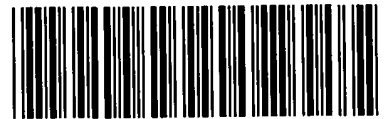


Charity Registration No. 1104635

Company Registration No. 04738521 (England and Wales)

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Kelly Sir I. McKellen M Alibhai-Brown Mr I Thompson Mr N Arthanayake Mr P Morley Mr M Blenkinsop Ms S Tallant Mr J Beddard	(Appointed 7 February 2017)
Artistic Director	Ms C. Bailey	
Artistic Director	Ms C. Bailey	
Secretary	M Bailey	
Charity number	1104635	
Company number	04738521	
Principal address	Chalkwell Hall Chalkwell Avenue Southend on Sea Essex SS0 8NB	
Registered office	Chalkwell Hall Chalkwell Avenue Southend on Sea Essex SS0 8NB	
Auditor	TBL Accountants 457 Southchurch Road Southend on Sea Essex SS1 2PH	
Bankers	The Royal Bank of Scotland 62/63 Threadneedle Street London EC2R 8LA	

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
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METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

Objectives and activities

The Charity is established for the objects expressed in the Memorandum of Association

1. To promote and advance the sharing and understanding of artistic process.
2. To use any premises that may be acquired by or made available to the Charity for the programme of activities, both educational and creative, aimed at increasing understanding of the process of artistic creativity.
3. To provide studio space and accommodation for artists to further their creative practice, develop the philosophy of their work, and have the opportunity to collaborate across discipline, in conjunction with artists and artistic organisations in the United Kingdom and abroad; and to encourage a culture of shared debate, experience and discipline.
4. To provide access to artistic process for the general public through new forms of public interaction, communication and display; to act as an educational resource; and to explore the potential for artists and cultural practitioners to effect change in their communities and to advance Clause 27 of the United Nations Declaration of Human Rights 1948.
5. To promote understanding for the benefit of the public in general of the work of artists, their process of artistic creativity and the contribution artists make to society; to encourage the assistance of artists by local, regional and national authorities, patrons and sponsors; and to act as a catalyst for strong artistic leadership.

The policies adopted in furtherance of these objects are:-

1. Supporting artists, and strengthening the artists' 'collective voice'
2. Bringing creative thinkers from all sectors together
3. Offering local and global perspectives to stimulate curiosity
4. Showcasing, developing, delivering and disseminating successful projects
5. Offering a new, alternative model for the traditional 'civic arts centre' in places of low engagement

and there has been no change in these during the period.

The Trustees are aware of their duty under S.17 of the Charities Act 2011 to have due regard to the Public Benefit Guidance published by the Charity Commission. As such, the Trustees ensure that the activities of the Charity are for public benefit.

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017

Activities during the year 2016 - 2017 have included:-

175 Artists in residence from the UK and overseas were housed in Liverpool, Southend and Peterborough, working in a wide range of disciplines.

In all three spaces – Liverpool, Southend and Peterborough we delivered talent development programmes for artists working in all disciplines. Including, 12 x Future Network meetings (4 in each site), 4 x week-long residential peer-to-peer LABs for artists, alongside one to one mentoring and professional development for individual artists and arts organisations. We also ran the third year of a 3 year CPD programme in Peterborough for the ACE funded Creative People and Places project.

