

Charity no: 1103159
Company no: 4851028

ARMONICO CONSORT LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2007



ARMONICO CONSORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2007

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ARMONICO CONSORT LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

For the year ended 31 March 2007

Status:

The organisation is a charitable company limited by guarantee (no 4851028), incorporated on 30 July 2003 and registered as a charity (no 1103159) on 13 April 2004.

The company was established under a Memorandum of Association which determined the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Director:

D I Rhodes

Trustees and Management Committee:

Dermot Rhodes (Chair)
Claire Monks – co-opted
Annie Goldthorpe – appointed 25 January 2007
Christopher Ball – appointed 17 July 2007
Roger Courtney – appointed 13 November 2007

Secretary:

H Black

Registered Office:

Pageant House, 2 Jury Street, Warwick CV34 4EW

Auditors:

Flint & Thompson, 1325A Stratford Road, Hall Green, Birmingham B28 9HL

Bankers:

Lloyds TSB Bank Plc, 12 Swan Street, Warwick CV34 4BJ

Senior Management Team

J Adam
H Black

General Manager
Administrator

ARMONICO CONSORT LIMITED

REPORT OF THE MANAGEMENT COMMITTEE

For the year ended 31 March 2007

The Management Committee present its report and the audited financial statements for the year ended 31 March 2007. The Management Committee have adopted the provisions of the Statement of Recommended Practice Accounting and Reporting by Charities SORP 2005 issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985 in preparing the Annual Report and Financial Statements of the charity.

Activities and Objects

The object of the charity is the advancement and development to the public and through school educational programmes in the education and appreciation of choral, opera, baroque and renaissance music.

The charity has expanded its education outreach to cover the whole of the United Kingdom. It also began a Young Artist's Scheme which supported young professional musicians embarking on their career. Opera has been an important outlet and there have been an increased number of public performances in the Warwickshire and London areas. The charity agreed to take over the July 2006 Warwickshire Music Live Festival which has resulted in the establishment of an infrastructure for development in the future and to enable the charity to meet its objectives with regard to the local and wider community.

Financial Review

The Statement of Financial Activities for the year is set out on page 6 of the financial statements. The net resources expended for the year was £17,507 (2006 net income resources £18,994).

Future Strategy

The charity plans to continue and expand on the activities outlined in the earlier development plan. Rapid growth in the numbers of educational workshops and musical projects are leading to a significant increase in financial turnover and commitments and to the demands for staff and financial resources. The Board have decided, therefore, to establish a new professional management team and have recruited a General Manager, a full time Accountant and a Development Director to handle fund raising on a full time basis. This team will be concentrating on ensuring that the organisation and funding for the Charity continue to support its growing activities.

Reserves Policy

In the opinion of the Management Committee, the charity's available assets and future funding are adequate to fulfil the objects of the charity and its plans for the foreseeable future.

Risk Management

The Management Committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

ARMONICO CONSORT LIMITED

REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)

For the year ended 31 March 2007

Statement as to Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's Auditors are unaware, and each Trustee has taken all the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the company's Auditors are aware of that information.

Responsibilities of the Management Committee

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and

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

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Management Committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Management Committee, who are Directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

Recruitment and Appointment of Management Committee

Details of the Management Committee, who are Directors for the purpose of company law and trustees for the purpose of charity law, who have served throughout the period are set out on page 1 and, being eligible, they offer themselves for re-election at the forthcoming Annual General Meeting.


The selection and appointment of new Management Committee members is determined by the Management Committee in office at that time. This policy is based on a complementary age profile, knowledge of the area, general experience in managing charities and also to provide complementary skills to the other members of the Management Committee.

Auditors

Flint & Thompson were re-appointed as the charitable company's Auditors during the year and have expressed their willingness to continue in that capacity.

Approval

This Report was approved by the Management Committee on 23 January 2008 and signed on its behalf by


D I Rhodes
Director

ARMONICO CONSORT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARMONICO CONSORT LIMITED

We have audited the financial statements of Armonico Consort Limited for the year ended 31 March 2007 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein, and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007)

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any 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 Trustees and Auditors

The Trustees (who are also the Directors of Armonico Consort Limited for the purposes of company law) are responsible for the preparation of 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 Trustees' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards of 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. We also report to you whether, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity 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 Trustees' remuneration and transactions with the charity 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

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 charity's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all 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

ARMONICO CONSORT LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARMONICO
CONSORT LIMITED (CONTINUED)**

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 charity's affairs as at 31 March 2007 and of its incoming resources and resources expended, including its income and expenditure, in the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985
- the information given in the Trustees' Annual Report is consistent with the financial statements

