

**DANCE BASE LIMITED**

**DIRECTORS REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2004**

**Company No: 145736 (Scotland)**



**DANCE BASE LIMITED**  
**FOR THE YEAR ENDED 31 MARCH 2004**

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**DANCE BASE LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2004**

REGISTERED CHARITY NUMBER:	SC022512
DIRECTORS:	L Hinds (resigned 26 May 2003) K Koren D Rutherford (Chair) P Vestri I Coldwell J Dick S Mitchell R Smith (resigned 24 November 2003) H Warnock F Dick S Palsson R Henderson (appointed 24 November 2003)
SECRETARY:	Cowan & Partners 60 Constitution Street Edinburgh EH6 6RR
COMPANY NUMBER:	SC145736
REGISTERED OFFICE:	14-16 Grassmarket Edinburgh EH1 2JU
AUDITORS:	McDonald Gordon & Co Ltd Chartered Certified Accountants and Registered Auditors 29 York Place Edinburgh EH1 3HP
BANKERS:	Royal Bank of Scotland St Andrew Square Edinburgh EH2 2YB
SOLICITORS:	Maclay Murray & Spens 3 Glenfinlas Street Edinburgh EH3 6AQ

## DANCE BASE LIMITED

### DIRECTORS ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2004

The directors present their report and the audited financial statements for the year to 31 March 2004.

#### **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The year to 31 March 2004 was a year of growth and development for Dance Base as we continued to develop the organisational structure to meet the company's expanding artistic needs. The outcome for the year shows that Dance Base has monitored this process effectively and continues to manage its resources responsibly.

The Business Plan was updated with the Board and staff identifying the company's achievements, challenges and opportunities and providing a clear framework for the delivery of our Mission and Core Aims. This will enable the organisation to move forward strategically and to assess and refine its performance on a regular basis.

During the year we ran three full terms of public classes and workshops, as well as four weeks of classes during the Edinburgh Fringe Festival in August. We were successfully able to increase the length of core terms from 10 to 12 weeks, increasing the time available for people to enjoy learning and practising dance, and offering valuable additional opportunities to our many teachers.

Over this period, we have welcomed over 80,000 people into the building to attend a dance activity. This level of interest proves that Dance Base is providing a valuable service to our local community, enabling people of all ages and abilities to come together on a weekly basis to have fun, learn new skills, meet other people and to keep fit in a non-competitive environment.

This year also saw an expansion of Dance Base's work in the community, using dance as a therapeutic tool to encourage creativity, health and well-being in those unable to come to Dance Base due to physical, financial or social barriers. We have delivered classes in nurseries, primary schools, secondary schools, special schools, youth and community groups, secure units, sheltered housing units, hospitals and adult training centres, reaching over 10,000 people during the year.

Our outreach programme for the year was dependent on income received from Trusts and Foundations and we are delighted to report success in receiving funds to cover all areas of our work in this area. We are indebted to the Lloyds TSB Foundation, The Chase Charity, BBC Children in Need and an anonymous donor who recognise the value of our work and have committed to funding Dance Base to deliver a programme specially for young people on a three year basis. Even the smallest of donation helps us to offer a service to a wide group of people in the community and we are very grateful to all those who responded to our appeal over the course of the year. We were also successful in securing Scottish Arts Council Lottery and City of Edinburgh Council funds to finance a full time post of Young Dancers Worker to enable us to offer classes to pre-school aged children in nurseries and care centres in deprived areas of Edinburgh. This funding will take effect from April 2004.

The Company continued to support the professional dance community, providing residencies, performance, class and workshop opportunities as well as mentoring and career development support for independent professional dancers from across Scotland. We ran an extremely successful Festival programme from Dance Base, inviting international and Scottish dancers to perform as part of the Edinburgh Fringe programme during August 2003. With the benefit of excellent shows and extensive press coverage, our audience attendance nearly trebled on the previous year. A key challenge for the organisation is to find a way to continue to promote this programme once the dedicated Scottish Arts council funding for this programme runs out in 2004.

Dance Base ended the year with a triumphant production of *Off Kilter* - a dance show bringing together the wealth of choreographic and musical talent of Scottish artists, in an exciting and accessible blend of traditional and contemporary styles. The show was a great success with both audiences and critics and marked a new departure for Dance Base as a producer and promoter of touring dance performance. We are grateful to the Scottish Arts Council for investing in this project.