Our highlights in 2016/17 in Peterborough include:-

- Harvest – the second year of the 2 year programme included a major, 3 month exhibition titled Food by lead artists Lucy & Jorge Orta at Peterborough City Art Gallery, alongside the publication of a major book on the artist's work, with Metal's work featured over 9 full colour, illustrated pages. Exhibition was attended by 10,504. Running alongside the show was a diverse programme of activities and events ranging from bread making and pickling workshops, artists talks, and public debates. Workshop Participants: 685.
- Even You Song - artists Lucy Sheerman and Bettina Furnee worked with 4 school choirs (Yr 4-6) joining Peterborough Cathedral choristers to perform a new choral work in the Cathedral. The project included libretto workshops, vocal demonstrations and voice coaching from Cathedral Director of Music Steven Grahl. 120 young people will gain Arts Award Discover, supported by Metal as part of the process.
- Resident: Artists Jessie Brennan, Marc Atkinson and Matt Lewis spent the year 'in residence' in the city, hosted by Metal, exploring the tensions between the built environment and green spaces (as Peterborough is the fastest growing city in UK) and working directly with local residents to capture the changes, and their views and concerns through sound recordings, video and photography. The resulting work was presented by Metal at City Gallery Peterborough over 6 weeks in the summer 2016. Audience: 8586.
- Change Makers: Metal were successful in their application with Peterborough based disabled dance artist Kate Marsh to Arts Council England Change Makers programme to develop diverse leaders of the future. Kate will work with Metal as an 'agent for change', leading a programme that explores new approaches to talent development, leadership and collaboration for disabled artists and those exploring the 'othered' body via a series of LABs, residencies, new commissions and showcases. The resulting work will be presented at a new national symposium to coincide with Unlimited 2018 in partnership with Coventry University.
- Whitworth Mill: Metal have been working closely with Peterborough City Council on the feasibility of turning Whitworth Mill (as part of the Fletton Quays development) into a creative industries hub and new home for the organisation.

Our highlights in 2016/17 in Liverpool include:-

- During 2015/16 we partnered with Southbank Centre to deliver Different Trains in Liverpool - a major project that saw legendary American composer Steve Reich perform his masterpiece Different Trains live in Liverpool, while filmmaker Bill Morrison presented a newly commissioned film as an accompaniment. Taking place before a sold-out crowd at Edge Hill Station's historic carriage ramp on 29th September 2016, the concert was also broadcast live on Boiler Room. Partly funded by a successful Kickstarter campaign, the project also saw more than a hundred free tickets being given away to local residents, schools and community groups, as well as a programme of supporting events, including films, gigs, a film installation and an 'in conversation' event with Steve Reich and Bill Morrison. 98 local GCSE students to meet Steve Reich after the performance of Different Trains. His work, Electric Counterpoint, is on the national curriculum for GCSE Music.
- Beach Huts Ideas Walk: In 2016, we continued to raise profile with audiences across the city centre with 20 artist designed Beach Huts and participatory programme sited on Liverpool's waterfront for 3 weeks, reaching an audience of 170,991.
- Metal provided the conduit for Marvin Gaye Chetwynd to work with 34 children and 44 teenagers for Dogsy Ma Bone, performed as part of Liverpool Biennial as well as enabling 98 local GCSE students to meet Steve Reich after the performance of Different Trains.

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017

Our highlights in 2016/17 in Southend include:-

- Estuary 2016: our new biennial festival included a number of public realm works, broadening our audience considerably. E.g. Infinity, a photography exhibition along the 1.3 mile walk to the end of Southend Pier; Museum Pop-Up in a shipping container on Southend Seafront; and Wish You Were Her - 10 artist designed Beach Huts as cultural venues on Southend Pier. During the festival these projects added 30,548 to our audiences and all remain in situ continuing to delight audiences. 32 schools and 1156 pupils from Southend and Thurrock took part in competitions, workshops and full day exhibition tours of our inaugural regional festival in 2016.
- In 2016 we developed a 12 month alternative art education model for practising artists based at MAS. The Other MA (TOMA) is a response to the fact that many artists wish to continue learning and critical discourse with peers but find access to current MA provisions difficult (time/cost/work commitments). The first cohort of 10 students started in Sept 2016. The programme has formed partnerships with Open School East, The School of the Damned, AltMFA and has taken part in a conference on alternative art education at Pioneer Works in New York. It's development has been funded by Seedbed Trust, who will continue to invest in 2017/18.
- Village Green and Village Beach: Next Generation: Our two outdoor children's festivals in Southend (34 schools/3200 pupils) and Grays (28 schools/2300 pupils) provided performance, exhibition, masterclass and workshop opportunities in a wide range of creative disciplines, for young people from Reception to Year 13.
- In 2016 we added a further three works to NetPark. Everyday Fiction by Alison Ballard and Play Southend: Now or Never by Helen Stratford/Idit Nathan (which followed a pilot in Play Peterborough) and Garden of Remember, a new story-based artwork created by artists Elsa James and Jo Magee working with people living with dementia and Westborough Primary School. This project has grown out of our wider NetPark Wellbeing Project which creates artwork and teaches digital skills to adults living with mental health concerns.

