

Multi-Cultural Arts

Private Limited by guarantee without Share Capital Exempt from using "Limited"

Company No : **02763418**

Registered Address:

**18 Sparkle Street
Manchester
M1 2NA**

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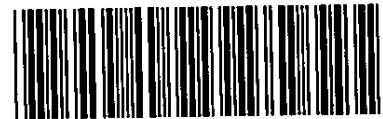
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**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT AND ACCOUNTS**

**for the year ended
31st March 2010**

**Company Registration Number 2763418
Charity Number 1015459**

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COMPANIES HOUSE

MITCHELL CHARLESWORTH
Chartered Accountants
Manchester

**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE**

Financial Statements

Year ended 31st March 2010

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**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE**

Members of the Board and Professional Advisers

Registered charity name Multi-cultural Arts

Charity number 1015459

Company registration number 2763418

Registered office 18 Sparkle Street
Manchester
M1 2NA

Trustees M Turner
E Taylor
A Likoya
K Robinson
A J Qasim - Khan

Secretary J Shine

Auditor Mitchell Charlesworth
Chartered Accountants
Statutory Auditor
Centurion House
129 Deansgate
Manchester
M3 3WR

Bankers The Royal Bank of Scotland plc
467 Wilmslow Road
Withington
Manchester
M20 9AP

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Trustees Annual Report

Year ended 31st March 2010

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31st March 2010

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements

The trustees

The trustees who served the charity during the period were as follows

M Turner
E Taylor
A Likoya
Y Livesey
K Robinson
A J Qasim - Khan

Y Livesey resigned as a trustee on 7th April 2009

Structure, governance and management

Governing document

Multi Cultural Arts is a company limited by guarantee governed by its Memorandum and Articles of Association dated 9 November 1992. It is registered as a charity with the Charity Commission. The subscribers to the Memorandum of Association and such other persons as the directors shall admit to membership shall be members of the company. Rights and privileges of a member shall not be transferable and no person shall be admitted to membership unless that person is prepared to use best endeavours to assist in the advancement of the main objects of the company. The number of members is unlimited. Each member agrees to contribute such amount as may be required not exceeding £1 in the event of the company winding up.

The company operates under the name 'Manchester International Arts'

Appointment of trustees

The number of directors shall be not less than 3 nor, until otherwise determined by a General Meeting, more than 30. The subscribers to the Memorandum of Association shall be the first directors of the company. The directors shall have the power to appoint any person, so long as that person is a member, to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not at any time exceed the number fixed in accordance with the Articles. For the purpose of charity law the directors of the charitable company are its trustees.

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2010

Trustee Induction & Training Policy

Multi-Cultural Arts is both a Registered Charity and Company Limited by Guarantee and consequently Board Members are both Trustees and Directors

Prior to a prospective Trustee/Director being elected to the Board, they will

- 1) Be invited to attend at least one of our public events (if they have not already done so)
- 2) Attend an informal meeting with one of the Artistic Directors and an existing Trustee where they will be briefed on the history of the Company, current plans (including any foreseeable problems) and their responsibilities as both Company Directors and Trustees We also give them copies of relevant publications of the Charity - 'Welcome', 'The Essential Trustee' & 'Responsibilities of Charity Trustees - A Summary' - and request that they look at the Charity Commission Website They are also supplied with a copy of the Articles and Memorandum of the Company and the most recent Annual Report and Accounts
- 3) Be invited to attend a Board meeting so that they can observe proceedings at first hand and meet existing Directors informally over the meal that precedes our meetings

On appointment to the Board, a new Trustee/Director will be given copies of

- 1) Previous Board Minutes and Papers relevant to the ongoing management of the Company and current activities
- 2) Current budgets
- 3) Existing Policies - e g Equal Opportunities, H & S, Race Equality, Child Safety, etc

The Company has a small training budget and it is open for Trustees/Directors to make use of this to attend any suitable course they might identify - subject to full board approval

Organisation

The board of trustees administers the charity and they meet together as they think fit The board has appointed a company secretary to administer the day to day running of the charity

Objectives and activities

The objectives of the company are the promotion of international and multi-cultural arts for educational purposes

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2010

Risk policy

1) Outdoor work comprises the majority of our activities and to date all such activities have been free of charge or have a nominal entry charge of £1. In order to minimise risk a) The amount of income budgeted to be earned during the course of an event (e.g. catering concessions) which could be affected by bad weather or low attendance is minimal and b) income from the nominal admission charge is not budgeted for and any such income is carried forward towards future activities.

