

Registration number: 5265112

Express FM (Portsmouth) Limited

(A company limited by guarantee)

Directors' Report and Financial Statements

for the Year Ended 31 July 2013

Express FM (Portsmouth) Limited

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The following pages do not form part of the statutory financial statements:

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Express FM (Portsmouth) Limited
Company Information

Chairman	S P Claridge
Directors	C Buggy D John S P Claridge Z Gray S D Frampton E C Merdler E Corina
Company secretary	C Carnegie
Registered office	49 Arundel Street Portsmouth PO1 1SA
Bankers	The Co-operative Bank PLC PO Box 250 Skelmersdale WN8 6WT
Auditors	CW Fellowes Limited Chartered Accountants and Registered Auditors Carnac Place Cams Hall Estate Fareham Hampshire PO16 8UY

Express FM (Portsmouth) Limited
Chairperson's report for the Year Ended 31 July 2013

Chair's report

I am pleased to present my report for the year ended July 31st 2013.

Operational

The radio station's mission is to showcase the work of local students and people of all ages who may wish to engage in learning, to broadcast special series tackling local issues and personal development, and support a broad range of community activities. A particular highlight during the year under review has been the development of our 'Grass Roots' local sports strand. Dozens of volunteers create a real on-air 'buzz' around the thriving non-league football scene. Our coverage of Portsmouth FC also began a new phase, in partnership with what is now England's biggest community-led club. The station is continually seen out and about, with outside broadcasts from a variety of local events. We are key supporters of some of these, such as the revived Southsea Show and the first South Coast Business Show. All this takes place in context of a regular programme schedule that is uniquely rich and diverse on the local radio dial, covering many topics and musical tastes and almost all made by volunteers.

Financial and prospects

We are grateful to our major local funders, including Highbury College, the University of Portsmouth, Southern Co-Operatives, and the South-East Hampshire YMCA. We have concluded a special youth project that received funding from BBC Children in Need. JobCentre Plus agreed to support an innovative scheme that uses radio to encourage long-term unemployed people back into work or education. Many other organisations have provided their support, partnerships and funding and we thank them all. The funding climate for third-sector organisations continued to be difficult during the year, but we dramatically reduced our rate of operating deficit. Prudent financial management in our early years, and extremely modest fixed overheads, mean we can continue to plan for an exciting future. We have also leveraged our skills to take on management of the 'Shaping the Future of Portsmouth' project and a consultancy with Highbury College; both will help defray some core costs.

Equal Opportunities Report

Our Equality and Diversity policy was agreed by the board on January 11th 2006 and is reviewed annually. The latest version is published online and can be viewed via <http://41.mm.g-media.com/607532.pdf>. The board's assessment is that the policy has been followed during the year under review. In particular flexible working has been offered wherever possible. Our programme service has also reflected our mission to reflect the community we serve, with programmes addressing multi-cultural life in South-East Hampshire.

Thanks to the team

The work of Express FM is only possible thanks to our small and hard-working staff team and the creativity of our army of volunteers. After another busy and productive year it is a pleasure publicly to be able to thank them all.

.....

S P Claridge
Chairperson

Date

Express FM (Portsmouth) Limited
Directors' Report for the Year Ended 31 July 2013

The directors present their report and the financial statements for the year ended 31 July 2013.

Principal activity

The principal activity of the company is to run a radio station for the benefit of the community in the Portsmouth area.

Directors of the company

The directors who held office during the year were as follows:

C Buggy

D John

C Longhurst (resigned 28 November 2012)

S P Claridge - Chairman

S P Claridge

Z Gray

S D Frampton

E C Merdler

E Corina

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Small company provisions

The Directors' Report has been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on and signed on its behalf by:

.....
S P Claridge
Director

Express FM (Portsmouth) Limited
Directors' Report for the Year Ended 31 July 2013

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Independent Auditor's Report to the Members of Express FM (Portsmouth) Limited

We have audited the financial statements of Express FM (Portsmouth) Limited for the year ended 31 July 2013 which comprise the Revenue Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 anyone 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 directors and auditor

As explained more fully in the Directors' Responsibilities Statement (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of
Express FM (Portsmouth) Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime.

.....
Zara Hogg BA FCA
Senior Statutory Auditor

for and on behalf of:
CW Fellowes Limited, Statutory Auditor

Carnac Place
Cams Hall Estate
Fareham
Hampshire
PO16 8UY

Date:.....

Express FM (Portsmouth) Limited
Revenue Account for the Year Ended 31 July 2013

	Note	2013 £	2012 £
Revenue	2	113,343	96,439
Cost of sales		<u>(8,355)</u>	<u>(5,913)</u>
Surplus		104,988	90,526
Administrative expenses		<u>(131,155)</u>	<u>(144,293)</u>
Operating deficit	3	(26,167)	(53,767)
Other interest receivable and similar income		<u>137</u>	<u>225</u>
Deficit on ordinary activities before taxation		(26,030)	(53,542)
Tax on deficit on ordinary activities	5	<u>(27)</u>	<u>(45)</u>
Deficit for the financial year		<u><u>(26,057)</u></u>	<u><u>(53,587)</u></u>

The notes on pages 9 to 14 form an integral part of these financial statements.