We deliver Arts Award across all three of our sites as well as working as an Arts Award Supporter advising local schools on delivery of Arts Award programmes and assisting with their ArtsMark ambitions. Discover and Explore are delivered through our large scale projects, e.g Even You Song in Peterborough, or at festivals e.g at Village Green, Village Beach and Estuary 2016 a total of 144 young people gained a Discover In A Day award, a one day delivery methodology that we developed and tested with ROH Bridge. Regular holiday workshops and Art Summer Schools for 4 - 11 year olds in Southend achieved a further 34 Discover certificates.

Many more small and medium scale projects were delivered.

The Charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Charity continues and that the appropriate training is arranged. It is the policy of the Charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017

Achievements and performance

We are pleased and proud to report that the Charity has had a very successful year during 2016/17. We would like to thank staff, artists and our committed team of volunteers who have contributed to this success, and to the ideas and plans for the Charity's development into the future.

We have successfully maintained a large selection of partnership agreements, financial, artistic and operational with a wide range of public and private sector partners.

We have successfully delivered a wide-ranging and far reaching programme for artists and audience, in a diverse range of artistic disciplines, throughout the year.

We worked with 1,444 artists, 17,195 active participants, 1,382,201 live audiences and over 7,141,255 online audiences.

We have recently received a conditional offer from Arts Council England confirming our National Portfolio Organisation funding for the next four years from 2018 - 2022. We are currently in the process of creating a robust business plan, the approval of which will secure this money for the Charity's future operation.

Financial review

The Charity has had a successful year with regards to the level of funding support attracted for the furtherance of our aims and objectives. Significant project funding has been achieved for the charities activities, some of which are listed above.

Our accounts show a rise in income of £91,802 from last year – this is following a period of growth which has seen income rise by £538k in 2015/16; £141k in 2014/15, £90k in 2013/14 and £286K in 2012/13. This reflects our continued commitment to obtain funding from a variety of sources, including Arts Council England which has committed funding for the charity through to 2022.

Our 2016/17 accounts show expenditure incurred in excess of income received in the year of £104,946. This follows a year of income in excess of expenditure (in 2015/16) and is due to a number of factors, including:-

- 1. An adjustment to correct the disposal of assets figure of £25,079
- 2. An unusually high level of delivery of projects across all three sites
- 3. In particular two large scale projects - one ran over budget; the other did not achieve sufficient predicted income to cover costs of delivery.
- 4. Unexpected emergency repairs to one of our buildings.
- 5. Bad debt - currently being pursued through Small Claims Court for payment.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to approximately three months of support costs. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. At this stage we have not achieved the retention of this level of unrestricted funds in 2016/2017. The Board and Senior Management Team are working together to put plans in place to rectify this in 2017/2018.

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees encourage diverse sourcing of income, including sponsorship and where possible earned income. During 2016/17 partnerships with a wide range of supporters of the charity have been maintained.

Of note is the high level of commitment and participation across the organisation from volunteers (members of our communities in Southend, Liverpool and Peterborough). In 2016/17, 476 volunteers gave 5204 hours of time to the delivery of our programmes. This contribution amounts to an equivalent value of £38,468 when using the minimum wage of £7.20 as a guide - a significant addition to our capacity for running events and activities, as well as a reflection of how embedded with our immediate communities Metal's work is. Metal's Board and staff team members would like to extend a heartfelt thanks to all our volunteers who generously gave their time and expertise to the organisation.

