

**DANCE BASE LIMITED**

Report of the Directors and Financial Statements  
for the Year Ended 31 March 2001

Company No: 145736 (Scotland)  
Scottish Charity No: SC022512

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**DANCE BASE LIMITED**

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YEAR ENDED 31 MARCH 2001**

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**DANCE BASE LIMITED**

**COMPANY INFORMATION  
YEAR ENDED 31 MARCH 2001**

**DIRECTORS:**

T Grainger  
L Hinds  
K Koren  
A Petrie  
D Rutherford (Chair)  
P Vestri  
I Coldwell  
J Dick  
S Mitchell  
R Smith  
H Warnock  
F Dick

**SECRETARY:**

Cowan & Partners  
60 Constitution Street  
Edinburgh

**REGISTERED OFFICE:**

Assembly Rooms  
54 George Street  
Edinburgh  
EH2 2LR

**REGISTERED NUMBER:**

SC145736

**AUDITORS:**

Byers & Co  
Registered Auditor  
2b Roseburn Terrace  
Edinburgh

**BANKERS:**

Royal Bank of Scotland  
St Andrew Square  
Edinburgh

**SOLICITORS:**

Maclay Murray & Spens  
3 Glenfinlas Street  
Edinburgh

**DANCE BASE LIMITED**

**REPORT OF THE DIRECTORS  
YEAR ENDED 31 MARCH 2001**

The directors present their report with the financial statements of the company for the year ended 31 March 2001.

**PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The principal activity of the company in the year under review was that of the development of dance culture. During 2000/2001 Dance Base continued to develop its role as a leading centre for dance related activity and to promote access to dance by increasing opportunities for participation, learning and enjoyment and by providing support to professional dancers based in Scotland.

The company continues to be involved in a major building project to construct a new national centre for dance in the Grassmarket area of Edinburgh. The project that commenced in 1998 was completed in May 2001.

The results for the year and financial position of the company are as shown in the annexed financial statements. The company is limited by guarantee.

**DIRECTORS**

*The Board of Directors are listed on page 1.*

**COMPANY STRUCTURE**

The City of Edinburgh Council have the right to appoint a Director Representative. The Board comprises twelve 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.

**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 are required to:

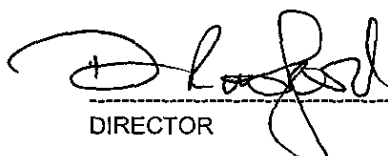
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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, Byers & co will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

  
-----  
DIRECTOR

Dated: 21 May 2002

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

We have audited the financial statements of Dance Base Limited for the year ended 31 March 2001 on pages 4 to 14. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom 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 Report of the Directors 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 Report of the Directors 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 2001 and of its net expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Byers and Company  
Chartered Accountants  
Registered Auditor  
2B Roseburn Terrace  
Edinburgh  
EH12 6AW

Dated: 21st May 2002.

**DANCE BASE LTD****CHARITY INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 31 MARCH 2001**

	Notes	2001 £	2000 £
Programme income	1	128,159	110,997
Grants receivable	3	144,958	143,689
<b>Total Income of Continuing Operations</b>		<u>273,117</u>	<u>254,686</u>
Programme costs	2	137,508	130,395
Administrative overheads	8	114,250	121,239
Fundraising costs	8	26,768	4,303
<b>Total Expenditure of Continuing Operations</b>		<u>278,526</u>	<u>255,937</u>
Net Income/(Expenditure) for the year from Continuing Operations		(5,409)	(1,251)
Interest receivable		938	1,308
<b>Net Income/ (Expenditure) for the Year</b>		<u>(4,471)</u>	<u>57</u>

There were no recognised gains and losses for 2001 or 2000 other than those included in the income and expenditure account.

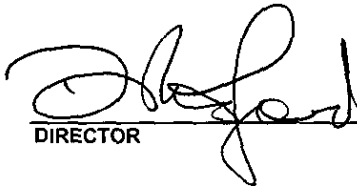
The notes on pages 6 to 14 form part of these financial statements

