

Charity Registration No. SC002848

Company Registration No. SC123773 (Scotland)

FIREFLY ARTS LIMITED
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2012

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COMPANIES HOUSE

FIREFLY ARTS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Frazer Henderson
Lynsey Kelly
Andrew Miller
Mary Gapinski
Philip Kingscott
Sinclair MacKenzie
Thursa Sanderson
Ellie Stewart
Rod Young

Secretary

Alison Cockcroft

Charity number

SC002848

Company number

SC123773

Registered office

Howden Park Centre
Howden
Livingston
West Lothian
EH54 6AE

Independent examiner

McFadden Associates Limited
19 Rutland Square
Edinburgh
EH1 2BB

FIREFLY ARTS LIMITED

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FIREFLY ARTS LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The trustees present their report and accounts for the year ended 31 March 2012.

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 articles of association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

Governance

Firefly Arts Limited is a charitable company limited by guarantee. Formerly known as West Lothian Youth Theatre it was incorporated on 15 March 1990. The Company was established under a Memorandum of Association which established the objects and the powers of the charitable company and is governed under its Articles of Association. These documents were updated in line with legislation and best practice with the change of company name. Firefly Arts Ltd is registered with the office of the Scottish Charity Regulator (OSCR).

The company is governed by a Board of Directors. Board members are elected to serve for a period of four years and may under exceptional circumstances be re-elected for a second final term. Throughout 2011/2012 the board of Directors consisted of seven members plus a number of observers from major funder West Lothian council, who meet 6 times a year.

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

Jeanette Harris	(Resigned 15 June 2012)
Gowan Calder	(Resigned 15 June 2012)
Charlotte di Corpo	(Resigned 15 June 2012)
Frazer Henderson	
Lynsey Kelly	
Andrew Miller	
Mary Gapinski	(Appointed 30 May 2011)
Philip Kingscott	(Appointed 31 May 2011)
Sinclair MacKenzie	(Appointed 31 May 2011)

Potential new Board Members are invited to a meeting with the chair/vice-chairperson and members of senior management to discuss the work of Firefly Arts Limited. This usually covers the following areas:

- The governance structure of the organisation.
- Firefly Arts development and operational plans and strategies
- Resourcing and the current financial position.
- Future plans and objectives.

Recruitment and retention of Board Members is planned to secure a range of skills amongst the Board of Directors to ensure the aims and objectives of Firefly are well informed and fulfilled. All Board Members are encouraged to become familiar with the practical work of the charity, and supported to attend board development training sessions offered by external providers.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Risk Management

The Directors review major risk to which the charity is exposed and are satisfied that systems have been established to mitigate those risks. The principal risks and uncertainties facing the charity relate to future funding and this is managed by preparation of budgets and regular review by the Directors.

FIREFLY ARTS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

Objectives and activities

Firefly Arts offers theatre, film and performance activity for children and young people aged 5 to 25 years, and deliver a wide range of weekly workshops, holiday activity, training, school and community projects across West Lothian. Firefly Arts is committed to providing quality and equitable arts experience for all, regardless of cultural, economic and educational background, and aiming to:

- Enhance personal and social development, confidence and self-esteem.
- Advance creative and performance skills, artistic opportunity and technical experience.
- Generate innovative social, educational and cultural exchange for children and young people.

Achievements and performance

Programming and Partnership

Following a year of challenge and uncertainty, 2011/12 has seen a significant period of recovery and resurgence for Firefly Arts. Board members and staff have worked hard to clarify the purpose of the organisation, revise and update company policy and procedure, and implement an informed and considered strategy to underpin steady but stable growth. This has resulted in increased participation from children and young people across West Lothian, new partnerships with schools, youth, family and health services, and specific project funding from charitable trusts and foundations.