Also of note, in 2016/2017 our Earned Income for events and programme (pg 15 of accounts) has risen substantially from £287,596 in 2015/16 to £477,950 in 2016/17 (66% rise). This has come from a mixture of consultancy and commissioned work (e.g each Huts in Liverpool and Southend); Sponsorship; and ticket sales to events, mainly for large scale projects such as Different Trains, Village Green and some parts of Estuary. However, the ticket prices to these events remain heavily subsidised by public funding achieved by the Metal team and the majority of our events remain fully funded and are provided free to artists, participants and audiences.

The Board of Trustees, Artistic Director and other senior staff are continually researching and examining opportunities for additional and longer term funding.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The Committee maintains, and keeps under regular review, a business risk management record which identifies potential risks to the key functions of the Association.

The Metal Board continue to work towards achieving the following areas for development which were set out in the business plan for 2015-2018. Some have been completed, including:-

- Build the capacity of the organisation by two new key members of staff
- Create a new dedicated education space at Chalkwell Park in Southend on Sea
- Expand our engagement with schools, colleges and higher education institutions local to all three Metal sites
- Improve our analysis of data captured from audiences across the organisation.

Some, still to be completed, including:-

- Finding investment and a research partner to test our 'model' for an alternative civic arts centre

Our 2015-18 business plan sets out in detail how these aims will be/have been met. The Board and Senior Management Team are currently working on the Metal Business Plan for 2018 - 2022, having achieved a conditional offer from Arts Council England for a National Portfolio Organisation grant covering this period of activity.

Structure, governance and management

Metal Culture Limited, which was established in 2003, is a registered charity, number 1104635, and is incorporated as a company limited by guarantee (not having share capital), company number 04738521. The principle activity of the organisation is the advancement of education of the public in the appreciation of the arts and performing arts and to encourage and promote public interest in new artistic endeavours by supporting the work and aspirations of new artists. Also, it provides financial relief and otherwise for the development among artists and student artists of their performance study and understanding of the performing arts who are in need, by reason of their social and economic circumstances, by the provision of studio space and short-term residency.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017

M Kelly

Sir I. McKellen

M Alibhai-Brown

Mr I Thompson

Mr N Arthanayake

Mr P Morley

Ms R Lichtenstein

(Resigned 7 February 2017)

Mr M Blenkinsop

Ms S Tallant

Mr J Beddard

(Appointed 7 February 2017)

Any current Trustee can make nominations for the appointment of new Trustees and such nominations need the unanimous approval of the Trustees. The nominee, who usually would have some particular attribute, which would benefit the Charity, would then be invited to attend one or more meetings as a guest before their acceptance as a new Trustee is confirmed. During this period, the nominee is made aware of the legal obligations under Charity and company law, the content of the memorandum and articles, the decision making process, the business plan and recent financial performance of the Charity.

The daily management of the Charity is in the hands of the Artistic Director & Chief Executive Officer (AD & CEO), Colette Bailey, who ensures that the services and activities of the Charity continue to grow. She works with a Senior Management Team that includes the Regional Directors of each Metal site, alongside a team of employees, freelance specialists and a team of volunteers who deliver the charities programme of work. The AD & CEO presents detailed proposals for change, improvements and progress, and oversees staff appointments in consultation with the Chair. The Board is responsible for decisions in respect of capital projects, fundraising schemes, policy and the future strategic direction of the Charity.

The Charity operates on a local, regional, national and international level. We have excellent national and international links with respected and acclaimed artists and organisations from all disciplines.

Disabled persons

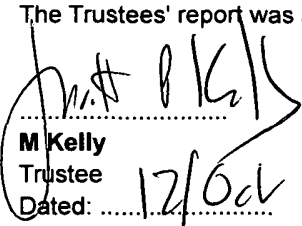
The Charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Auditor

In accordance with the company's articles, a resolution proposing that TBL Accountants be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report was approved by the Board of Trustees.