It is the policy of the company only to budget for expenditure against secured income in the form of grants, fees and sponsorship - the bulk of this comes from the public or charitable sector and we are careful to work only with partners from the private sector who are known to be reputable and financially sound if substantial sums of money are involved. Consequently the main risk to the company is the potential for overspending agreed budgets and it is a prime responsibility of the artistic directors to monitor budgets to ensure that this does not happen. Clearly there is always the possibility of unforeseen expenditure arising in the final stages of presenting an event and to guard against this, adequate contingencies are built into each project budget.

Performance: Feast, our only project during the year came in slightly under budget in net terms.

2) Indoor work: on rare occasions the company will present a show in an indoor or tented venue for which admission is charged. There is obviously an additional risk as audiences and therefore income may be less than anticipated.

a) It is the policy of the company to set a realistic and achievable income target.

b) It is also our policy not to undertake projects where a shortfall in projected earned income would financially destroy the company.

Performance: We presented no indoor work or shows with box office income during the year.

Achievements and performance

In 2009/10, we only presented one event – the third and final edition of ‘Feast – Picnic by the Lake’ in Platt Fields Park on June 5th, 6th and 7th. Artistically this was another very successful weekend but wet and cold weather meant that audience levels were much lower than in 2008. Feast also hosted the xtrax showcase which attracted over 100 UK and international programmers to see over sixty companies.

We also launched Lakes Alive - our new partnership project with Kendal Arts International – a summer long season of open-air events in Cumbria. Lakes Alive which will run through to 2012 is a London Olympics related project which has four year funding from the Legacy Trust UK which this year was matched by Arts Council England, NW Development Agency and all the Local Authorities and other stakeholders in Cumbria.

The inaugural year was a great success with sizeable and appreciative audiences, extensive national and local media attention and positive feedback from all our supporters and funders.

M I A is responsible for the artistic direction and administration of Lakes Alive with KAI, which is the prime budget holder, responsible for fund-raising, marketing and event management.

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2010

Financial review

Investment policy

The company holds no assets for investment purposes (e.g. property, stocks and shares, etc) and is not likely to do so in the foreseeable future

Cash in hand is held at the Royal Bank of Scotland under an arrangement whereby all funds in excess of £500 are automatically transferred to a deposit account at the end of each day and vice versa to avoid overdraft charges. On occasions when we have in excess of £40,000 on deposit for short periods (e.g. in the course of projects) we place it on the 'money markets' for periods ranging from overnight up to 30 days depending on our cash flow requirements

Performance We achieved £31 (2009 £4,471) of income from bank interest

Reserves policy

The company receives some of its income as revenue funding, which covers a proportion of our annual operating costs. However the bulk of our income is in the form of grants, sponsorship and fees for specific projects (a proportion of which goes towards operating costs). Consequently the policy of the company has been to try and achieve a balance as close to zero as possible on operating costs i.e. no surplus or deficit in cash terms excluding capital purchases and the effects of depreciation

However we consider it prudent to try and maintain a surplus of up to £10,000 to cover unexpected contingencies

In some years, we also receive unexpected income in the latter half of the year - if unrestricted, this income is held over for use on M I A initiated projects in the following year

At year end, the Company showed unrestricted funds of approximately £55,200

Plans for future periods

Our current plans are to withdraw from initiating and presenting our own events for the foreseeable future. One effect of this is that we will no longer seek revenue funding from either Manchester City Council (after this financial year) or Arts Council England at the end of the current agreement in March 2011

Our principal project for the next three years will be Lakes Alive in Cumbria and the majority of our ACE grant in 2010/11 will be spent on this

In addition we will continue to undertake projects on behalf of other organisation and in the summer of 2010 will be organising Fusion - a large-scale event for Girl Guides U.K. as part of their centenary celebrations

Responsibilities of the trustees

The trustees (who are also the directors of Multi-Cultural Arts for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

select suitable accounting policies and then apply them consistently,

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2010

observe the methods and principles in the Charities SORP,
make judgements and estimates that are reasonable and prudent,
state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are 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.

In so far as the trustees are aware

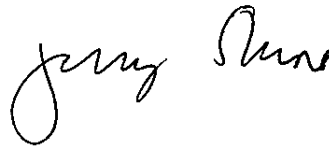
there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Mitchell Charlesworth are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
18 Sparkle Street
Manchester
M1 2NA

Signed by order of the trustees



J Shine
Charity Secretary

10/12/10.