**DANCE BASE LTD****BALANCE SHEET AS AT 31 MARCH 2001**

	Notes	2001	2000
<b>FIXED ASSETS:</b>			
Tangible Assets	10	5,109,945	2,807,165
<b>CURRENT ASSETS:</b>			
Debtors and prepayments	11	125,083	93,853
Cash at bank and in hand		411,429	315,333
		<u>536,512</u>	<u>409,186</u>
<b>CREDITORS: Amounts falling due within one year</b>			
Trade Creditors		58,845	17,849
Deferred Income		-	7,264
Accrued Expenses	12	265,283	245,026
Deferred revenue grants		-	6,760
Deferred capital grants		2,517	2,518
		<u>326,645</u>	<u>279,417</u>
<b>NET CURRENT ASSETS</b>		<u>209,867</u>	<u>129,769</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,319,812</u>	<u>2,936,934</u>
<b>CREDITORS: Amounts falling due after more than one year</b>			
Capital Project income deferred		5,294,675	2,907,326
<b>NET ASSETS</b>		<u>25,137</u>	<u>29,608</u>
<b>FUNDS</b>			
Restricted Funds		-	-
Unrestricted Funds - general fund		25,137	29,608
		<u>25,137</u>	<u>29,608</u>

These financial statements were approved by the Directors on

and signed on their behalf by:

  
 DIRECTOR 21 May 2002

\_\_\_\_\_  
 DIRECTOR

The notes on pages 6 to 14 form part of the financial statements.

**DANCE BASE LIMITED**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001**

**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 applicable accounting standards and Statement of Recommended Practice (SORP 2) *Accounting for Charities*.

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 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 and the appropriate expenditure.

**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 incoming resources received or generated for charitable purposes.

**DESIGNATED FUNDS**

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



**DANCE BASE LIMITED****NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001****STAFF COSTS AND OVERHEAD EXPENSES**

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

**TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost less depreciation.

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

Freehold property	not provided
Fixtures and fittings	20% straight line basis
Computers	33.3% straight line basis

Assets under construction are not depreciated.

**OPERATING LEASES**

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

## DANCE BASE LTD

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001

## STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Restricted Funds	Unrestricted Funds	Total Funds 2001	Total Funds 2000
		£	£	£	£
<b>INCOMING RESOURCES</b>					
Programme income	1	-	128,159	128,159	110,997
Grants receivable	3	2,409,941	105,197	2,515,138	2,352,001
Capital project income	4	-	-	-	55,571
Interest receivable		10,406	938	11,344	4,743
Total Incoming Resources		2,420,347	234,294	2,654,641	2,523,312
<b>RESOURCES EXPENDED</b>					
Direct charitable expenditure	5	39,011	188,979	227,990	233,759
Fundraising	6	-	26,768	26,768	4,303
Management and administration of charity	7	750	23,018	23,768	17,875
Total Resources Expended		39,761	238,765	278,526	255,937
Net incoming resources		2,380,586	(4,471)	2,376,115	2,267,375
Project grants b/f		6,760	-	6,760	3,710
Deferral of revenue grants		-	-	-	(6,760)
Income in advance		(10,406)	-	(10,406)	(59,006)
Deferral of capital grants		(2,376,940)	-	(2,376,940)	(2,205,262)
Net Incoming/ (Outgoing) Resources for the Year		-	(4,471)	(4,471)	57
Funds at 01.04.00		-	29,608	29,608	29,551
Funds at 31.03.01		-	25,137	25,137	29,608

## DANCE BASE LTD

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001

## ANALYSIS OF PROGRAMME INCOME AND COSTS

	Notes	Restricted Funds	Unrestricted Funds	Total Funds 2001	Total Funds 2000
		£	£	£	£
<b>1 PROGRAMME INCOME</b>					
Community programme		-	103,218	103,218	99,521
Professional programme		-	314	314	863
Hires		-	774	774	581
Other services		-	-	-	100
Public donations		-	283	283	478
Event/ box office income		-	23,570	23,570	9,454
		-	128,159	128,159	110,997
<b>2 PROGRAMME COSTS</b>					
Community programme - fees		-	52,065	52,065	53,381
Community programme - venue hire		-	16,295	16,295	20,958
Community programme - workshop fees + expenses		-	4,861	4,861	4,285
Community programme - outreach fees + expenses		-	3,109	3,109	4,902
Community programme - ancillary costs		-	712	712	210
Professional programme fees + expenses		-	7,148	7,148	11,729
Professional programme - dance mentoring/ training		-	2,709	2,709	3,950
Events programme costs		-	25,231	25,231	9,507
Programme travel and research costs		-	141	141	1,916
Marketing - programme		-	24,584	24,584	16,893
Marketing - general		-	653	653	2,664
		-	137,508	137,508	130,395
<b>Gross Surplus/ Loss</b>		-	(9,349)	(9,349)	(19,398)