## DANCE BASE LIMITED

### REPORT OF THE DIRECTORS (continued) FOR THE YEAR ENDED 31 MARCH 2004

#### FINANCIAL RESULTS

The financial results for the year to March 2004 are a testimony to the efforts of all of the stakeholders involved in Dance Base. The surplus for the year shall be applied to ensure that Dance Base remains financially robust and is able to fund, with the help of other sponsors, future projects assisting the company to deliver its artistic services to our local and national communities.

This is particularly important as we anticipate the funding climate will become less favourable over the next few years and it is important that Dance Base plans now to manage its finances responsibly into the future.

The Board acknowledge the financial support of its principal funders, Scottish Arts Council and The City of Edinburgh Council and the many Charitable Trusts and Foundations who have contributed to supporting our revenue activities.

We anticipate that with the continued commitment of our Board and staff, a loyal customer and user base and continued good relationships with our funders, Dance Base is in a position to refine and expand its programme to remain artistically buoyant and financially viable into the future.

#### DIRECTORS

The Board of Directors are listed on page 1.

#### COMPANY STRUCTURE

The City of Edinburgh Council has the right to appoint a Director Representative. The Board comprises eleven directors who bring various skills to the company. The Board acts in a non-executive capacity and meets five times a year to monitor the operations of Dance Base and are involved in all strategic decision making.

#### RISK MANAGEMENT

The directors are responsible for identifying and reviewing the major risks to which the company is exposed and establishing systems to mitigate these risks.

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 profit or loss of the company for that period. In preparing those financial statements, the directors required to:

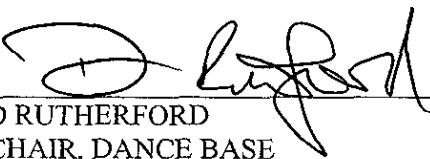
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### AUDITORS

The auditors, McDonald Gordon & Co Ltd, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Approved by the directors on ~~6 SEPTEMBER~~ 2004 and signed on their behalf by

  
D RUTHERFORD  
CHAIR, DANCE BASE

**DANCE BASE LIMITED****INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
DANCE BASE LIMITED**

We have audited the company's financial statements for the year ended 31 March 2004, which comprise Profit and Loss Account, Balance Sheet and the related notes 1 – 22. These financial statements have been prepared on the basis of accounting policies set out therein.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described in the Statement of Directors' Responsibilities (page 3) the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and Accounting Standards.

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, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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

**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 significant estimates and judgements made by the directors 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 as at 31 March 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**McDonald Gordon & Co Ltd**  
**Chartered Certified Accountants**  
**and Registered Auditors**

**29 York Place**  
**Edinburgh**  
**EH1 3HP**

**8 SEPTEMBER 2004**

## DANCE BASE LIMITED

INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £	2003 £
Programme income	2	375,819	296,271
Grants receivable	4	<u>666,050</u>	<u>515,927</u>
Total Income of Continuing Operations		<u>1,041,869</u>	<u>812,198</u>
Programme costs	3	401,623	229,941
Administrative overheads	5	595,068	576,718
Fundraising costs	5	<u>6,147</u>	<u>141</u>
Total Expenditure of Continuing Operations		<u>1,002,838</u>	<u>806,800</u>
Net Income for the year from Continuing Operations		39,031	5,398
Interest receivable		<u>3,135</u>	<u>3,496</u>
Net Income for the year		<u>42,166</u>	<u>8,894</u>

There were no recognised gains and losses for 2004 or 2003 other than those included in the Income and Expenditure Account.

The notes on pages 8 to 17 form part of these financial statements.

