

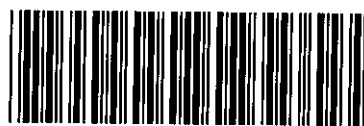
**ARMONICO CONSORT LIMITED**  
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS**

**Year ended 31 March 2006**

**Charity no: 1103159**  
**Company no: 4851028**

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**ARMONICO CONSORT LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 March 2006**

**INDEX TO FINANCIAL STATEMENTS AND REPORTS**

	<b>Page</b>
Legal and Administrative Information	1
Report of the Management Committee	2-4
Report of the Auditors	5-6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9-12
Additional information for Trustees	
Schedule of restricted funds – grants received	Appendix A

# **ARMONICO CONSORT LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

***For the year ended 31 March 2006***

### **Status:**

The organisation is a charitable company limited by guarantee, incorporated on 30 July 2003 and registered as a charity 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)  
Grahame Edmonds (Treasurer) – co-opted  
Claire Monks – co-opted  
Annie Goldthorpe – co-opted

### **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**

D I Rhodes  
H Black

Chief Executive  
Administrator

## **ARMONICO CONSORT LIMITED**

### **REPORT OF THE MANAGEMENT COMMITTEE**

**For the year ended 31 March 2006**

*The management committee present its report and the audited financial statements for the year ended 31 March 2006.*

#### **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 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 7 of the financial statements. The net incoming resources for the year are £18,994.

#### **Future strategy**

The charity plans continuing the activities as outlined in the development plan of June 2004 for the forthcoming three years subject to satisfactory funding arrangements and its projected budgets of profit and cash flow being achieved.

#### **Reserves policy**

In the opinion of the management committee, the Charity's net assets as shown in the Balance Sheet on page 8 are available and adequate to fulfil the objects of the Charity. The level of reserves held together with future incoming funding is sufficient to enable the Charity to operate at its current level 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 2006**

#### **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**

*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.*

*In accordance with company law, as the company's directors, we certify that:*

- *so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and*
- *as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.*

#### **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.*

**ARMONICO CONSORT LIMITED**

**REPORT OF THE MANAGEMENT COMMITTEE (CONTINUED)**

**For the year ended 31 March 2006**

**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.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Management Committee on 30 January 2007 and signed on its behalf by:



**D I Rhódes**  
**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 2006 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 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**

As described in the Statement of Trustees' Responsibilities 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 2006 and if its incoming resources and application of resources, 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**

**30 January 2007**

**1325A Stratford Road  
Hall Green  
Birmingham B28 9HL**



**ARMONICO CONSORT LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**For the year ended 31 March 2006**

	Notes	<u>Funds</u>		Total 2006 £	Total 2005 £
		Restricted 2006 £	Unrestricted 2006 £		
<b>Incoming resources</b>					
Donations	2	-	1,884	1,884	1,125
Activities to further the charity's objects:					
Grants and training projects		49,324	-	49,324	49,465
Concert receipts		-	113,250	113,250	74,521
Activities to generate funds:					
Merchandising income	3	-	7,908	7,908	5,993
Fundraising and subscriptions		-	266	266	961
Bank interest received			102	102	-
<b>Total incoming resources</b>		<u>49,324</u>	<u>123,410</u>	<u>172,734</u>	<u>132,065</u>
<b>Resources expended</b>					
Costs of generating funds:					
Fund raising and publicity		-	1,010	1,010	60
Merchandising costs	3	-	3,379	3,379	5,321
Charitable expenditure:					
Grants and training projects		18,615	-	18,615	39,884
Concert costs		-	113,751	113,751	69,771
Support costs		-	15,099	15,099	11,068
Management and administration		-	1,886	1,886	1,774
<b>Total resources expended</b>	5	<u>18,615</u>	<u>135,125</u>	<u>153,740</u>	<u>127,878</u>
<b>Net incoming resources – net (expenditure) income for the year</b>		30,709	(11,715)	18,994	4,187
Transfer of Armonico Consort funds		-	-	-	5,957
Transfer between funds		(6,009)	6,009	-	-
<b>Net movements in funds – total funds at 31 March 2006</b>		<u>24,700</u>	<u>(5,706)</u>	<u>18,994</u>	<u>10,144</u>

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

All incoming resources and resources expended derive from continuing activities.