## DANCE BASE LTD

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001

3 GRANTS	Restricted Funds £	Unrestricted Funds £	Total Funds 2000/2001 £	1999/2000
SAC Revenue Grant	-	91,000	91,000	85,000
SAC Travel/Training Grant	1,448	-	1,448	780
SAC project grants - Luminous Music residency	-	-	-	750
SAC project - Dance mentor/training scheme - phase 1	3,000	-	3,000	1,000
SAC project - Dance mentor/training scheme - phase 2	-	-	-	5,000
City of Edinburgh Council - Revenue grant (Recreation Dept)	17,000	10,947	27,947	27,947
City of Edinburgh Council - Revenue grant (Education Dept)	-	3,000	3,000	3,000
City of Edinburgh Council - Corporate Services project grant	885	-	885	1,490
Midlothian Grant	-	250	250	250
Bonnie Bird Fund	-	-	-	500
HGGS - Youth Development	3,000	-	3,000	-
Canadian High Commission	671	-	671	-
SAC National Lottery Capital Grant	1,925,796	-	1,925,796	1,778,650
SAC National Lottery Capital - start up grant	4,480	-	4,480	18,504
Capital grants receivable	-	-	-	-
LEEL Capital Grant	82,061	-	82,061	118,917
City of Edinburgh Council - Capital Grant	199,000	-	199,000	199,000
Edinburgh World Heritage Trust	-	-	-	46,213
Dunard Fund	-	-	-	25,000
Scottish & Newcastle Donation	62,500	-	62,500	25,000
The Russell Trust	-	-	-	5,000
The MacRoberts Trusts	-	-	-	10,000
Other Grants	110,100	-	110,100	-
<b>Total Grants</b>	<b>2,409,941</b>	<b>105,197</b>	<b>2,515,138</b>	<b>2,352,001</b>
Add: Deferred grants b/f	6,760	-	6,760	3,710
Less:				
Deferral of revenue project grants	-	-	-	6,760
Deferral of capital grants	2,376,940	-	2,376,940	2,205,262
<b>Total Grants per Income and Expenditure Account</b>	<b>39,761</b>	<b>105,197</b>	<b>144,958</b>	<b>143,689</b>

4 CAPITAL PROJECT INCOME	Restricted Funds £	Unrestricted Funds £	Total Funds 2000/2001 £	1999/2000
City of Edinburgh Council - Estates Dept.	-	-	-	54,000
Fundraising events	-	-	-	1,053
Public donations	-	-	-	518
	-	-	-	55,571

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001

## 5 DIRECT CHARITABLE EXPENDITURE

Notes	Restricted Funds	Unrestricted Funds	Total Funds 2001	Total Funds 2000
	£	£	£	£
Programme costs	-	137,508	137,508	130,395
Administration overheads	39,011	51,471	90,482	103,364
	<u>39,011</u>	<u>188,979</u>	<u>227,990</u>	<u>233,759</u>

## 6 FUNDRAISING COSTS

	Restricted Funds	Unrestricted Funds	Total Funds 2001	Total Funds 2000
	£	£	£	£
Fundraising and sponsorship costs	-	26,768	26,768	4,303

## 7 MANAGEMENT AND ADMINISTRATION OF CHARITY

	Restricted Funds	Unrestricted Funds	Total Funds 2001	Total Funds 2000
	£	£	£	£
Office costs	-	11,386	11,386	11,649
Audit fees	750	850	1,600	1,525
Professional fees	-	6,100	6,100	2,250
Finance costs	-	205	205	173
Other	-	4,477	4,477	2,278
	<u>750</u>	<u>23,018</u>	<u>23,768</u>	<u>17,875</u>

## DANCE BASE LTD

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001

## TOTAL RESOURCES EXPENDED

Note	Direct Charitable Expenditure £	Fundraising £	Management & Admin £	Total Funds 2001 £	Total Funds 2000 £
Programme costs	137,508	-	-	137,508	130,395

## 8 ADMINISTRATION OVERHEADS

Salaries and National Insurance	65,652	-	-	65,652	74,580
Recruitment	-	-	1,260	1,260	-
Staff training	1,645	-	-	1,645	3,542
Volunteer expenses	-	-	-	-	540
Telephone	-	-	3,709	3,709	3,459
Printing, postage & stationery	-	-	3,463	3,463	4,419
Travelling expenses	-	-	2,004	2,004	1,092
Entertainment	-	-	536	536	693
Repairs & renewals	-	-	1,787	1,787	737
Equipment hire	-	-	1,365	1,365	1,252
Memberships	-	-	414	414	493
Miscellaneous expenses	-	-	1,393	1,393	1,782
Auditors remuneration	-	-	1,600	1,600	1,525
Legal & professional fees	-	-	6,100	6,100	2,250
Bank charges	-	-	205	205	173
Bank interest	-	-	-	-	-
Depreciation	1,418	-	-	1,418	2,644
Depreciation - capital project	2,518	-	-	2,518	2,518
Premises costs	18,449	-	-	18,449	18,846
Insurance	800	-	-	800	694
Bad debt write off	-	-	(68)	(68)	-
	<u>90,482</u>	<u>-</u>	<u>23,768</u>	<u>114,250</u>	<u>121,239</u>