## DANCE BASE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2004

	Notes	Capital Grants	Restricted Funds	Unrestricted Funds	Total Funds 2004	Total Funds 2003
		£	£	£	£	£
INCOME RESOURCES						
Programme income	2	-	81,719	294,100	375,819	296,271
Grants receivable	4	1,388	147,233	262,947	411,568	263,148
Interest receivable		-	-	3,135	3,135	3,496
Total Incoming Resources		<u>1,388</u>	<u>228,952</u>	<u>560,182</u>	<u>790,522</u>	<u>562,915</u>
RESOURCES EXPENDED						
Direct charitable expenditure	5	-	455,016	381,864	836,880	642,237
Fundraising		-	-	6,147	6,147	141
Management and administration of Charity		-	1,824	157,987	159,811	164,422
Total Resources Expended		<u>-</u>	<u>456,840</u>	<u>545,998</u>	<u>1,002,838</u>	<u>806,800</u>
Net Incoming Resources		<u>1,388</u>	<u>(227,888)</u>	<u>14,184</u>	<u>(212,316)</u>	<u>(243,885)</u>
Release of capital grants	13	-	255,870	-	255,870	255,407
Deferral of capital grants	13	(1,388)	-	-	(1,388)	(2,628)
Transfers between funds	6	-	(23,554)	23,554	-	-
Net increase (decrease) in Funds for the Year		<u>-</u>	<u>4,428</u>	<u>37,738</u>	<u>42,166</u>	<u>8,894</u>
Funds at 1 April 2003		<u>-</u>	<u>-</u>	<u>50,052</u>	<u>50,052</u>	<u>41,158</u>
Funds at 31 March 2004		<u>-</u>	<u>4,428</u>	<u>87,790</u>	<u>92,218</u>	<u>50,052</u>

The notes on pages 8 to 17 form part of the financial statements.




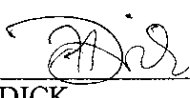
## DANCE BASE LIMITED

BALANCE SHEET  
AS AT 31 MARCH 2004

	NOTES	£	2004	£	£	2003	£
<b>FIXED ASSETS</b>							
Tangible Assets	9		5,698,116			5,964,448	
<b>CURRENT ASSETS</b>							
Debtors and prepayments	10	51,865			16,058		
Cash at bank and in hand		<u>196,374</u>			<u>239,469</u>		
		<u>248,239</u>			<u>255,527</u>		
<b>CREDITORS</b>							
Amounts falling due within one year	11	<u>485,002</u>			<u>384,395</u>		
<b>NET CURRENT LIABILITIES</b>			<u>(236,763)</u>			<u>(128,868)</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,461,353			5,835,580	
<b>CREDITORS: Amounts falling due after more than one year</b>	12		<u>5,369,135</u>			<u>5,785,528</u>	
<b>NET ASSETS</b>			<u>92,218</u>			<u>50,052</u>	
<b>FUNDS</b>							
<b>Unrestricted funds</b>							
General			68,070			50,052	
Designated			<u>19,720</u>			<u>-</u>	
			87,790			50,052	
<b>Restricted funds</b>			<u>4,428</u>			<u>-</u>	
			<u>92,218</u>			<u>50,052</u>	

These financial statements were approved by the Directors on ~~6 SEPTEMBER~~ 2004 and signed on their behalf by:

  
DAVID RUTHERFORD  
DIRECTOR

  
FIONA DICK  
DIRECTOR

The notes on pages 8 to 17 form part of the financial statements.

**DANCE BASE LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2004****1. ACCOUNTING POLICIES****BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared under the historical cost convention and include results of the company's operations as indicated in the Directors' Report, all of which are continuing.

The accounts are prepared in accordance with the Companies Act 1985, applicable accounting standards and Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2000).

The company has taken advantage of the exemption in Financial Reporting Standard 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

**GRANTS AND SUBSIDIES**

Revenue grants and subsidies are credited to the Income and Expenditure Account and Statement of Financial Activities on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

**GRANTS FOR THE PURCHASE OF FIXED ASSETS**

Grants for the purchase of fixed assets are put into a deferral account and released to the Income and Expenditure Account over the life of the related asset. Depreciation on the fixed assets purchased with such grants is matched against the grant released each year. The grants are included wholly in the Statement of Financial Activities when received.

**VOLUNTARY INCOME**

Voluntary income received by way of legacies, donations and gifts to the charity is included in full in the Income and Expenditure Account and Statement of Financial Activities when received. Gifts in kind are brought in as income at estimated market value.

**RESTRICTED FUNDS**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is identified to the fund, together with a fair allocation of overheads and support costs.

**UNRESTRICTED FUNDS**

Unrestricted funds are donations and other income resources received or generated for charitable purposes.

**DESIGNATED FUNDS**

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

**LIABILITIES**

Liabilities are recognised when a legal or practical obligation arises which will result in a transfer of economic benefits from the company.

**STAFF COSTS AND OVERHEADS EXPENSES**

Staff costs and overhead expenses are allocated to activities on the basis of the directors' best estimates of time spent on those activities.

**DANCE BASE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2004****TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the costs of fixed assets less their estimated residual value, over the expected useful lives on the following basis:

Freehold property	4% straight line basis
Fixtures and fittings	20% straight line basis
Computers	33.3% straight line basis

Impairment reviews are carried out annually.

