

REGISTERED COMPANY NUMBER: 7983980 (England and Wales)
REGISTERED CHARITY NUMBER: 1146670

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
FOR
ARTS DEVELOPMENT UK LIMITED**

Hartley Fowler LLP
Chartered Accountants
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ARTS DEVELOPMENT UK LIMITED

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FOR THE YEAR ENDED 31 MARCH 2015**

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ARTS DEVELOPMENT UK LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2015

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

7983980 (England and Wales)

Registered Charity number

1146670

Registered office

Oak Villa Off Amman Road
Lower Brynamman
Ammanford
Neath Port Talbot
SA18 1SN

Trustees

Ms C M Davis
Ms S Davies
Ms J Knight
Ms L Masundire
Ms D Pasek-Atkinson
Ms H Paton
Ms K West
Ms C Willison
Ms J Wilson
Mr A R Witton

Company Secretary

Mr P S Bryan

Independent examiner

Hartley Fowler LLP
Chartered Accountants
4th Floor Tuition House
27/37 St George's Road
Wimbledon
London
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STRUCTURE AND ACTIVITIES

Arts Development UK is the leading professional organisation for those working in the local authority arts and creative industries development services and those in similar roles in contracted out services. Although members may join from throughout the UK, in practice, most are drawn from England and Wales. The organisation was established in 1998 as the National Association of Local Government Arts Officers (nalgao), combining 2 earlier local authority arts organisations, (the National Association of County Arts Officers and the National District Arts Officers Society). It was rebranded as ADUK in May 2011 and is a professional membership organisation which is registered as a charitable company (Company registration No 7983980 and charity registration no 1146670).

At March 2014, the association had 326 organisations and individuals in membership, including 287 organisational members (comprising local authorities and other cultural organisations), representing about 85% of all authorities in England and Wales with an arts service. Organisational membership is complemented by a growing number of Personal memberships comprising individual artists, consultants and others working in related professions.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Trustees are provided with an information pack, including information about the structure and activities of the charity, and the role of the trustee in the operation of the charity. All trustees are regularly invited to attend quarterly trustee meetings and are also invited to attend any events and activities run by the charity. Part of the training for new trustees is a residential annual awayday to help the charity refocus its business plan and action programme.

Organisational structure

Arts Development UK has a Board of Trustees who meet at least four times a year and are responsible for the strategic direction and policy of the charity. The Charity also has a National Committee, comprising of the Trustees and two Regional Coordinators (non-Trustee positions with non-voting rights) for each area in England and Wales. National Committee advised the Board of Trustees and is presently is constituted of 24 positions from a variety of backgrounds relevant to the work of the charity. The ADUK Administrator also attends but has no voting rights.

The Board of Trustees is accountable for the general management of Arts Development UK, and responsible for the direction of its affairs; it determines all policy matters including ADUK's strategy, Business Plan and Budget, and the Board determines the delegated powers to its chair and sub-committees, advised by members of the National Committee.

Sub-committees report to the board and a subcommittee may authorise its lead officer to take appropriate executive action. There are two active sub-committees:

- The Members Services Sub-Committee; including working parties in the following areas:
 - Professional Development
 - Conference Development
 - Communications and Marketing
- The Advocacy & Research sub-committee, including the development of policy & external relations

Sub-Committees meet as and when required, either as physical meetings or as telephone conferences, and often on a quarterly basis. Day to day responsibility for the provision of services is delegated to the AD:uk Administrator, supervised by the Chair, who is responsible for ensuring that the charity delivers the services specified in the annual delivery plan and that key performance indicators are met.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charitable company are:

"For the benefit of the public, in particular but not exclusively in areas of social and economic deprivation, by the advancement of the arts and culture and promotion of the arts amongst service providers, arts professionals and the public."

Our aim is the universal provision of high quality, effective local arts services that meet and reflect local needs and issues. Arts Development UK's vision is to ensure that the arts thrive in all our communities, meeting local needs, challenges and ambitions. Our mission is to equip our members to make this happen.

We are the leading professional association for people working in the arts locally. We have three top-level objectives:

- Member services: to equip our members through formal and informal training and learning with the skills and knowledge to deliver high quality, effective arts services.
- Research and Advocacy: to inform and represent our members and their work at national and regional level.
- Operations: to ensure that the association is a sustainable and effective organisation.