## FUNDRAISING COSTS

Fundraising	-	26,768	-	26,768	4,303
	<u>227,990</u>	<u>26,768</u>	<u>23,768</u>	<u>278,526</u>	<u>255,937</u>

## 9 EMPLOYEES

	2001 £	2000 £
Wages and salaries (artistic and administrative)	60,065	67,971
Wages and salaries (capital project)	21,930	21,221
National Insurance	<u>7,728</u>	<u>8,670</u>
	<u>89,723</u>	<u>97,862</u>

The average monthly employees during the year were as follows:

Administration	4	4
Capital project	<u>1</u>	<u>1</u>
	<u>5</u>	<u>5</u>

## DANCE BASE LTD

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001

## 10 TANGIBLE FIXED ASSETS

	Freehold property (capital project)	Computer Equipment (capital project) 33%	Fixtures & Fittings 20%	Computer Equipment (office) 33%	TOTAL
<b>COST</b>					
At 1 April 2000	2,799,744	7,553	1,083	7,282	2,815,662
Additions	2,306,442	-	170	104	2,306,716
As at 31 March 2001	<u>5,106,186</u>	<u>7,553</u>	<u>1,253</u>	<u>7,386</u>	<u>5,122,378</u>
<b>DEPRECIATION</b>					
At 1 April 2000	-	2,518	514	5,465	8,497
Charge for the year	-	2,518	251	1,167	3,936
As at 31 March 2001	<u>-</u>	<u>5,036</u>	<u>765</u>	<u>6,632</u>	<u>12,433</u>
<b>NET BOOK VALUE</b>					
At 31 March 2001	<u>5,106,186</u>	<u>2,517</u>	<u>488</u>	<u>754</u>	<u>5,109,945</u>
At 31 March 2000	<u>2,799,744</u>	<u>5,035</u>	<u>569</u>	<u>1,817</u>	<u>2,807,165</u>

All fixed assets of the charity were for direct charitable purposes

Assets under construction are not depreciated

## 11 DEBTORS AND PREPAYMENTS

	2001 £	2000 £
Trade debtors	63,556	64,032
Other debtors	56	9,917
Grants receivable	-	-
VAT	61,471	19,904
	<u>125,083</u>	<u>93,853</u>

## 12 ACCRUED EXPENSES

	2001 £	2000 £
Capital project costs	256,000	231,828
Sundry accruals	6,868	10,594
PAYE and social security	2,415	2,604
	<u>265,283</u>	<u>245,026</u>

## 13 DIRECTORS EMOLUMENTS

	2001 £	2000 £
Directors' childminding expenses	-	17

## 14 TAXATION

The company is a registered charity and is relieved from Corporation Tax under Section 505 of the Income and Corporation Taxes Act 1998

## 15 INTEREST

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

## 16 ANALYSIS OF NET ASSETS

	Restricted Funds	Unrestricted Funds	Total Funds 2001	Total Funds 2000
Fund balances at 31.03.01 as represented by	£	£	£	£
Tangible fixed assets	5,108,703	1,242	5,109,945	2,807,165
Current assets	456,482	80030	536,512	409,186
Current liabilities	(270,510)	(56,135)	(326,645)	(279,417)
Deferred capital funds	(5,294,675)	0	(5,294,675)	(2,907,326)
Total Net Assets	<u>-</u>	<u>25,137</u>	<u>25,137</u>	<u>29,608</u>

## DANCE BASE LTD

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2001

	At 01.04.00	Incoming	Outgoing	At 31.03.01
	£	£	£	£
<b>17 RESTRICTED FUNDS</b>				
<i>Capital project grants</i>	-	2,517	2,517	-
<i>Training grant</i>	-	1,448	1,448	-
<i>Residency project grants</i>	-	-	-	-
<i>Dance mentor/training grants</i>	5,760	3,000	8,760	-
<i>Revenue grants</i>	-	17,000	17,000	-
<i>Outreach project grants</i>	1,000	885	1,885	-
	<u>6,760</u>	<u>24,850</u>	<u>31,610</u>	<u>-</u>

**18 REMUNERATION TO AUDITORS**

The total paid to the auditors for the company related to the following -

	2001 £	2000 £
Audit	<u>1,600</u>	<u>1,500</u>

**19 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.

**20 CAPITAL COMMITMENTS**

	2001 £	2000 £
<i>Contracted but not provided for in the financial statements</i>	<u>0</u>	<u>2,470,795</u>