasing fixed assets for the continued use of the charity are treated as restricted funds. The restricted fund is then reduced by transfers of the amounts equivalent to any depreciation charge over the expected useful life of the assets concerned.

Accounting policies

Revenue grants

Grants credited to general funds are to be used at the discretion of the trustees in furtherance of the objectives of the charity.

Grants receivable for particular purposes are treated as restricted funds so that any unused funds can be separately identified.

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

Statement of financial activities (incorporating the income and expenditure account)

	Note	Total Funds 2009 £	Total Funds 2008 £
Incoming resources			
Incoming resources from generating funds:			
Voluntary income	1	1,505	4,324
Activities for generating funds	2	9,107	6,420
Incoming resources from charitable activities	3	26,946	26,356
Total incoming resources		<u>37,558</u>	<u>37,100</u>
Resources expended			
Charitable activities	4	(38,697)	(35,621)
Governance costs	5	(1,691)	(1,717)
Total resources expended		<u>(40,388)</u>	<u>(37,338)</u>
Net outgoing resources for the year/net expenditure for the year	6	(2,830)	(238)
Reconciliation of funds			
Total funds brought forward		7,163	7,401
Total funds carried forward		<u>4,333</u>	<u>7,163</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

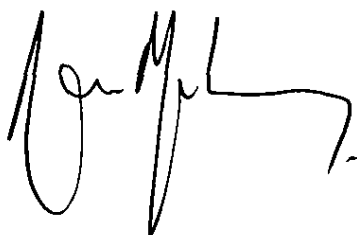
Balance sheet

	Note	2009 £	2008 £
Current assets			
Debtors	8	100	1,000
Cash at bank and in hand		<u>6,837</u>	<u>9,280</u>
		6,937	10,280
Creditors: amounts falling due within one year	9	<u>(2,604)</u>	<u>(3,117)</u>
Net current assets		4,333	7,163
Total assets less current liabilities		<u>4,333</u>	<u>7,163</u>
Net assets		<u>4,333</u>	<u>7,163</u>
Funds			
Unrestricted income funds	10	<u>4,333</u>	<u>7,163</u>
Total funds		<u>4,333</u>	<u>7,163</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the members of the committee on the 14/9/09 and are signed on their behalf by:

R J Maskrey
Director



Notes to the financial statements

1 Voluntary income

	Unrestricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£
Donations			
Donations	1,505	1,505	3,125
Gifts			
Gift Aid	-	-	1,199
	<u>1,505</u>	<u>1,505</u>	<u>4,324</u>

2 Incoming resources from activities for generating funds

	Unrestricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£
Sponsorships	7,850	7,850	6,150
Earned income	1,257	1,257	270
	<u>9,107</u>	<u>9,107</u>	<u>6,420</u>

Analysis of sponsorship

	Unrestricted Funds	Total Funds Year to 31 Mar 09	Total Funds 2008
	£	£	£
Sponsorship income deferred at 1 April	2,500	2,500	3,000
Sponsorship received in the year	5,350	5,350	5,650
Utilised for the year	(7,850)	(7,850)	(6,150)
	<u>-</u>	<u>-</u>	<u>2,500</u>

3 Incoming resources from charitable activities

	Unrestricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£
Grants	17,525	17,525	16,120
Other income from charitable activities	9,421	9,421	10,236
	<u>26,946</u>	<u>26,946</u>	<u>26,356</u>

Analysis of grants

	Unrestricted Funds	Restricted Funds	Total Funds Year to 31 Mar 09
	£	£	£
Grant income deferred at 1 April	-	-	-
Grants received in the year	19,525	-	19,525
Utilised for the year	(17,525)	-	(17,525)
	<u>2,000</u>	<u>-</u>	<u>2,000</u>

Notes to the financial statements

3 Incoming resources from charitable activities (continued)

Material grants receivable during the year were as follows:

Purpose of Grant	Source	2009 Receivable £
Unrestricted		
General charitable purpose	Newport BC	1,000
	Caerphilly CBC	800
	Colwinston	3,000
	Jane Hodge	2,000
	Charities Aid	1,000
	ACW Lottery grant	11,725
		<u>19,525</u>

4 Costs of charitable activities by fund type

	Unrestricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£
Artists' fees	19,846	19,846	21,459
Hire of premises	804	804	714
Publicity and marketing	5,213	5,213	2,878
Activity expenditure	7,607	7,607	5,387
Development of website & database	488	488	813
Fundraising coordinator	1,000	1,000	1,000
Administrator fee	2,000	2,000	2,000
General administration expenses	739	739	370
Education coordinator	1,000	1,000	1,000
	<u>38,697</u>	<u>38,697</u>	<u>35,621</u>

5 Governance costs

	Unrestricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£
Audit fees	591	591	617
Artistic director's fees	1,100	1,100	1,100
	<u>1,691</u>	<u>1,691</u>	<u>1,717</u>

6 Net outgoing resources for the year

This is stated after charging:

	2009 £	2008 £
Auditors' fees	<u>591</u>	<u>617</u>

Notes to the financial statements

7 Staff costs and emoluments

No salaries or wages have been paid to employees, including the trustees and members of the committee, during the year.

8 Debtors

	2009 £	2008 £
Other debtors	<u>100</u>	<u>1,000</u>

9 Creditors: Amounts falling due within one year

	2009 £	2008 £
Deferred income	2,000	2,500
Other creditors	604	617
	<u>2,604</u>	<u>3,117</u>

10 Unrestricted income funds

	Balance at 1 April 2008 £	Incoming resources £	Balance at 31 March 2009 £
General Funds	<u>7,163</u>	<u>(2,830)</u>	<u>4,333</u>

11 Analysis of net assets between funds

	Net current assets/ (liabilities) £	Total £
Unrestricted Income Funds	<u>4,333</u>	<u>4,333</u>
Total Funds	<u>4,333</u>	<u>4,333</u>

12 Transactions with trustees and other related parties

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

13 Company limited by guarantee

The Lower Machen Festival is a company limited by guarantee. The members of the company are the board of Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.