Mitchell Charlesworth

Chartered Accountants
Centurion House 129 Deansgate Manchester

Independent Auditor's Report to the Trustees of Multi-cultural Arts Year ended 31st March 2010

We have audited the financial statements of Multi-Cultural Arts for the year ended 31st March 2010 on pages 9 to 18, which have been prepared on the basis of the accounting policies set out on pages 11 to 12

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act Our audit work has been undertaken so that we might state to the charity's trustees 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who also act as directors of Multi-Cultural Arts for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Responsibilities of the Trustees on pages 5 to 6

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006 Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and have been prepared in accordance with the Companies Act 2006 We also report to you if, in our opinion, the information given in the Trustees Annual Report is not consistent with those financial statements, if the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with these accounting records and returns, or if we have not received all the information and explanations we require for our audit

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it

Mitchell Charlesworth

Chartered Accountants
Centurion House 129 Deansgate Manchester

Independent Auditor's Report to the Trustees of Multi-cultural Arts *(continued)*

Year ended 31st March 2010

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 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.

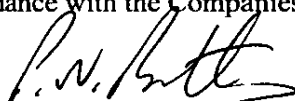
We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in the related note to the financial statements.

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 31st March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and

the financial statements have been prepared in accordance with the Companies Act 2006



MR P N BOOTH (Senior Statutory Auditor)
For and on behalf of
MITCHELL CHARLESWORTH
Chartered Accountants
Statutory Auditors

Centurion House
129 Deansgate
Manchester
M3 3WR

10/12/10

**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE**

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Year ended 31st March 2010

	Note	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming resources						
Incoming resources from generating funds						
Voluntary income	2	91,507	60,000	–	151,507	151,147
Activities for generating funds	3	–	–	10	10	190
Investment income	4	31	–	–	31	4,471
Incoming resources from charitable activities						
	5	–	120,350	–	120,350	553,259
Other incoming resources	6	790	36,102	–	36,892	71,161
Total incoming resources		92,328	216,452	10	308,790	780,228
Resources expended						
Costs of generating funds						
Costs of generating voluntary income	7	(4,929)	(19,874)	–	(24,803)	(27,547)
Charitable activities	8/9	(716)	(195,700)	–	(196,416)	(658,058)
Governance costs	10	(66,898)	–	(946)	(67,844)	(80,762)
Total resources expended		(72,543)	(215,574)	(946)	(289,063)	(766,367)
Net incoming / (outgoing) resources before transfers						
	12	19,785	878	(936)	19,727	13,861
Transfers between funds	13	237	(878)	641	–	–
Net income / (expenditure) for the year		20,022	–	(295)	19,728	13,861
Reconciliation of funds						
Total funds brought forward		33,634	–	1,876	35,510	21,649
Total funds carried forward		53,656	–	1,581	55,237	35,510

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 11 to 18 form part of these financial statements.

**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE**

Balance Sheet

31st March 2010

	Note	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	16		1,581		1,877
Current assets					
Debtors	17	2,901		8,038	
Cash at bank and in hand		91,334		97,961	
		<u>94,235</u>		<u>105,999</u>	
Creditors: Amounts falling due within one year	18	<u>(40,579)</u>		<u>(72,366)</u>	
Net current assets			53,656		33,633
Total assets less current liabilities			<u>55,237</u>		<u>35,510</u>
Net assets			<u>55,237</u>		<u>35,510</u>
Funds					
Restricted income funds	19		—		—
Unrestricted income funds	20		<u>55,237</u>		<u>35,510</u>
Total funds			<u>55,237</u>		<u>35,510</u>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act. However it is required to have a statutory audit under the Charities Act 1993.

The trustees acknowledge their responsibilities for

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the members of the committee on the ^{1st DEC 2010} and are signed on their behalf by


~~_____~~ E TAYLOR

Company Registration Number 2763418

The notes on pages 11 to 18 form part of these financial statements.