Firefly's core workshop and holiday activity programme for 2011/12 has maintained its presence at Howden Park Centre in Livingston, The Regal Theatre in Bathgate, and a move in this year from Donaldson's School to the newly refurbished Linlithgow Burgh Halls. Firefly's small but committed team of 3 part-time drama leaders delivered a total of 352 after-school film and drama workshops, with an additional 54 sessions of holiday arts activity. An additional run of taster workshops and pro-active marketing in schools and community youth groups ensured that participant numbers increased through-out the year.

With little improvement in the economic climate, 2011/12 was a year in which Firefly focused on building strategic partnerships with schools, local authority services, youth, family and health programmes. This stream of work included film and performance projects with Pinewood School, West Lothian Young Carers, West Lothian YWCA, West Lothian Council's Alcohol Reduction Team, Blackburn, Clarendon and Craigshill resource centres, Venture Trust and the Chill-Out Zone in Bathgate..

Much of this work focused on engaging with children and young people who are marginalised through disability, social and economic deprivation. Quality and attractive arts process provided an invaluable tool for addressing issues of confidence, self-esteem, alcohol misuse and transition. Firefly's development of this community programme was made possible by outreach and development funding received from The Robertson Trust.

In this year Firefly delivered performance projects with a number of West Lothian schools, including Pinewood primary and secondary, St Kentigern's Academy, James Young High school, and Ogilvie campus, Bankton, Winchburgh, Linlithgow and Blackburn Primary schools.

New partnerships have played an important role in increasing Firefly's cost-effectiveness, capacity and productivity. Collaborative work has increased opportunity to share costs, equipment, skills and resources, in particular training, professional development and venue hire.

In 2011/12 Firefly also applied a more vigorous approach to its artistic development. The Production Company provided a startlingly visual and physical production of Bram Stoker's Dracula, integrating British Sign Language (BSL) throughout. This production was also selected for the National Festival for Youth Theatre in July. Integrated BSL/physical theatre process was developed further with a devised piece, The Fiend, performed for a national deaf conference at the Edinburgh Story-Telling Centre. Other key performance work included 42 of Firefly's senior participants from Bathgate, Livingston and Linlithgow performing devised work at Firefly's Winter Festival at Howden Park Centre in December 2011.

FIREFLY ARTS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

Financial review

Firefly completed 2010/11 with a surplus of £33,629, of which £10,412 were unrestricted funds. The need to increase company reserves has been paramount for the survival of the organisation and for compliance with best practice guidelines from both OSCR and West Lothian Council. Significant progress has been made over the past year with stringent revision and monitoring of staff costs, overheads and company expenditure, ensuring the organisation meets its targets and obligations more cost-effectively than in previous years. This degree of austerity has not been without difficulty or impact, none the less the company accounts for the financial year 2011/12 show a surplus of £71,235, of which £40,547 are unrestricted funds.

Firefly receives core funding from West Lothian Council, which enables the company to offer quality and affordable arts activity for children and young people across the region. In 2011/12 this was accompanied by revenue finding from The Robertson Trust for outreach and development, continued support from the Youth Music Initiative for the BLU song-writing and recording programme, and new funds from Creative Scotland's Access and Participation fund for 731 Bathgate Nights, a 2 year film and performance project. Project funds were also secured from Cashback for Communities, Scottish Arts & business, Arise West Lothian, Network Rail and the Mental Health Art and Film Festival.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be at a level equivalent to three month's operating expenditure. It is the aim of the charity to build towards this target level of reserves which equates to approximately £45,000. 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.

Plans for the future

Under governance from the Firefly Board, staff, volunteers and supporters continue to work together to build a secured, resilient and vibrant youth arts organisation, providing attractive, quality and accessible arts activity for children and young people across West Lothian.

Programme, artistic and budget plans for 2012 include development of provision for participants with additional support needs; partnership work in West Lothian's more geographically and economically marginalised communities; increased training in technical theatre skills for young people; and improved professional training and development for staff.

Firefly remains grateful for the support received throughout the year from West Lothian Council, our funders, community partners and supporters.