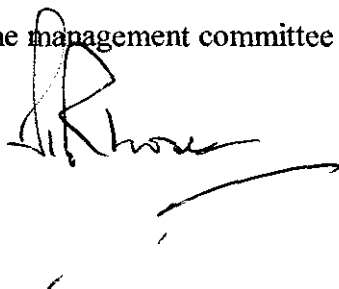
**ARMONICO CONSORT LIMITED****BALANCE SHEET****At 31 March 2006**

	Notes	2006 £	2005 £
<b>Current assets</b>			
Stock		350	1,360
Cash at bank and in hand		38,576	21,131
Debtors	8	<u>5,356</u>	<u>-</u>
		44,282	22,491
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	9	<u>(7,345)</u>	<u>(4,548)</u>
		36,937	17,943
<b>Creditors: amounts falling due after more than one year</b>	10	(7,799)	(7,799)
<b>Net assets</b>		<u>29,138</u>	<u>10,144</u>
<b>Funds:</b>			
Unrestricted funds		(1,145)	4,561
Restricted funds		<u>30,283</u>	<u>5,583</u>
<b>Total funds</b>	11	<u>29,138</u>	<u>10,144</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the management committee on 30 January 2007 and signed on its behalf by:

**D I Rhodes**  
**Director**



# **ARMONICO CONSORT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2006**

### **1 Accounting policies**

#### **(a) Basis of accounting**

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

#### **(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. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

#### **(d) Incoming resources**

All income resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### **(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.

**ARMONICO CONSORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 March 2006

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. Management and administration costs are those incurred in connection with administration of the charity and compliances with constitutional and statutory requirements.

(f) **Stock**

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

**2 Donations and gifts**

	2006 £	2005 £
Individuals	1,134	1,000
Charitable foundations	750	125
	<u>1,884</u>	<u>1,125</u>

**3 Merchandising income and costs Sales of CD's**

	2006 £	2005
Merchandising income	7,908	5,993
Less: cost of sales	3,379	5,321
Surplus	<u>4,529</u>	<u>672</u>

**4 Incoming Resources from Activities to further the Charity's Objects**

	Unrestricted £	Restricted £	2006 Total £	2005 Total £
Grants and training projects	-	49,324	49,324	49,465
Concert receipts	113,250	-	113,250	74,521
	<u>113,250</u>	<u>49,324</u>	<u>162,574</u>	<u>123,986</u>

**5 Total resources expended**

	2006 £	2005 £
Fund raising costs	1,010	60
Premises rent	2,500	2,500
Merchandising costs	3,379	5,321
Grants and training prizes	18,615	39,884
Concert Costs	113,751	69,771
Advertising	3,857	2,782
Audit fees	1,763	1,644
Professional fees	-	3,895
Staff Costs	6,266	478
Stationery, postage and other sundry costs	2,506	1,428
Loan interest	-	115
Bank charges	93	-
Total resources expended	<u>153,740</u>	<u>127,878</u>

# **ARMONICO CONSORT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 March 2006**

<b>6</b>	<b>Staff costs</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Staff costs were as follows:		
	Salaries and wages	6,116	478
	Social security costs	150	-
	Total	<u>6,266</u>	<u>478</u>

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

	<b>2006</b>	<b>2005</b>
	<b>No</b>	<b>No</b>
Administration and support	<u>1</u>	<u>1</u>

## **7 Trustees' remuneration & Related Party Transactions**

No members of the management committee received any remuneration during the year.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2005-Nil).

<b>8.</b>	<b>Debtors:</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Prepayments	746	-
	Future concert costs	4,610	-
		<u>5,356</u>	<u>-</u>

<b>9.</b>	<b>Creditors: amounts falling due within one year</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Accruals and deferred income	5,029	2,232
	Loan repayments	2,316	2,316
		<u>7,345</u>	<u>4,548</u>

<b>10.</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Loan repayable within five years	<u>7,799</u>	<u>7,799</u>

The loan is interest free.

**ARMONICO CONSORT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**For the year ended 31 March 2006**

**11. Movements in funds**

	At 1 April 2005 £	Income £	Expenditure £	Transfers £	At 31 March 2006 £
<b>Unrestricted Fund:</b>					
General reserve	4,561	123,410	(135,125)	6,009	(1,145)
<b>Restricted funds:</b>					
Grants received (Appendix A)	5,583	49,324	(18,615)	(6,009)	30,283
<b>Total funds</b>	<u>10,144</u>	<u>172,734</u>	<u>(153,740)</u>	<u>-</u>	<u>29,138</u>

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

The grants received 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.

## SCHEDULE OF RESTRICTED FUNDS - GRANTS RECEIVED

For the year ended 31 March 2006

	At 01 April 2006 £	Income £	Expenditure £	Transfer to General Fund £	At 31 March 2006 £
Educational Workshops Coventry schools	-	5,000	1,218	1,000	2,782
Birmingham Early Music festival	-	1,000	466	-	534
Arts Council - various/Rural Voice	-	6,524	4,910	1,614	-
Henry VIII - Educ. Workshops Warwick	-	7,500	3,368	1,500	2,632
Warwick International festival	-	250	250	-	-
Educational Workshops Stratford schools	1,875	2,500	3,390	985	-
Awards for all - St Matthew Passion	3,708	-	3,708	-	-
Educational Workshops Lewisham	-	4,550	1,305	910	2,335
Godfrey Payton Trust	-	22,000	-	-	22,000
	<u>5,583</u>	<u>49,324</u>	<u>18,615</u>	<u>6,009</u>	<u>30,283</u>