Express FM (Portsmouth) Limited
(Registration number: 5265112)
Balance Sheet at 31 July 2013

	Note	2013		2012	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		10,579		23,099
Current assets					
Debtors	7	14,294		12,027	
Cash at bank and in hand		<u>72,667</u>		<u>58,981</u>	
		86,961		71,008	
Creditors: Amounts falling due within one year	8	<u>(58,592)</u>		<u>(29,102)</u>	
Net current assets			<u>28,369</u>		<u>41,906</u>
Net assets			<u><u>38,948</u></u>		<u><u>65,005</u></u>
Capital and reserves					
Profit and loss account	10		<u><u>38,948</u></u>		<u><u>65,005</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on and signed on its behalf by:

.....
S P Claridge
Director

Express FM (Portsmouth) Limited
Notes to the Financial Statements for the Year Ended 31 July 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going concern

In light of the current economic climate the directors have identified their key risk to be loss of principal funders, and have considered its potential impact on the financial statements. In this eventuality the directors are confident that the company would either be able to replace lost funding, or reduce costs in line with any reduction in income. In view of this, and of the company's strong position and level of cash reserves, the directors consider it appropriate to continue to adopt the going concern basis.

Income

Income represents grants, donations, service legal agreements with local educational and community establishments and advertising revenue net of value added tax.

Revenue grants

Revenue grants are credited to income so as to match them with the expenditure to which they relate.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Studio and transmission equipment	20% straight line basis
Office equipment	20% straight line basis
Computer equipment	33% straight line basis

2 Income

	2013	2012
	£	£
Community benefit activities	19,000	26,567
Commercial sponsorship	32,359	25,003
Donations	25,542	22,500
Training and facilities	10,395	5,223
Other project grants	6,714	17,146
Shaping the Future of Portsmouth project	19,333	-
	<u>113,343</u>	<u>96,439</u>

Express FM (Portsmouth) Limited
Notes to the Financial Statements for the Year Ended 31 July 2013

3 Operating deficit

Operating deficit is stated after charging:

	2013	2012
	£	£
Auditor's remuneration - The audit of the company's annual accounts	1,990	1,990
Loss on sale of tangible fixed assets	-	700
Depreciation of tangible fixed assets	<u>13,029</u>	<u>13,887</u>

4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2013	2012
	£	£
Remuneration	<u>40,000</u>	<u>36,250</u>

Express FM (Portsmouth) Limited
Notes to the Financial Statements for the Year Ended 31 July 2013

5 Taxation

Analysis of current period tax charge

	2013	2012
	£	£
Current tax		
Corporation tax charge	<u>27</u>	<u>45</u>

The directors are of the opinion that the company's operations are not chargeable to corporation tax. Corporation tax is chargeable on interest received.

6 Tangible fixed assets

	Computer equipment £	Studio & transmission equipment £	Office equipment £	Total £
Cost or valuation				
At 1 August 2012	5,969	79,671	846	86,486
Additions	<u>509</u>	<u>-</u>	<u>-</u>	<u>509</u>
At 31 July 2013	<u>6,478</u>	<u>79,671</u>	<u>846</u>	<u>86,995</u>
Depreciation				
At 1 August 2012	5,057	57,622	708	63,387
Charge for the year	<u>1,065</u>	<u>11,901</u>	<u>63</u>	<u>13,029</u>
At 31 July 2013	<u>6,122</u>	<u>69,523</u>	<u>771</u>	<u>76,416</u>
Net book value				
At 31 July 2013	<u>356</u>	<u>10,148</u>	<u>75</u>	<u>10,579</u>
At 31 July 2012	<u>912</u>	<u>22,049</u>	<u>138</u>	<u>23,099</u>

Leased assets

Included within the net book value of tangible fixed assets is £nil (2012 - £13,333) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £nil (2012 - £8,000).

7 Debtors

	2013	2012
	£	£
Trade debtors	11,878	9,930
Prepayments and accrued income	<u>2,416</u>	<u>2,097</u>
	<u>14,294</u>	<u>12,027</u>

Express FM (Portsmouth) Limited
Notes to the Financial Statements for the Year Ended 31 July 2013

8 Creditors: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	29	85
Obligations under finance lease and hire purchase contracts	-	8,000
Corporation tax	77	77
Other taxes and social security	801	226
Accruals and deferred income	<u>57,685</u>	<u>20,714</u>
	<u><u>58,592</u></u>	<u><u>29,102</u></u>

9 Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

10 Reserves

	Profit and loss account	Total
	£	£
At 1 August 2012	65,005	65,005
Loss for the year	<u>(26,057)</u>	<u>(26,057)</u>
At 31 July 2013	<u><u>38,948</u></u>	<u><u>38,948</u></u>

The company's Articles of Association specify that any income and property must be applied to the promotion of the objects of the company and cannot be distributed directly or indirectly by way of dividends, bonus or other distribution to the members of the company.