On behalf of the board of trustees



Andrew Miller

Trustee

Dated: 12 September 2012

FIREFLY ARTS LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FIREFLY ARTS LIMITED

I report on the accounts of the charity for the year ended 31 March 2012, which are set out on pages 5 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, and they consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to our attention.

Basis of independent examiner's report

My examination was carried out in accordance with the Statement of Standards for Reporting Accountants and Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, there is no matter:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of Regulation 8 of the 2006 Accounts Regulations and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;

have not been met; or

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



David Stewart CA

19 Rutland Square
Edinburgh
EH1 2BB

Dated: 12 September 2012

FIREFLY ARTS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources from generated funds					
Donations and core funding	2	118,127	3,450	121,577	53,548
Investment income	3	-	-	-	11
		118,127	3,450	121,577	53,559
Incoming resources from charitable activities	4	33,828	21,125	54,953	95,666
Total incoming resources		151,955	24,575	176,530	149,225
Resources expended					
	5				
Charitable activities					
Youth Theatre Company		125,717	12,292	138,009	210,377
Governance costs		915	-	915	2,038
Total resources expended		126,632	12,292	138,924	212,415
Net incoming/(outgoing) resources before transfers		25,323	12,283	37,606	(63,190)
Gross transfers between funds		4,812	(4,812)	-	-
Net income/(expenditure) for the year/ Net movement in funds		30,135	7,471	37,606	(63,190)
Fund balances at 1 April 2011		10,412	23,217	33,629	96,819
Fund balances at 31 March 2012		40,547	30,688	71,235	33,629

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

FIREFLY ARTS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	10		1,149		2,613
Current assets					
Debtors	11	2,235		8,829	
Cash at bank and in hand		91,862		34,797	
		94,097		43,626	
Creditors: amounts falling due within one year	12	(24,011)		(12,610)	
Net current assets			70,086		31,016
Total assets less current liabilities			71,235		33,629
Income funds					
Restricted funds	13		30,688		23,217
Designated funds	14		12,500		-
Unrestricted funds	14		28,047		10,412
			71,235		33,629

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 2012. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company 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.

The accounts were approved by the Board on 12 September 2012



Andrew Miller

Trustee

Company Registration No. SC123773

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

Donations and similar income are included in the financial statements when the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it.

Grant income from local authorities and trusts are recognised when it falls due.

Other charitable income in respect of the charitable activities is recognised when it can be recognised with certainty, is able to be measured accurately and once entitlement to the income is confirmed.

1.3 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.

Charitable activity expenditure includes all expenditure directly incurred in furthering the objectives of the charity.

Governance costs consists of the costs of financial services, accounts preparation, mandatory legal and professional fees, and any other expenditure incurred in compliance with legal requirements of the charity.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. 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:

Plant and machinery	25% straight line
Fixtures, fittings & equipment	25% straight line

Items under £500 are not capitalised.

1.5 Taxation

The company has charitable status and is exempt from taxation. The company is not registered for VAT and accordingly any irrecoverable VAT is included in the expenditure concerned.

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting Policies

(continued)

1.6 Fund accounting

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

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

Unrestricted designated funds are funds which have been placed in reserves by the directors to meet future anticipated costs of the relocation of the registered office.

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

2 Donations and core funding

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Donations and gifts	10,000	3,450	13,450	3,460
Grants receivable for core activities	108,127	-	108,127	50,088
	<u>118,127</u>	<u>3,450</u>	<u>121,577</u>	<u>53,548</u>

3 Investment income

	Total 2012 £	Total 2011 £
Interest receivable	<u>-</u>	<u>11</u>

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Workshops and Activity weeks	21,729	-	21,729	26,959
Grants and other public funding	-	21,125	21,125	47,655
Project income	12,099	-	12,099	16,603
Other income	-	-	-	4,449
	33,828	21,125	54,953	95,666