These three objectives complement each other and their successful delivery will enable AD:uk to achieve the vision and mission of the organisation.

ARTS DEVELOPMENT UK LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2015**

OBJECTIVES AND ACTIVITIES

Public benefit

In accordance with the Charities (Accounts and Reports) Regulations 2008 the trustees confirm that in planning the activities of the charity they have had regard to the guidance issued by the Charity Commission in relation to public benefit.

FINANCIAL REVIEW

The Board of directors annually conducts a review of the major risks and opportunities to which the charity is exposed at an annual awayday. Where appropriate, systems have been established to mitigate the risks faced by the charity. External risks to funding have led to the development of a strategic business plan, which allows 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 Charity. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Approved by order of the board of trustees on 15th January 2016 and signed on its behalf by:



Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ARTS DEVELOPMENT UK LIMITED

I report on the accounts for the year ended 31 March 2015 set out on pages five to nine.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jonathan Askew FCA
Hartley Fowler LLP
Chartered Accountants
4th Floor Tuition House
27/37 St George's Road
Wimbledon
London
SW19 4EU

Date:

ARTS DEVELOPMENT UK LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2015**

| | Unrestricted fund | Restricted funds | Total | 2015 funds | Total | 2014 funds |
|--|----------------------|---------------------|---------------|---------------|---------------|---------------|
| Not es | £ | £ | | £ | | £ |
| INCOMING RESOURCES | | | | | | |
| Incoming resources from generated funds | | | | | | |
| Voluntary income | 34,418 | - | 34,418 | | 34,418 | 39,865 |
| Incoming resources from charitable activities | | | | | | |
| Conference and seminars | 29,514 | - | 29,514 | | 29,514 | 27,202 |
| Leading Learning programme | - | 62,043 | 62,043 | | 62,043 | 53,537 |
| Other incoming resources | <u>25,827</u> | <u>-</u> | <u>25,827</u> | | <u>25,827</u> | <u>21,750</u> |
| Total incoming resources | 89,759 | 62,043 | 151,802 | | 151,802 | 142,354 |
| RESOURCES EXPENDED | | | | | | |
| Charitable activities | | | | | | |
| Resources development | 35,577 | - | 35,577 | | 35,577 | 34,204 |
| Leading Learning programme | - | 48,548 | 48,548 | | 48,548 | 45,627 |
| Professional development | 48,974 | - | 48,974 | | 48,974 | 30,836 |
| Business planning | 869 | - | 869 | | 869 | - |
| Governance costs | <u>12,209</u> | <u>-</u> | <u>12,209</u> | | <u>12,209</u> | <u>12,924</u> |
| Total resources expended | 97,629 | 48,548 | 146,177 | | 146,177 | 123,591 |
| NET INCOMING/(OUTGOING) RESOURCES | (7,870) | 13,495 | 5,625 | | 5,625 | 18,763 |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | 22,922 | 32,593 | 55,515 | | 55,515 | 36,752 |
| TOTAL FUNDS CARRIED FORWARD | <u>15,052</u> | <u>46,088</u> | <u>61,140</u> | | <u>61,140</u> | <u>55,515</u> |

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

ARTS DEVELOPMENT UK LIMITED

**BALANCE SHEET
AT 31 MARCH 2015**

| | Notes | Unrestricted fund £ | Restricted funds £ | Total £ | 2015 funds £ | Total £ | 2014 funds £ |
|--|-------|------------------------|-----------------------|---------------|-----------------|---------------|-----------------|
| CURRENT ASSETS | | | | | | | |
| Debtors | 4 | 4,183 | 4,200 | 8,383 | | 11,441 | |
| Cash at bank | | <u>22,114</u> | <u>41,888</u> | <u>64,002</u> | | <u>63,432</u> | |
| | | 26,297 | 46,088 | 72,385 | | 74,873 | |
| CREDITORS | | | | | | | |
| Amounts falling due within one year | 5 | (11,245) | - | (11,245) | | (19,358) | |
| NET CURRENT ASSETS | | <u>15,052</u> | <u>46,088</u> | <u>61,140</u> | | <u>55,515</u> | |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 15,052 | 46,088 | 61,140 | | 55,515 | |
| NET ASSETS | | <u>15,052</u> | <u>46,088</u> | <u>61,140</u> | | <u>55,515</u> | |
| FUNDS | | | | | | | |
| Unrestricted funds | 6 | | | 15,052 | | 22,922 | |
| Restricted funds | | | | <u>46,088</u> | | <u>32,593</u> | |
| TOTAL FUNDS | | | | <u>61,140</u> | | <u>55,515</u> | |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2015 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

Approved by order of the board of trustees on 15th January 2016 and signed on its behalf by:



Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. GOVERNANCE COSTS

| | 2015 £ | 2014 £ |
|----------------------|---------------|---------------|
| Effective governance | <u>12,209</u> | <u>12,924</u> |

Governance costs include £2,100 (2014: £2,250) charged by the Independent Examiner of the accounts.