**OPERATING LEASES**

Rentals applicable to operating leases where substantially of all the benefits and risks of ownership remain with the lessor are charged to the Income and Expenditure Account as incurred.

## DANCE BASE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2004**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2004</b>	<b>Total Funds 2003</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>2. PROGRAMME INCOME</b>				
Community programme	-	218,088	218,088	191,636
Education and Outreach programme	-	13,780	13,780	15,716
Professional programme	-	14,139	14,139	11,148
Hires	-	47,521	47,521	47,217
Charitable trusts and foundations	49,168	-	49,168	14,500
Public donations	12,821	5	12,826	6,660
Sponsorship-in-kind – defining moments	5,750	-	5,750	-
Event/box office income	-	-	-	-
Other income	-	567	567	9,394
Lottery audience development	50	-	50	-
Off Kilter project	6,000	-	6,000	-
Lottery skills development – defining moments	<u>7,930</u>	<u>-</u>	<u>7,930</u>	<u>-</u>
	<u>81,719</u>	<u>294,100</u>	<u>375,819</u>	<u>296,271</u>
<b>3. PROGRAMME COSTS</b>				
Community programme – fees	-	104,549	104,549	78,880
Community programme – workshop fees and expenses	-	2,991	2,991	3,959
Community programme – festival classes and workshops	-	2,588	2,588	2,015
Education and outreach fees and expenses	19,083	-	19,083	23,302
Education and outreach programme – salaries	20,248	-	20,248	16,954
Professional programme – fees and expenses	-	21,363	21,363	15,393
Professional programme – dance mentoring/training	-	11,987	11,987	96
Professional programme – other commissions	-	-	-	7,149
Festival programme – costs	21,500	4,245	25,745	26,314
Marketing – programme	-	54,102	54,102	55,879
Marketing – lottery audience development	7,911	-	7,911	-
Off Kilter project costs	94,881	-	94,881	-
Resource room costs	10,172	-	10,172	-
Lottery skills development – defining moments	<u>24,140</u>	<u>1,863</u>	<u>26,003</u>	<u>-</u>
	<u>197,935</u>	<u>203,688</u>	<u>401,623</u>	<u>229,941</u>

## DANCE BASE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**4. GRANTS**

	<b>Capital Grants</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2004</b>	<b>Total Funds 2003</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
SAC - Revenue Grant	-	-	175,000	175,000	113,000
SAC - Lottery Revenue	-	-	60,000	60,000	75,000
SAC - Lottery Revenue - 2002 (Balance)	-	-	-	-	20,000
SAC - Travel/Training Grant	-	2,722	-	2,722	-
SAC - Programme of Dance - Festival	-	20,000	-	20,000	20,000
SAC - Fund Raising Course Grant	-	-	-	-	1,162
SAC - Conference Grant	-	-	-	-	199
SAC - Research Trip Grant	-	-	-	-	212
City of Edinburgh Council - Revenue Grant (Recreation Dept)	-	-	27,947	27,947	27,947
City of Edinburgh Council - Revenue Grant (Education Dept)	-	3,000	-	3,000	3,000
City of Edinburgh Council - CCTV	-	-	-	-	2,628
Visiting Arts	-	1,500	-	1,500	-
SAC - Lottery skills development - defining moments	-	13,385	-	13,385	-
SAC - Lottery audience development	-	9,996	-	9,996	-
Off kilter project	-	90,055	-	90,055	-
SAC - Resource room	1,388	6,262	-	7,650	-
SAC - Youth Dance worker	-	313	-	313	-
<b>Total Grants</b>	<b>1,388</b>	<b>147,233</b>	<b>262,947</b>	<b>411,568</b>	<b>263,148</b>
Add: Deferred Grants b/f	5,811,063	-	-	5,811,063	6,063,842
Deferral of capital grants	(5,556,581)	-	-	(5,556,581)	(5,811,063)
<b>Total Grants per Income and Expenditure Account</b>	<b><u>255,870</u></b>	<b><u>147,233</u></b>	<b><u>262,947</u></b>	<b><u>666,050</u></b>	<b><u>515,927</u></b>
Comprising:-					
Grants received and spent in year	-	147,233	262,947	410,180	260,520
Release of Grassmarket Project grants	252,458	-	-	252,458	252,458
Release of computer grant	2,423	-	-	2,423	2,423
Release of CCTV grant	526	-	-	526	526
Release of resource room computer grant	463	-	-	463	-
	<b><u>255,870</u></b>	<b><u>147,233</u></b>	<b><u>262,947</u></b>	<b><u>666,050</u></b>	<b><u>515,927</u></b>