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2010

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

Incoming resources

Voluntary income includes 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 Such income is only deferred when

The donor specifies that the grant must only be used in future accounting periods, or

The donor has imposed conditions which must be met before the charity has unconditional entitlement

Income from commercial trading activities is recognised as earned (as the related goods and services are provided)

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance is recognised as earned (As the related goods or services are provided) Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability Income is deferred when

Admission or performance related grants are received in advance of the performances or event to which they relate

Funds structure

Restricted funds are funds which must be used by the trustees for the specific purposes defined by the donor of the funds

Designated funds are funds which have been allocated or designated for specific purposes by the trustees out of unrestricted funds

Unrestricted funds are funds which may be used for any purpose within the objects of the charity and at the discretion of the trustees

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2010

1. Accounting policies *(continued)*

Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the staging of events.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment - over 5 years, straight line

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Donations				
Donations	-	-	-	1,653
Grants receivable				
Arts Council England	76,512	-	76,512	74,500
Manchester City Council	14,995	-	14,995	14,994
Sponsorship				
Manchester City Council	-	60,000	60,000	60,000
	<u>91,507</u>	<u>60,000</u>	<u>151,507</u>	<u>151,147</u>

3. Incoming resources from activities for generating funds

	Designated Funds £	Total Funds 2010 £	Total Funds 2009 £
Book sales	<u>10</u>	<u>10</u>	<u>190</u>

**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE**

Notes to the Financial Statements

Year ended 31st March 2010

4. Investment income

	Unrestricted Funds	Total Funds 2010	Total Funds 2009
	£	£	£
Bank interest receivable	<u>31</u>	<u>31</u>	<u>4,471</u>

5. Incoming resources from charitable activities

	Restricted Funds	Total Funds 2010	Total Funds 2009
	£	£	£
Sale of goods/services as part of direct charitable activities	350	350	2,850
Arts Council England	120,000	120,000	131,250
Project fees	-	-	416,877
Admission fees	-	-	2,282
	<u>120,350</u>	<u>120,350</u>	<u>553,259</u>

A grant of £60,000 was received from Arts Council England in the previous year in respect of Feast in 2009/2010. In accordance with "SORP 2005" this was included in accruals (see note 18) and has been brought into the Statement of Financial Activities in the current period.

6. Other incoming resources

	Unrestricted Funds	Restricted Funds	Total Funds 2010	Total Funds 2009
	£	£	£	£
Recharges of expenditure	788	36,102	36,890	71,154
Other income	2	-	2	7
	<u>790</u>	<u>36,102</u>	<u>36,892</u>	<u>71,161</u>

7. Costs of generating voluntary income

	Unrestricted Funds	Restricted Funds	Total Funds 2010	Total Funds 2009
	£	£	£	£
Advertising and publicity	<u>4,929</u>	<u>19,874</u>	<u>24,803</u>	<u>27,547</u>

**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE**

Notes to the Financial Statements

Year ended 31st March 2010

8. Costs of charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Feast! Picnic by the lake	716	195,700	196,416	173,712
Urban Moves Dance Festival	-	-	-	3,208
Carpet of Flowers	-	-	-	62,780
WOW Festival	-	-	-	26,011
Nicole et Martin	-	-	-	9,828
Liverpool Streets Ahead	-	-	-	334,512
H 2 O Festival	-	-	-	48,007
	<u>716</u>	<u>195,700</u>	<u>196,416</u>	<u>658,058</u>

9. Costs of charitable activities by activity type

	Direct charitable activity £	Total Funds 2010 £	Total Funds 2009 £
Feast! Picnic by the lake	196,416	196,416	173,712
Urban Moves Dance Festival	-	-	3,208
Carpet of Flowers	-	-	62,780
WOW Festival	-	-	26,011
Nicole et Martin	-	-	9,828
Liverpool Streets Ahead	-	-	334,512
H 2 O Festival	-	-	48,007
	<u>196,416</u>	<u>196,416</u>	<u>658,058</u>

10. Governance costs

	Unrestricted Funds £	Designated Funds £	Total Funds 2010 £	Total Funds 2009 £
Staff salaries	18,963	-	18,963	18,071
Employer's NIC	1,621	-	1,621	1,617
Accountancy fees	677	-	677	958
Audit fees	4,800	-	4,800	5,250
Bank charges	31	-	31	29
Depreciation	-	946	946	816
Foreign currency gain/loss	635	-	635	(2,250)
Travel and subsistence	7,235	-	7,235	8,247
Insurance	1,608	-	1,608	1,207
Fees	22,900	-	22,900	40,500
Other governance costs	8,428	-	8,428	6,317
	<u>66,898</u>	<u>946</u>	<u>67,844</u>	<u>80,762</u>

