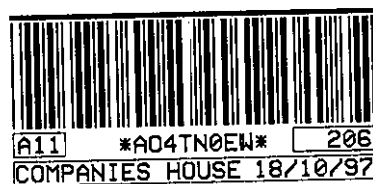


OLD LIBRARY ARTISTS LIMITED
REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS
YEAR ENDED 1 APRIL 1997
COMPANY REGISTERED NUMBER : 02913542

Dowle Horrigan
Registered Auditors
Chartered Accountants
790 Newport Road
Rumney
Cardiff



OLD LIBRARY ARTISTS LIMITED

REPORT OF COUNCIL

The Council of Management presents its report, together with the audited financial statements of the company, for the year ended 1 April 1997.

Old Library Artists Limited is a company incorporated under the Companies Act and is limited by guarantee. The company is directed by a Council of Management, the members of which are all committed to providing support for artists based in Wales. The members receive no material benefits or remuneration from the association for their time and services.

AIMS

The aim of Old Library Artists Limited is to provide support for fine artists based in Wales through a range of subsidised services and to provide a framework for the development of new artistic talent.

FINANCE

The company is currently primarily funded by local authorities in the area and other grant making organisations.

FUTURE DEVELOPMENTS

The future aim of the Old Library Artists Limited is to acquire, by lease or purchase, a property suitable for conversion into a fine arts development centre in Cardiff.

ELECTION OF COUNCIL

The Members of the Council of Management are appointed for a term of one year and are eligible for re-election at the end of their term.

RESPONSIBILITY OF THE MEMBERS OF THE COUNCIL OF MANAGEMENT

Company law requires the Members of the Council of Management 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 Members of the Council of Management are required to:

- * select suitable accounting policies and 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 Members of the Council of Management 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

OLD LIBRARY ARTISTS LIMITED

REPORT OF THE COUNCIL (continued)

AUDITORS

Dowle Horrigan have expressed their willingness to continue in office. A resolution confirming their appointment and proposing their reappointment will be placed before the Annual General Meeting.

By Order of the Council



Secretary

7/10/97
Date

Registered Office : Blair Atholl Cottage, Lisvane Road, Llanishen, Cardiff

AUDITORS' REPORT TO THE MEMBERS OF
OLD LIBRARY ARTISTS LIMITED

We have audited the financial statements on pages 4 to 6, which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

Respective responsibilities of Members of the Council of Management and auditors

As described on page 2, the Members of the Council of Management are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

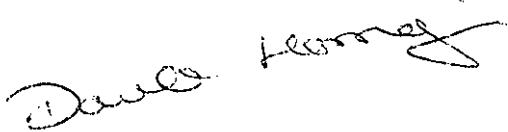
Basis of opinion

We conducted our audit in accordance with 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 Members of the Council of Management 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 affairs of the company at 1 April 1997, its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



Dowle Horrigan
Registered Auditors
Chartered Accountants
Cardiff

11.10.97. Date

OLD LIBRARY ARTISTS LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 1 APRIL 1997

	Note	1997 £	1996 £
INCOME			
Membership Fees		90	310
Relocation Grant	1(b)	5,968	4,175
Administrator and Office Expenses Grant		10,982	4,010
Fees Received		-	105
Interest Received		<u>569</u>	<u>3</u>
		<u>17,609</u>	<u>8,603</u>
EXPENDITURE			
Administration fees		3,678	-
Stationery, Postage and Telephone		229	21
Membership Fees		-	50
Relocation costs		3,880	-
Rent and Sundry		319	(120)
Bank Commission		266	44
Audit and Accountancy		441	470
Depreciation		30	-
Fees and Licences		73	166
Corporation Tax		<u>136</u>	<u>-</u>
		<u>9,052</u>	<u>631</u>
EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR	4	£ <u>8,557</u>	£ <u>7,972</u>

Movements on reserves are shown in note 4.

The company has no recognised gains or losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented. All activities relate to continuing operations.

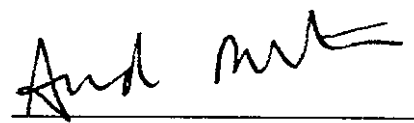
The notes on page 6 form an integral part of these accounts.

OLD LIBRARY ARTISTS LIMITED

BALANCE SHEET - 1 APRIL 1997

	Note	1997 £	1996 £
FIXED ASSETS	1(d)	<u>120</u>	<u>-</u>
CURRENT ASSETS			
Trade Debtors and Prepayments		372	20
Bank and Cash		<u>23,937</u>	<u>21,554</u>
		<u>24,309</u>	<u>21,574</u>
CREDITORS - amounts falling due within one year			
Accruals		520	470
Corporation Tax		136	-
Deferred Grant	1(b)	<u>6,637</u>	<u>4,175</u>
		<u>7,293</u>	<u>4,645</u>
NET CURRENT ASSETS		<u>17,016</u>	<u>16,929</u>
CREDITORS - amounts falling due after more than one year			
Deferred Grant	1(b)	<u>-</u>	<u>8,350</u>
TOTAL ASSETS LESS LIABILITIES		£ <u>17,136</u>	£ <u>8,579</u>
CAPITAL AND RESERVES			
Share Capital	2	-	-
Profit and Loss Account	4	<u>17,136</u>	<u>8,579</u>
		£ <u>17,136</u>	£ <u>8,579</u>


Member of Council


Member of Council

7/10/97
Date

The notes on page 6 form an integral part of these accounts.

OLD LIBRARY ARTISTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 1 APRIL 1997

1. ACCOUNTING POLICIES

a) Accounting Convention

The accounts are prepared under the historical cost convention.

b) Grants

Grants are recognised when received and those relating to operations are credited to Income and Expenditure Account. Where grants relate to a project which may take place over more than year such grant is credited to profit and loss account over a period of time, such as to match the income of the expense to which it relates, in so far as possible.

c) Interest Income

Interest income is recognised on a receivable basis.

d) Fixed Assets

Fixed assets are depreciated over their expected useful lives in annual instalments as follows:

Office equipment	20%
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e) Cash Flow Statement

The company satisfies the requirements of a small company under s246-s249 of the Companies Act 1985 and has taken advantage of the exemption detailed in paragraph 8 of FRS1 in not preparing a cash flow statement.

2. SHARE CAPITAL

The company is limited by guarantee and accordingly has no share capital.

3. TAXATION

Taxation arises only in relation to the interest income of the company and, if relevant, is provided for in these accounts.

4. RESERVES

	1997	1996
	£	£
Balance as at 1 April 1996	8,579	607
Profit for the year	<u>8,557</u>	<u>7,972</u>
Balance as at 1 April 1997	<u>£ 17,136</u>	<u>£ 8,579</u>