## DANCE BASE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**5a. TOTAL RESOURCES EXPENDED**

	<b>Direct Charitable Expenditure</b>	<b>Fundraising</b>	<b>Management &amp; Admin</b>	<b>Total Funds 2004</b>	<b>Total Funds 2003</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
PROGRAMME COSTS	<u>401,623</u>	<u>-</u>	<u>-</u>	<u>401,623</u>	<u>229,941</u>
ADMINISTRATIVE OVERHEADS					
Salaries and national insurance	72,910	-	109,364	182,274	166,471
Recruitment	-	-	1,423	1,423	2,797
Staff training	1,980	-	2,969	4,949	4,083
Telephone	2,462	-	3,692	6,154	7,871
Printing, postage and stationery	3,396	-	5,095	8,491	6,995
Travelling expenses	2,678	-	2,678	5,356	1,907
Entertainment	769	-	769	1,538	1,183
Repairs and renewals	3,732	-	-	3,732	3,301
Equipment hire	2,700	-	-	2,700	3,141
Computer maintenance	4,094	-	-	4,094	8,262
Membership and licences	-	-	4,658	4,658	5,132
Office expenses	-	-	1,190	1,190	1,649
First Aid expenses	-	-	58	58	222
Cleaning expenses	22,271	-	-	22,271	17,926
Auditors' remuneration	-	-	2,100	2,100	2,200
Accountancy fees	-	-	920	920	3,390
Legal and professional fees	-	-	1,250	1,250	11,750
Bank charges	-	-	4,897	4,897	5,641
Bank interest	-	-	47	47	1,257
Loan interest	-	-	11,909	11,909	12,084
Interest on overdue taxation	-	-	69	69	-
Depreciation	12,910	-	6,399	19,309	16,468
Depreciation – capital project	259,728	-	-	259,728	259,729
Gain on disposal of fixed assets	-	-	-	-	(149)
Building maintenance	17,085	-	-	17,085	17,621
Rates and insurance	21,581	-	-	21,581	10,809
Heat and light	6,961	-	-	6,961	4,634
Bad debts write off	<u>-</u>	<u>-</u>	<u>324</u>	<u>324</u>	<u>344</u>
	<u>435,257</u>	<u>-</u>	<u>159,811</u>	<u>595,068</u>	<u>576,718</u>
FUNDRAISING COSTS					
Fundraising	<u>-</u>	<u>6,147</u>	<u>-</u>	<u>6,147</u>	<u>141</u>
TOTAL EXPENDITURE	<u>836,880</u>	<u>6,147</u>	<u>159,811</u>	<u>1,002,838</u>	<u>806,800</u>
Comprising:-					
RESTRICTED FUNDS	455,016	-	1,824	456,840	312,480
UNRESTRICTED FUNDS	<u>381,864</u>	<u>6,147</u>	<u>157,987</u>	<u>545,998</u>	<u>494,320</u>
	<u>836,880</u>	<u>6,147</u>	<u>159,811</u>	<u>1,002,838</u>	<u>806,800</u>

## DANCE BASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2004

## 5b. TOTAL RESOURCES EXPENDED

	Restricted 2004 £	Restricted 2003 £
Programme costs (note 3)	<u>197,935</u>	<u>55,500</u>
<b>Direct Charitable Expenditure:</b>		
Depreciation	255,407	255,407
Travelling expenses	1,361	545
Staff training	-	106
Staff recruitment	<u>313</u>	<u>-</u>
	<u>257,081</u>	<u>256,058</u>
<b>Management &amp; Admin</b>		
Depreciation	463	-
Travelling expenses	1,361	106
Staff training	<u>-</u>	<u>816</u>
	<u>1,824</u>	<u>922</u>
Fundraising costs	<u>-</u>	<u>-</u>
Total Restricted Expenditure	<u>456,840</u>	<u>312,480</u>

## 6. TRANSFER BETWEEN FUNDS

The amount of £23,554 was transferred from restricted funds to unrestricted funds being a transfer in recognition of the use of internal resources on projects funded by restricted income. This related mainly to utilising administration overheads in the production of specific programmes.