M Kelly

Trustee

Dated: 12/06/2017

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees, who are also the directors of Metal Culture Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF METAL CULTURE LIMITED

We have audited the financial statements of Metal Culture Limited for the year ended 31 March 2017 set out on pages 10 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 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 auditors' 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the statement of Trustees' responsibilities set out on page 7, the Trustees, who are also the directors of Metal Culture Limited for the purposes of company law are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The Trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts 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 Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF METAL CULTURE LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Paul Stafford (Senior Statutory Auditor)
for and on behalf of TBL Accountants

28/11/17

Chartered Certified Accountants
Statutory Auditor

457 Southchurch Road
Southend on Sea
Essex
SS1 2PH

TBL Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income from:</u>					
Donations and legacies	3	23,316	-	23,316	15,990
Charitable activities	4	964,382	285,991	1,250,373	1,356,251
Other trading activities	5	477,950	-	477,950	287,596
Total income		1,465,648	285,991	1,751,639	1,659,837
<u>Expenditure on:</u>					
Raising funds	6	66,612	-	66,612	45,569
Charitable activities	7	1,466,948	323,025	1,789,973	1,395,320
Total resources expended		1,533,560	323,025	1,856,585	1,440,889
Net (outgoing)/incoming resources before transfers		(67,912)	(37,034)	(104,946)	218,948
Gross transfers between funds		108,727	(108,727)	-	-
Net income/(expenditure) for the year/ Net movement in funds		40,815	(145,761)	(104,946)	218,948
Fund balances at 1 April 2016		123,299	309,452	432,751	213,803
Fund balances at 31 March 2017		164,114	163,691	327,805	432,751

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET
AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	11		120,860		145,451
Current assets					
Debtors	13	122,216		70,416	
Cash at bank and in hand		166,385		339,589	
		288,601		410,005	
Creditors: amounts falling due within one year	14	(81,656)		(122,705)	
Net current assets			206,945		287,300
Total assets less current liabilities			327,805		432,751
Income funds					
Restricted funds	16	163,691		309,452	
Unrestricted funds		164,114		123,299	
		327,805		432,751	

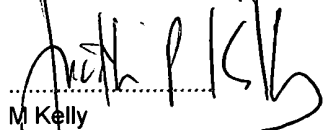
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on

28 September 2017



M Kelly
Trustee

Company Registration No. 04738521

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(157,999)		284,739
Investing activities					
Purchase of tangible fixed assets		(15,205)		(130,001)	
Proceeds on disposal of tangible fixed assets		-		5,931	
Net cash used in investing activities			(15,205)		(124,070)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(173,204)		160,669
Cash and cash equivalents at beginning of year			339,589		178,920
Cash and cash equivalents at end of year			<u>166,385</u>		<u>339,589</u>

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Charity information

Metal Culture Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Chalkwell Hall, Chalkwell Avenue, Southend on Sea, Essex, SS0 8NB.

1.1 Accounting convention

The accounts have been prepared under the historical cost convention.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the trustees report.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Items valued below £100 are not capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	10-25% reducing balance
--------------------------------	-------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

METAL CULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Irrecoverable VAT

Irrecoverable VAT is included in governance costs.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

METAL CULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	23,316	15,990

4 Charitable activities

	2017	2016
	£	£
Services provided under contract	155,000	109,667
Performance related grants	1,056,779	1,210,449
Rental income	12,332	7,657
Other income	26,262	1,978
Less: deferred income	-	26,500
	<u>1,250,373</u>	<u>1,356,251</u>

Analysis by fund	
Unrestricted funds	964,382
Restricted funds	285,991
	<u>1,250,373</u>

For the year ended 31 March 2016

Unrestricted funds	925,944
Restricted funds	430,307
	<u>1,356,251</u>

Deferred income

Restricted deferred income consists of £26,500 of grant income released from the previous year.