**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE**

Notes to the Financial Statements

Year ended 31st March 2010

11. Analysis of support costs

	Feast! Picnic by the Lake	Total 2009
	£	£
Premises	–	2,511
Artists fees	138,608	355,680
Stewards and security	14,822	23,209
Accommodation and hospitality	17,350	49,386
Production management	4,700	38,108
Equipment hire and materials	20,936	167,348
Travel costs	–	18,136
Insurance	–	944
Other costs	–	2,736
	<u>196,416</u>	<u>658,058</u>

12. Net incoming resources for the year

This is stated after charging/(crediting)

	2010	2009
	£	£
Depreciation	946	816
Auditors' remuneration		
- audit of the financial statements	4,800	5,250
Exchange (gains)/losses	<u>635</u>	<u>(2,250)</u>

13. Fund transfers

Transfers incorporate shares of support costs included in governance costs adjusted for any remaining surplus income or expenditure on completion of the activities during the year. In addition capital expenditure was incurred which is dealt with as a transfer from general funds to a designated fund.

14. Staff costs and emoluments

Total staff costs were as follows:

	2010	2009
	£	£
Wages and salaries	18,963	18,071
Social security costs	1,621	1,617
	<u>20,584</u>	<u>19,688</u>

Particulars of employees:

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

	2010	2009
	No	No
Number of administrative staff	<u>1</u>	<u>1</u>

The company relies on casual labour and temporary staff as activities are undertaken.

No trustees received remuneration for their work as trustees.

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2010

14. Staff costs and emoluments *(continued)*

No employee received remuneration of more than £60,000 during the year (2009 - Nil)

The charity utilises the services of two consultants Fees paid amounting to £22,900 (2009 £40,500) are shown in governance costs

15. Taxation

The company is a registered charity and as such is exempt from tax under Section 505 of the Income and Corporation Taxes Act 1988

16. Tangible fixed assets

	Fixtures & Fittings £
Cost	
At 1st April 2009	27,938
Additions	650
At 31st March 2010	<u>28,588</u>
Depreciation	
At 1st April 2009	26,061
Charge for the year	946
At 31st March 2010	<u>27,007</u>
Net book value	
At 31st March 2010	<u>1,581</u>
At 31st March 2009	<u>1,877</u>

17. Debtors

	2010 £	2009 £
Trade debtors	345	550
Other debtors	-	63
Prepayments	2,556	7,425
	<u>2,901</u>	<u>8,038</u>

Prepayments relate to direct expenditure on events to be presented in 2010/2011 for which funding has been received and is included in creditors as deferred income (see note 5)

**MULTI-CULTURAL ARTS
COMPANY LIMITED BY GUARANTEE**

Notes to the Financial Statements

Year ended 31st March 2010

18. Creditors: Amounts falling due within one year

	2010	2009
	£	£
Bank loans and overdrafts	–	4,007
Trade creditors	480	2,964
Taxation and social security	11,197	2,095
Accruals	28,902	63,300
	<u>40,579</u>	<u>72,366</u>

19. Restricted income funds

	Incoming resources	Outgoing resources	Transfers	Balance at 31 Mar 2010
	£	£	£	£
Feast! Picnic by the Lake	<u>216,452</u>	<u>(215,574)</u>	<u>(878)</u>	<u>–</u>

Feast! Picnic by the Lake. Annual event held at Platt Fields, Manchester in conjunction with X trax

20. Unrestricted income funds

	Balance at 1 Apr 2009	Incoming resources	Outgoing resources	Transfers	Balance at 31 Mar 2010
	£	£	£	£	£
Capital expenditure	1,876	10	(946)	641	1,581
General Funds	33,634	92,328	(72,543)	237	53,656
	<u>35,510</u>	<u>92,338</u>	<u>(73,489)</u>	<u>878</u>	<u>55,237</u>

The trustees consider that in order to give a clearer view of the company's activities the non-liquid assets of the company, namely fixed assets and book stocks, be transferred into designated funds

21. Analysis of net assets between funds

	Tangible fixed assets	Net current assets/ (liabilities)	Total
	£	£	£
Unrestricted Income Funds:			
Designated Funds	1,581	–	1,581
General Funds	–	53,656	41,656
	<u>1,581</u>	<u>53,656</u>	<u>55,237</u>
Total Funds	<u>1,581</u>	<u>53,656</u>	<u>55,237</u>

MULTI-CULTURAL ARTS COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2010

22. APB ethical standards

In common with many other charities of our size we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements

23. Company limited by guarantee

Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up during the time that he is a member or within one year afterwards for payment of the debts and liabilities of the company contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors amongst themselves such amount as may be required not exceeding in the case of any member the sum of £1