## 7. OPERATING SURPLUS

	2004 £	2003 £
Net income is stated after charging:-		
Depreciation of tangible fixed assets	279,037	276,198
Auditors' remuneration	2,100	2,200
Operating lease rentals	-	-
Hire of equipment	2,700	3,141
Directors' emoluments	<u>Nil</u>	<u>Nil</u>

## 8. EMPLOYEES

	2004 £	2003 £
Wages and salaries (artistic and administrative)	197,321	169,291
National insurance	<u>17,674</u>	<u>13,826</u>
	<u>214,995</u>	<u>183,117</u>

The average monthly employees during the year were as follows:-

Administration	<u>14</u>	<u>12</u>
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No employee received emoluments in excess of £50,000.

## DANCE BASE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**9. TANGIBLE FIXED ASSETS**

	Freehold Property (capital project) £	Computer Equipment (capital project) £	Fixtures & Fittings £	Computer Equipment (office) £	TOTAL £
<b>COST</b>					
At 1 April 2003	6,432,630	14,822	56,763	22,762	6,526,977
Additions	-	-	8,880	3,825	12,705
Disposals	-	-	-	-	-
As at 31 March 2004	<u>6,432,630</u>	<u>14,822</u>	<u>65,643</u>	<u>26,587</u>	<u>6,539,682</u>
<b>DEPRECIATION</b>					
At 1 April 2003	514,166	12,400	19,718	16,245	562,529
Charge for the year	257,306	2,422	12,910	6,399	279,037
On disposal	-	-	-	-	-
As at 31 March 2004	<u>771,472</u>	<u>14,822</u>	<u>32,628</u>	<u>22,644</u>	<u>841,566</u>
<b>NET BOOK VALUE</b>					
At 31 March 2004	<u>5,661,158</u>	<u>-</u>	<u>33,015</u>	<u>3,943</u>	<u>5,698,116</u>
At 31 March 2003	<u>5,918,464</u>	<u>2,422</u>	<u>37,045</u>	<u>6,517</u>	<u>5,964,448</u>

All fixed assets of the charity were for direct charitable purposes with the exception of computer equipment also used for administrative purposes.

**10. DEBTORS AND PREPAYMENTS**

	<b>2004</b> £	<b>2003</b> £
Trade debtors	33,904	7,489
Other debtors	15,408	7,393
VAT	<u>2,553</u>	<u>1,176</u>
	<u>51,865</u>	<u>16,058</u>

**11. CREDITORS – Amounts falling due within one year**

	<b>2004</b> £	<b>2003</b> £
Bank loan (secured)	61,668	11,155
Trade creditors	15,363	29,476
Other creditors	149,348	81,062
Other taxes and social security costs	5,176	7,295
Deferred capital grants	<u>253,447</u>	<u>255,407</u>
	<u>485,002</u>	<u>384,395</u>



## DANCE BASE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2004**

<b>12. CREDITORS – Amounts falling due after more than one year</b>	<b>2004 £</b>	<b>2003 £</b>
Bank loan (secured)	66,001	229,872
Deferred capital grants	<u>5,303,134</u>	<u>5,555,656</u>
	<u>5,369,135</u>	<u>5,785,528</u>
<b>Loans</b>		
Repayable in one year or less, or on demand (note 11)	61,668	11,155
Repayable between one and two years	7,073	11,666
Repayable between two and five years	23,906	39,476
Repayable after more than five years	<u>35,022</u>	<u>178,730</u>
	<u>127,669</u>	<u>241,027</u>

The Royal Bank of Scotland hold a standard security over the property at 14-16 Grassmarket, Edinburgh.

<b>13. DEFERRED CAPITAL GRANTS AND INTEREST</b>	<b>2004 £</b>	<b>2003 £</b>
At 31 March 2003	5,811,063	6,063,842
Received during the year	1,388	2,628
Released during the year	<u>(255,870)</u>	<u>(255,407)</u>
At 31 March 2004	<u>5,556,581</u>	<u>5,811,063</u>
To be released within one year	253,447	255,407
To be released after more than one year	<u>5,303,134</u>	<u>5,555,656</u>
	<u>5,556,581</u>	<u>5,811,063</u>

<b>14. DIRECTORS' EMOLUMENTS</b>	<b>2004 £</b>	<b>2003 £</b>
Emoluments and expenses	<u>—</u>	<u>—</u>

**15. TAXATION**

The company is limited by guarantee and, as a registered charity, it is relieved from Corporation Tax under Section 505 of the Income and Corporation Taxes Act 1988.