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

5 Other trading activities

	2017	2016
	£	£
Commissioned projects & consultancy	287,216	121,295
Project sponsors	15,000	11,946
Event income	175,734	154,355
	<u> </u>	<u> </u>
Other trading activities	<u>477,950</u>	<u>287,596</u>

6 Raising funds

	2017	2016
	£	£
<u>Fundraising trading: costs of services provided</u>		
Support costs	66,612	45,569
	<u> </u>	<u> </u>
	<u>66,612</u>	<u>45,569</u>
 For the year ended 31 March 2016		
Fundraising trading: costs of services provided		45,569
		<u> </u>
		<u>45,569</u>

METAL CULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

7 Charitable activities

	2017 £	2016 £
Depreciation and impairment	20,588	27,451
Other charitable expenditure	1,177,353	860,186
	<u>1,197,941</u>	<u>887,637</u>
Share of support costs (see note 8)	581,832	495,673
Share of governance costs (see note 8)	10,200	12,010
	<u>1,789,973</u>	<u>1,395,320</u>
Analysis by fund		
Unrestricted funds	1,466,948	
Restricted funds	323,025	
	<u>1,789,973</u>	
For the year ended 31 March 2016		
Unrestricted funds		1,267,938
Restricted funds		127,382
		<u>1,395,320</u>

METAL CULTURE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

8 Support costs

	Support costs	Governance costs	2017	2016	Basis of allocation
	£	£	£	£	
Staff costs	449,263	-	449,263	381,602	Employee time spent
Depreciation	19,208	-	19,208	18,852	Usage of assets
Property expenses	62,112	-	62,112	46,899	Employee time spent
Repairs, insurance and miscellaneous expenses	117,861	-	117,861	93,889	Employee time spent
Audit fees	-	6,000	6,000	6,000	Governance
Accountancy	-	4,200	4,200	6,010	Governance
	<u>648,444</u>	<u>10,200</u>	<u>658,644</u>	<u>553,252</u>	
Analysed between					
Trading	66,612	-	66,612	45,569	
Charitable activities	581,832	10,200	592,032	507,683	
	<u>648,444</u>	<u>10,200</u>	<u>658,644</u>	<u>553,252</u>	

Governance costs includes payments to the auditors of £6,000 (2016- £6,000) for audit fees, and £4,200 (2016- £6,010) to the auditors for accountancy work.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the year, except for those disclosed in the related party note.

During the year, the Charity made payments to R Lichtenstein amounting to £4,250 (2016:£4,200). These payments were made on normal commercial terms in respect of services provided outside of the Trustee role.

The Charity also made payments to P Morley amounting to £300 (2016:£300). These payments were made under normal commercial terms in respect of services provided outside of the Trustees role.

During the year the company made purchases, on normal commercial terms, amounting to £nil (2016: £11,322) from Thompson Brand Partners, a business in which I Thompson is a partner.

METAL CULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

10 Employees

Number of employees

The average monthly number employees during the year was:

	2017	2016
	Number	Number
Overall Organisation	3	3
Southend on Sea	3	3
Liverpool	4	3
Peterborough	4	3
Thurrock	2	1
	<u>16</u>	<u>13</u>

Employment costs

	2017	2016
	£	£
Wages and salaries	409,227	346,933
Social security costs	37,230	32,258
Other pension costs	2,806	2,411
	<u>449,263</u>	<u>381,602</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2017	2016
	Number	Number
£60,000 - £70,000	<u>1</u>	<u>1</u>

Contributions of £366 (2016: £366) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

11 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 April 2016	287,078
Additions	15,205
Disposals	(18,139)
At 31 March 2017	<u>284,144</u>
Depreciation and impairment	
At 1 April 2016	141,627
Depreciation charged in the year	37,668
Eliminated in respect of disposals	(16,011)
At 31 March 2017	<u>163,284</u>
Carrying amount	
At 31 March 2017	<u>120,860</u>
At 31 March 2016	<u>145,451</u>

All assets of the Charity are being held as security by the bank in the form of a debenture.

