

ARMONICO CONSORT LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2005

Charity no: 1103159
Company no: 4851028



ARMONICO CONSORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2005

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ARMONICO CONSORT LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

For the year ended 31 March 2005

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 established the objects and powers of the charitable company and is governed under its Articles of Association.

Director:

D I Rhodes

Trustees and Management Committee:

Dermot Rhodes (Chair)

Grahame Edmonds (Treasurer) – co-opted

Duncan Robson – co-opted Resigned 31 January 2005

Claire Monks – co-opted

Kirsteen Rogers – co-opted Resigned 31 January 2005

Secretary:

C R Monks

Registered Office:

Chamba Cottage, 6 Middletown, Moreton Morrell, Warwickshire CV35 9AU

Auditors:

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

Bankers:

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

ARMONICO CONSORT LIMITED

REPORT OF THE MANAGEMENT COMMITTEE

For the year ended 31 March 2005

The management committee present its report and the audited financial statements for the year ended 31 March 2005. The management committee have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 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.

Financial review

On 12 April 2004 the activities of Armonico Consort were transferred on a going concern basis to Armonico Consort Limited and began trading on 13 April 2004.

The Statement of Financial Activities for the year is set out on page 6 of the financial statements. The net incoming resources for the year are £4,187.

Future strategy

The charity plans continuing the activities as outlined in the development plan of June 04 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 7 are available and adequate to fulfil the objects of the Charity. The level of reserve held is sufficient to enable the Charity to operate at its current level for the foreseeable future.

Risk review

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 2005

Governance and internal controls

Company and charity law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming or outgoing resources of the Charity for that period. In preparing those financial statements the management committee have:

- i. Selected suitable accounting policies and apply them consistently
- ii. Made judgements and estimates that are reasonable and prudent
- iii. Stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- iv. Prepared the financial statements on the going concern basis

The management committee have overall responsibility for ensuring the Charity has appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

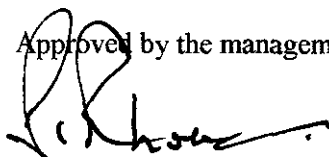
Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up.

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 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 12 January 2006 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 2005 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.

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 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 other information contained in the Trustees Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 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 of the state of the charity's affairs as at 31 March 2005 and of its incoming resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Flint & Thompson

**Flint & Thompson
Registered Auditors**

25 January 2006

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

ARMONICO CONSORT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2005

	Notes	<u>Funds</u>		Total 2005 £	Total 2004 £
		Restricted 2005 £	Unrestricted 2005 £		
Incoming resources					
Donations	2	-	1,125	1,125	-
Activities to further the charity's objects:					
Grants and training projects		49,465	-	49,465	-
Concert receipts		-	74,521	74,521	-
Activities to generate funds:					
Merchandising income	3	-	5,993	5,993	-
Fundraising and subscriptions		-	961	961	-
Total incoming resources		<u>49,465</u>	<u>82,600</u>	<u>132,065</u>	<u>-</u>
Resources expended					
Costs of generating funds:					
Fund raising and publicity		-	60	60	-
Merchandising costs	3	-	5,321	5,321	-
Charitable expenditure:					
Grants and training projects		39,884	-	39,884	-
Concert costs		-	69,771	69,771	-
Support costs		-	11,068	11,068	-
Management and administration		-	1,774	1,774	-
Total resources expended	4	<u>39,884</u>	<u>87,994</u>	<u>127,878</u>	<u>-</u>
Net incoming resources – net income for the year		9,581	(5,394)	4,187	-
Transfer of Armonico Consort funds		809	5,148	5,957	-
Transfer between funds		(4,807)	4,807	-	-
Net movements in funds – total funds at 31 March 2005		<u>5,583</u>	<u>4,561</u>	<u>10,144</u>	<u>-</u>

All of the above results are derived from continuing activities.

All gains and losses recognised in the year are included above.

ARMONICO CONSORT LIMITED

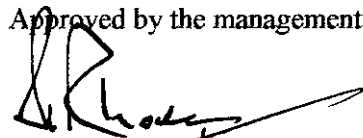
BALANCE SHEET

At 31 March 2005

	Notes	2005 £	2004 £
Current assets			
Stock		1,360	-
Cash at bank and in hand		21,131	-
		<u>22,491</u>	<u>-</u>
Current liabilities			
Creditors: amounts falling due within one year	6	(4,548)	-
		<u>17,943</u>	<u>-</u>
Creditors: amounts falling due after more than one year	7	(7,799)	-
Net assets		<u>10,144</u>	<u>-</u>
Funds:			
Unrestricted funds		4,561	-
Restricted funds		5,583	-
Total funds	8	<u>10,144</u>	<u>-</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 12 January 2006 and signed on its behalf by:



D I Rhodes
Director

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2005

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2000 and applicable accounting standards.

The charity has availed itself of Paragraph of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 230 of the Companies Act 1985 and paragraph 304 of the SORP.

(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 2005

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

	2005 £
Individuals	1,000
Charitable foundations	125
Corporate donors	-
	<u>1,125</u>

3 Merchandising income and costs

	Sale of CD's £
Merchandising income	5,993
Cost of sales	<u>5,321</u>
Surplus	<u>672</u>

4 Total resources expended

	Total £
Fund raising costs	60
Premises rent	2,500
Merchandising costs	5,321
Grants and training prizes	39,884
Concert Costs	69,771
Advertising	2,782
Audit fees	1,644
Professional fees	4,373
Stationery, postage and other sundry costs	1,428
Loan interest	<u>115</u>
Total resources expended	<u>127,878</u>

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2005

5. Trustees' remuneration

The trustees neither received nor waived any emoluments during the year.

6. Creditors: amounts falling due within one year	2005
	£
Accruals and deferred income	2,232
Loan repayments	2,316
	<u>4,548</u>

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

8. Statements of funds

	At 1 April 2004 £	Income £	Expenditure £	Transfers £	At 31 March 2005 £
Unrestricted Fund:					
General reserve	-	82,600	(87,994)	9,955	4,561
Restricted funds:					
Grants received (Appendix A)	-	49,465	(39,884)	(3,998)	5,583
Total funds	<u>-</u>	<u>132,065</u>	<u>(127,878)</u>	<u>5,957</u>	<u>10,144</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.

ARMONICO CONSORT LIMITED

**APPENDIX A
RESTRICTED FUNDS - GRANTS RECEIVED**

For the year ended 31 March 2005

	Transfer from Armonico Consort £	Income £	Expenditure £	Transfer to General Fund £	At 31 March 2005 £
City of Coventry	4,500	5,000	4,110	2,375	3,015
Birmingham Workshop	1,250	850	1,502	598	-
Arts Council (Lottery Grant)	4,442	493	4,935	-	-
Henry VIII	-	21,776	15,771	-	6,005
Voicebox	-	12,646	11,737	909	-
Stratford Workshop	-	2,500	-	625	1,875
Awards for all	-	5,000	1,255	-	3,745
Warwickshire Workshop	-	1,200	125	300	775
	10,192	49,465	39,435	4,807	15,415
Education Programme costs	(9,383)	-	449	-	(9,832)
	809	49,465	39,884	4,807	5,583

The transfers to the General Fund comprise an allowance for administrative costs which are permitted within the terms of the grant