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2015 nor for the year ended 31 March 2014.

Trustees' expenses

Travelling and subsistence expenditure of £3,040 was paid to 8 trustees for the year ended 31 March 2015.

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2015 £ | 2014 £ |
|---------------|--------------|---------------|
| Trade debtors | <u>8,383</u> | <u>11,441</u> |

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2015**

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2015 £ | 2014 £ |
|------------------|---------------|---------------|
| Amounts payable | 591 | - |
| VAT | 2,718 | 1,453 |
| Accrued expenses | 2,250 | 2,250 |
| Deferred income | <u>5,686</u> | <u>15,655</u> |
| | <u>11,245</u> | <u>19,358</u> |

Deferred income at 31 March 2015 related to:

| | |
|---|--------------|
| Membership subscriptions - year ended 31 March 2016 | £ |
| | 5,686 |
| | <u>5,686</u> |

6. MOVEMENT IN FUNDS

| | At 1/4/14 £ | Net movement in funds £ | At 31/3/15 £ |
|---------------------------|----------------|-------------------------------|-----------------|
| Unrestricted funds | | | |
| General fund | 22,922 | (7,870) | 15,052 |
| Restricted funds | | | |
| Leading Learning | 32,593 | 13,495 | 46,088 |
| | <u>55,515</u> | <u>5,625</u> | <u>61,140</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 89,759 | (97,629) | (7,870) |
| Restricted funds | | | |
| Leading Learning | 62,043 | (48,548) | 13,495 |
| | <u>151,802</u> | <u>(146,177)</u> | <u>5,625</u> |

7. ULTIMATE CONTROLLING PARTY

The Board considers that due to the broad membership of the charitable company, the charitable company has no ultimate controlling party.

8. RESTRICTED FUNDS

Leading Learning Programme

The Leading Learning Programme is a year long leadership development programme aimed specifically and uniquely at senior culture and leisure managers in or with local government. Arts Development UK Ltd has been contracted to manage the financial administration of this programme.

9. LIMITED BY GUARANTEE

The charitable company is limited by guarantee and does not have share capital. Members' reserves are not distributable.

The liability of the members is limited to a sum not exceeding £10, being the amount that each member undertakes to contribute to the assets of the charitable company in the event of its being wound up while he, she or it is a member or within one year after he, she or it ceases to be a member, for:

- 1) payment of the charity's debts and liabilities incurred before he, she or it ceases to be a member;
- 2) payment of the costs, charges and expenses of winding up; and
- 3) adjustment of the rights of the contributories among themselves.

ARTS DEVELOPMENT UK LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2015**

| | 2015 £ | 2014 £ |
|--|---------------------|----------------------|
| INCOMING RESOURCES | | |
| Voluntary income | | |
| Subscriptions | 34,418 | 39,865 |
| Incoming resources from charitable activities | | |
| Conference and seminars | 29,514 | 27,202 |
| Leading Learning programme | <u>62,043</u> | <u>53,537</u> |
| | 91,557 | 80,739 |
| Other incoming resources | | |
| Sponsorship and other income | <u>25,827</u> | <u>21,750</u> |
| Total incoming resources | 151,802 | 142,354 |
| RESOURCES EXPENDED | | |
| Charitable activities | | |
| Professional development | 48,974 | 30,836 |
| Resources development | 35,577 | 34,204 |
| Leading Learning programme | 48,548 | 44,305 |
| Business planning | <u>869</u> | <u>1,322</u> |
| | 133,968 | 110,667 |
| Governance costs | | |
| Effective governance | <u>12,209</u> | <u>12,924</u> |
| Total resources expended | 146,177 | 123,591 |
| | <hr/> | <hr/> |
| Net income | <u><u>5,625</u></u> | <u><u>18,763</u></u> |

This page does not form part of the statutory financial statements