12 Financial instruments	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>58,995</u>	<u>32,370</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>47,975</u>	<u>50,776</u>
13 Debtors		
	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	58,989	32,332
Other debtors	5,878	38
Prepayments and accrued income	57,349	38,046
	<u>122,216</u>	<u>70,416</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

14 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Other taxation and social security		9,691	25,300
Deferred income	15	23,990	46,629
Trade creditors		23,276	34,147
Other creditors		2,301	2,250
Accruals and deferred income		22,398	14,379
		<u>81,656</u>	<u>122,705</u>

15 Deferred income

	2017 £	2016 £
Other deferred income	<u>23,990</u>	<u>46,629</u>

Deferred income is included in the financial statements as follows:

	2017 £	2016 £
Current liabilities	<u>23,990</u>	<u>46,629</u>
	<u>23,990</u>	<u>46,629</u>

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FOR THE YEAR ENDED 31 MARCH 2017

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2016	Incoming resources	Resources expended	Transfers	Balance at 31 March 2017
	£	£	£	£	£
Edge Hill studio renovation work	4,948	-	(1,184)	-	3,764
Arts Council Ambition for Excellence	116,037	111,000	(227,037)	-	-
Arts Council Small Capital Grant	77,615	-	(19,404)	-	58,211
Arts Council England Exceptional Awards	110,852	54,945	(57,070)	(108,727)	-
Arts Council grant Re-Imagine India/DT47	-	45,161	(8,769)	-	36,392
Arts Council England - Changemakers	-	74,885	9,560	-	84,445
	<u>309,452</u>	<u>285,991</u>	<u>(303,904)</u>	<u>(108,727)</u>	<u>163,692</u>

Edge Hill studio Renovation work relates to the net book value of assets held.

Arts Council England Ambition for Excellence grant relates to funding provided towards the Estuary Festival and the balance relates to funding for the remaining part of the project which takes place in the next financial year.

Arts Council England Small Capital grant was used to fund Metal Art School in Southend. The balance remaining is the net book value of the fixtures, fittings and equipment held by the charity.

Arts Council England Exceptional Awards grant relates to a project run in Peterborough called 'Harvest'. The project is running into the next financial year and the balance related to unspent funding which will be used in the next financial year.

Arts Council Grant for Re-Imagine India was used for the DT47 project in Liverpool. The project was to be concluded in the next financial year when additional funding would be received.

Arts Council England Changemaker grant for an 18 month project working with Associated Producers to expand creative case for Diversity.

During the review of Restricted funds it was noted that due to the various elements of the Harvest project, a portion of the expenditure had been treated as Unrestricted rather than Restricted. In order to correct the position of Restricted funds, an internal transfer was made between Restricted and Unrestricted funds.

METAL CULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible assets	(2,668)	61,764	120,860
Current assets/(liabilities)	(4,224)	211,169	206,945
	<u>(6,892)</u>	<u>272,933</u>	<u>327,805</u>

18 Related party transactions

During the year, the company made purchases for filming and editing amounting to £3,950 (2016:£1,150) from Andy Delaney, connected through an employee of the company, on normal business terms.

Printing and Design services were purchased on normal business terms amounting to £34,149 (2016: £5,088) from Baxter and Bailey, a business connected through an employee of the company.

Production services were purchased, on normal commercial terms, amounting to £7,780 (2016:£6,015) from Joanna McLoughlin, connected through an employee of the company.

At the balance sheet date there were no outstanding balances for any of the above transactions.

19 Cash generated from operations

	2017 £	2016 £
(Deficit)/surplus for the year	(104,946)	218,948
Adjustments for:		
Loss/(gain) on disposal of tangible fixed assets	2,128	(173)
Depreciation and impairment of tangible fixed assets	37,668	46,476
Movements in working capital:		
(Increase)/decrease in debtors	(51,800)	79,105
(Decrease) in creditors	(18,410)	(3,516)
(Decrease) in deferred income	(22,639)	(56,101)
Cash (absorbed by)/generated from operations	<u>(157,999)</u>	<u>284,739</u>