In the event of the dissolution of the company, any surplus remaining shall be given or transferred to another association or body having objectives similar to those of the company.

Express FM (Portsmouth) Limited
Notes to the Financial Statements for the Year Ended 31 July 2013

11 Related party transactions

Controlling entity

The company is not under the control of any other entity or individual.

Related party transactions

	2013				2012			
	£				£			
	Grants received from members	Payment for services	Premises & administrative services provided	Donations for Shaping Portsmouth project	Grants received from members	Payment for services	Premises & administrative services provided	Donations for Shaping Portsmouth project
Highbury College	10,000	2,000	14,450	5,000	10,000	990	14,450	-
University of Portsmouth	-	12,000	12,000	5,000	-	12,000	12,000	-
Portsmouth College	2,000	-	-	500	2,000	-	-	-
YMCA Fairthorne Group	10,000	-	-	-	10,000	-	-	-
Portsmouth and SEH EBP	-	1,080	-	-	-	473	-	-
Learning Links	500	360	-	-	500	420	-	-
Southern Co-Operative	500	18,000	-	-	-	18,000	-	-
	<u>23,000</u>	<u>33,440</u>	<u>26,450</u>	<u>10,500</u>	<u>22,500</u>	<u>31,883</u>	<u>26,450</u>	<u>-</u>

Express FM (Portsmouth) Limited

Notes to the Financial Statements for the Year Ended 31 July 2013

Amounts of £4,958 (2012 - £4,167) from the YMCA Fairthorne Group donation and £7,500 (2012 - £7,500) from Southern Co-Operative payment for services have been deferred to the year ending 31 July 2013 and are included in the balance sheet as "accruals and deferred income".

During 2009 a finance lease was entered into with Highbury College leasing system software and studio hardware for £8,000 per annum over 5 years. The amount of £nil (2012 - £8,000) included in creditors falling due within one year relate to the finance lease.

There are amounts of £7,000 (2012 - £5,420) owed from members at the year end. Included in "Amounts received from members" is £26,450 (2012 - £26,450) for the premises and services provided which is not reflected in the profit and loss account.

Express FM (Portsmouth) Limited
Detailed Revenue Account for the Year Ended 31 July 2013

	2013		2012	
	£	£	£	£
Revenue		113,343		96,439
Cost of sales		(8,355)		(5,913)
Surplus		104,988		90,526
Surplus (%)		92.63%		93.87%
Administrative expenses				
Employment costs	95,801		104,896	
Establishment costs	2,684		5,000	
General administrative expenses	19,641		19,768	
Finance charges	-		42	
Depreciation costs	13,029		14,587	
		(131,155)		(144,293)
Other interest receivable and similar income		137		225
Deficit on ordinary activities before taxation		(26,030)		(53,542)

Express FM (Portsmouth) Limited
Detailed Revenue Account for the Year Ended 31 July 2013

	2013 £	2012 £
Income		
Community benefit activities	19,000	26,567
Commercial sponsorship	32,359	25,003
Donations	25,542	22,500
Training and facilities	10,395	5,223
Other project grants	6,714	17,146
Shaping the Future of Portsmouth project	19,333	-
	<u>113,343</u>	<u>96,439</u>
Cost of sales		
Licences	4,981	4,029
Marketing costs	145	1,884
Shaping Portsmouth marketing	3,229	-
	<u>8,355</u>	<u>5,913</u>
Employment costs		
Wages and salaries	43,598	56,838
Staff NIC (Employers)	3,081	3,486
Directors remuneration	40,000	36,250
Directors NIC (Employers)	4,477	4,007
Freelance costs	4,645	4,315
	<u>95,801</u>	<u>104,896</u>
Establishment costs		
Insurance	2,194	2,877
Engineering repairs and maintenance	490	2,123
	<u>2,684</u>	<u>5,000</u>
General administrative expenses		
Telephone and fax	3,896	3,657
Printing, postage and stationery	425	576
Licences and copyright	7,854	5,829
Sundry expenses	746	1,070
Accountancy fees	871	914
Auditor's remuneration - The audit of the company's annual accounts	1,990	1,990
Travel and subsistence	3,859	5,516
Volunteer and staff events	-	216
	<u>19,641</u>	<u>19,768</u>
Finance charges		
Bank charges	-	42

Express FM (Portsmouth) Limited
Detailed Revenue Account for the Year Ended 31 July 2013

	2013	2012
	£	£
Depreciation costs		
Depreciation of plant and machinery	1,065	1,763
Depreciation of fixtures and fittings	11,901	11,906
Depreciation of office equipment	63	218
(Profit)/loss on disposal of tangible fixed assets	-	700
	<u>13,029</u>	<u>14,587</u>
Other interest receivable and similar income		
Bank interest receivable	137	225
	<u>137</u>	<u>225</u>