5 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2012 £	Total 2011 £
Charitable activities					
<u>Youth Theatre Company</u>					
Activities undertaken directly	85,660	1,464	32,194	119,318	188,611
Support costs	-	-	18,691	18,691	21,766
Total	85,660	1,464	50,885	138,009	210,377
Governance costs	-	-	915	915	2,038
	85,660	1,464	51,800	138,924	212,415

6 Activities undertaken directly

	Unrestricted	Restricted	2012 £	2011 £
Other costs relating to youth theatre company comprise:				
Rent & Venue Hire	1,450	476	1,926	14,511
Travel expenses	5,306	402	5,708	5,396
Materials	2,009	1,751	3,760	8,066
Freelancer fees	10,525	8,812	19,337	19,775
Other Costs	1,153	310	1,463	731
	20,443	11,751	32,194	48,479

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

7 Support costs

	2012	2011
	£	£
Office costs	18,691	21,766
	18,691	21,766

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2012	2011
	Number	Number
Administration	2	3
Drama Workers	3	3
	5	6

Employment costs

	2012	2011
	£	£
Wages and salaries	79,084	113,481
Social security costs	6,576	12,921
	85,660	126,402

There were no employees whose annual remuneration was £60,000 or more.

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

10 Tangible fixed assets

	Website	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2011 and at 31 March 2012	2,000	68,672	4,168	74,840
Depreciation				
At 1 April 2011	668	67,391	4,168	72,227
Charge for the year	666	798	-	1,464
At 31 March 2012	1,334	68,189	4,168	73,691
Net book value				
At 31 March 2012	666	483	-	1,149
At 31 March 2011	1,333	1,280	-	2,613

11 Debtors

	2012	2011
	£	£
Trade debtors	1,548	2,981
Other debtors	144	2,382
Prepayments and accrued income	543	3,466
	2,235	8,829

12 Creditors: amounts falling due within one year

	2012	2011
	£	£
Trade creditors	6,018	4,008
Taxes and social security costs	970	-
Other creditors	2,245	207
Accruals	14,778	8,395
	24,011	12,610

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

13 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:

	Balance at 1 April 2011	Movement in funds			Balance at 31 March 2012
	£	Incoming resources	Resources expended	Transfers	£
Creative Scotland - Capital Grant	282	-	(282)	-	-
Creative Scotland - Bathgate Nights	-	16,140	(1,583)	-	14,557
WLC - Project Grants	500	-	(259)	-	241
Youthlink Cash back - Fuse	-	4,985	(2,262)	(1,600)	1,123
A&B Northlight	-	2,500	(2,500)	-	-
Blu	22,435	-	(5,406)	(3,212)	13,817
West Lothian Initiative - Arise	-	950	-	-	950
	<u>23,217</u>	<u>24,575</u>	<u>(12,292)</u>	<u>(4,812)</u>	<u>30,688</u>

Creative Scotland and WLC grant are capital grants.

The funds in respect of Blu, Fuse and West Lothian Initiative - Arise are for projects ongoing at the year end.

The transfers of £4,812 represent project contributions to Management and Administration costs.

14 Unrestricted Funds

	Balance at 1 April 2011	Movement in funds			Balance at 31 March 2012
	£	Incoming resources	Resources expended	Transfers	£
Unrestricted funds	10,412	139,456	(126,633)	4,812	28,047
West Lothian Council - Arts Development	-	12,500	-	-	12,500
	<u>10,412</u>	<u>151,956</u>	<u>(126,633)</u>	<u>4,812</u>	<u>40,547</u>

Included in Designated Funds is a grant from West Lothian Council in respect of an Arts Development project which will commence in 2012/13.

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2012 are represented by:			
Tangible fixed assets	907	242	1,149
Current assets	63,651	30,446	94,097
Creditors: amounts falling due within one year	(24,011)	-	(24,011)
	<u>40,547</u>	<u>30,688</u>	<u>71,235</u>