**16. INTEREST**

Interest payable/receivable relates to interest on short term bank borrowing/deposits.

## DANCE BASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2004

17. ANALYSYS OF NET ASSETS	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds £ 2004	Total Funds £ 2003
Fund balances at 31/03/04 are represented by:-					
Tangible fixed assets	5,663,601	34,515	-	5,698,116	5,964,448
Current assets	23,858	204,661	19,720	248,239	255,527
Current liabilities	(379,897)	(105,105)	-	(485,002)	(384,395)
Long term liabilities	-	(66,001)	-	(66,001)	(229,872)
Deferred capital funds	(5,303,134)	-	-	(5,303,134)	(5,555,656)
Total Net Assets	<u>4,428</u>	<u>68,070</u>	<u>19,720</u>	<u>92,218</u>	<u>50,052</u>

## 18. RESTRICTED FUNDS

	At 1 April 2003 £	Incoming £	Outgoing £	At 31 March 2004 £
SAC – Programme of Dance	-	20,000	20,000	-
SAC – Attending Dance Events	-	2,722	2,722	-
CEC – Education Grant	-	3,000	3,000	-
Grassmarket Capital Grants	-	252,458	252,458	-
Computer Grant	-	2,423	2,423	-
CEC – CCTV	-	526	526	-
SAC – Resource room computer	-	463	463	-
Lottery skills development (defining moments)	-	27,065	24,090	2,975
Lottery audience development	-	10,046	10,046	-
Off Kilter project	-	96,055	96,055	-
Resource room project	-	6,262	4,809	1,453
Youth dance worker	-	313	313	-
Visiting arts	-	1,500	1,500	-
Lloyds TSB	-	9,000	9,000	-
Chase Charity	-	5,000	5,000	-
Other anonymous donations	-	14,821	14,821	-
BBC – Children in Need	-	13,000	13,000	-
Mrs M Guido Trust	-	610	610	-
The Applegreen Trust	-	308	308	-
Gladys Jones Trust	-	2,500	2,500	-
Scottish Community Foundation	-	4,000	4,000	-
Scottish Quakers	-	500	500	-
Thomas Sivewright Catto Charitable Settlement	-	750	750	-
The Lynn Foundation	-	500	500	-
JSF Pollitzer Trust	-	1,000	1,000	-
Widowers' Children's Home Trust	-	2,000	2,000	-
JK Young Endowment Fund	-	1,000	1,000	-
N Smith Charitable Settlement	-	500	500	-
Nancie Massey Charitable Trust	-	2,000	2,000	-
Clydesdale Bank	-	500	500	-
Gerald Micklem Trust	-	3,000	3,000	-
David Solomans Trust	-	1,000	1,000	-
	<u>-</u>	<u>484,822</u>	<u>480,394</u>	<u>4,428</u>

## DANCE BASE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2004**

<b>19 TOTAL FUNDS</b>	<b>At 1 April 2003 £</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>Transfers £</b>	<b>At 31 March 2004 £</b>
The movement on funds were:					
Restricted Funds	-	484,822	456,840	(23,554)	4,428
Unrestricted Funds:					
General Funds	50,052	560,182	545,998	3,834	68,070
Designated Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,720</u>	<u>19,720</u>
	<u>50,052</u>	<u>1,045,004</u>	<u>1,002,838</u>	<u>-</u>	<u>92,218</u>

The amount of £23,554 was transferred from restricted funds to unrestricted funds being a transfer in recognition of the use of internal resources on projects funded by restricted income. This related mainly to utilising administration overheads in the production of specific programmes.

The Board have designated funds amounting to £19,720 for the purchase of additional CCTV equipment and also towards the purchase of a new seating unit and chairs.

<b>20. REMUNERATION OF AUDITORS</b>	<b>2004 £</b>	<b>2003 £</b>
The total payable to the auditors of the company related to the following:-		
Audit	2,100	2,200
Accountancy	<u>920</u>	<u>3,390</u>

**21. SECURED DEBTS**

The company has granted a standard security over its freehold property to the Scottish Arts Council in respect of all obligations undertaken in terms of the funding agreement between the company and the SAC.

<b>22. CAPITAL COMMITMENTS</b>	<b>2004 £</b>	<b>2003 £</b>
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>