Flint & Thompson

Flint & Thompson
Registered Auditors

1325A Stratford Road
Hall Green
Birmingham B28 9HL

30 January 2008

ARMONICO CONSORT LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2007**

Incoming Resources	Note	Unrestricted Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
Incoming resources from generated funds					
Voluntary income					
Grants – charitable foundations		-	49,019	49,019	49,324
Donations		10,814	-	10,814	1,884
Investment income					
Bank interest		158	-	158	102
Incoming resources from charitable activities					
Concert receipts		216,616	99,500	316,116	113,250
Subscriptions		1,898	-	1,898	266
Merchandising income		5,668	-	5,668	7,908
Total Incoming Resources		235,154	148,519	383,673	172,734
Resources expended	2				
Costs of generating funds					
Fundraising and donations		7,348	-	7,348	4,389
Grants and training projects		-	51,454	51,454	18,615
Charitable activities		239,558	99,500	339,058	128,943
Governance costs		3,320	-	3,320	1,793
Total Resources Expended		250,226	150,954	401,180	153,740
Net Income Resources/(Resources Expended)		(15,072)	(2,435)	(17,507)	18,994
Transfer between funds		7,190	(7,190)	-	-
Net movement in funds		(7,882)	(9,625)	(17,507)	18,994
Fund balances brought forward at 1 April 2006		(1,145)	30,283	29,138	10,144
Fund balances carried forward at 31 March 2007		(9,027)	20,658	11,631	29,138

The statement of financial activities includes all gains and losses in the year.

All incoming resources and resources expended derive from continuing activities

The notes on pages 8 to 11 form part of these financial statements

ARMONICO CONSORT LIMITED

BALANCE SHEET AT 31 MARCH 2007

	Note	2007	2006
		£	£
Fixed Assets			
Tangible Fixed Assets	5	2,261	-
Current Assets			
Stock		1,714	350
Debtors	6	7,618	5,356
Cash at bank and in hand		38,940	38,576
		<u>48,272</u>	<u>44,282</u>
Current Liabilities			
Creditors amounts falling due within one year	7	<u>28,902</u>	<u>5,144</u>
		19,370	39,138
Net Current Assets		21,631	39,138
Creditors amounts falling due after more than one year	8	10,000	10,000
Net Assets		<u>11,631</u>	<u>29,138</u>
Funds			
Unrestricted Funds		(9,027)	(1,145)
Restricted Funds		20,658	30,283
Total Funds	9	<u>11,631</u>	<u>29,138</u>

These financial statements are prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to small companies

These Financial Statements on pages 6 to 11 were approved by the Trustees on 23 January 2008 and were signed on their behalf by



D I Rhodes
Director

The notes on pages 8 to 11 form part of these financial statements

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2007

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985

(b) Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

(c) Fund accounting

General Funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated Funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Investment income and gains are allocated to the appropriate fund.

(d) Incoming resources

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

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received from the staging of concerts, members' subscriptions and sale of merchandise such as CD's.

(e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

ARMONICO CONSORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 March 2007

(f) Tangible Fixed Assets

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows

Furniture and equipment	25% per annum
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(g) Stock

Stock consists of purchased goods for resale Stocks are valued at the lower of cost and net realisable value

2 Analysis of Total Resources Expended

	<u>Staff Costs</u> £	<u>Other Direct Costs</u> £	<u>Depreciation</u> £	<u>2007 Total</u> £	<u>2006 Total</u> £
Charitable Expenditure					
Support costs	15,727	322,578	753	339,058	128,943
Grants and fundraising	-	58,802	-	58,802	23,004
Governance costs	-	3,320	-	3,320	1,793
Total for charity	15,727	384,700	753	401,180	153,740

Resources Expended

Governance costs include

Audit fee	3,290	1000
Accountancy and other services	30	793
Legal and other professional fees	-	-
	<u>3,320</u>	<u>1793</u>

3 Staff costs

Staff costs were as follows

	<u>2007</u> £	<u>2006</u> £
Salaries and wages	14,996	6,116
Social security costs	731	150
Total	<u>15,727</u>	<u>6,266</u>

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows,

	<u>2007</u> No	<u>2006</u> No
Administration and support	<u>2</u>	<u>1</u>

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2007

4 Trustees' remuneration

No member of the management committee received any remuneration during the year

5. Tangible Fixed Assets

**Furniture &
Equipment
£**

Costs

Additions

3,014

At 31 March 2007

3,014

Depreciation

Charge for the year

753

At 31 March 2007

753

Net book value

At 31 March 2007

2,261

6. Debtors:

2007

2006

£

£

Due within one year

Prepayments

-

746

Concert Income

6,494

3,300

Concert costs in advance

1,124

1,310

7,618

5,356

7. Creditors: amounts falling due within one year

2007

2006

£

£

Concert costs and accruals

28,902

5,144

28,902

5,144

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2007

8. Creditors: amounts falling due after more than one year	2007	2006
	£	£
Loan repayable within five years	<u>10,000</u>	<u>10,000</u>

The loan is interest free Repayments will not commence before 31 March 2008

9. Movements in funds	At				At 31
	1 April	Income	Expenditure	Transfers	March
	2006	£	£	£	2007
	£				£
Unrestricted Fund:					
General Reserve	(1,145)	235,154	(250,226)	7,190	(9,027)
Restricted Funds:					
Grants Receivable	30,283	148,519	(150,954)	(7,190)	20,658
Total Funds	<u>29,138</u>	<u>383,673</u>	<u>(401,180)</u>	<u>-</u>	<u>11,631</u>

The General Reserve represents the free funds of the charity which are not designated for particular purposes

The Grants Receivable relate to projects started within the period but at the year end the full costs of the project were not realised These projects have since been fully completed