

Charity Registration No. SC002848

Company Registration No. SC123773 (Scotland)

FIREFLY ARTS LIMITED
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2013



FIREFLY ARTS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mary Gapinski
Frazer Henderson
Lynsey Kelly
Philip Kingscott
Sinclair MacKenzie
Andrew Miller
Thursa Sanderson
Eleanor Stewart
John Ward
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

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2013

The trustees present their report and accounts for the year ended 31 March 2013.

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 2012/2013 the board of Directors consisted of ten 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:

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

(Appointed 14 November 2012)

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.

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, building an operational reserve (as per OSCR best practice) and regular review by the Directors. The continued national financial situation is of concern to all public and charitable bodies and whilst our core funding from West Lothian Council has not increased in 2 years we have taken this into consideration with our budgeting and forward financial planning.

In previous years we have noted as a risk the significant organisational, staffing and structure changes that Firefly has undertaken. This past year we have experienced a sustained period of organizational, staffing and structural stability. We feel confident that both of these will continue throughout the year ahead.

FIREFLY ARTS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

The Board of Directors has seen a transition with three experienced and valued members standing down to be replaced by three new directors. Continuity, experience, succession planning and good skills mix should always be a consideration for any board. We believe any potential risk from loss of experience and continuity has been mitigated by the timely recruitment of new Directors who have added to and complemented the existing board well.

Objectives and activities

Firefly Arts offer 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

This has been a successful and rewarding year for Firefly. Careful planning, commitment to quality and effective monitoring have enabled the Company to consolidate its core programme of term-time drama and film workshops, holiday activity, youth theatre and performance projects. The ongoing economic climate may have caused a slight decrease in uptake of holiday projects, however weekly workshop numbers have increased steadily - resulting in waiting lists forming for 7 of the 11 weekly workshops on offer in Livingston, Bathgate and Linlithgow. On year 2 of standstill core funding from West Lothian Council, attendance figures for Firefly activity in this period total 8,991.

Firefly continue to develop school, community and outreach programmes. Partnership projects in West Lothian Schools for this period have included Bankton PS, Bathgate Academy, St Kentigern's Academy, Pinewood primary and senior schools, Linlithgow Bridge PS, Lowport PS, Fala Hill PS, Greenrigg PS, St Columba's PS, Blackburn PS, Murrayfield PS, Our Lady of Lourdes PS and Donaldson's School.

Outreach and development work across the region has also flourished this year, thanks to Trust and Foundation funding. In particular The Robertson Trust, Creative Scotland, The Big Fund, Cashback for Communities, WLC's Voluntary Sector Development Fund, Network Rail. These funds are intrinsic to Firefly's capacity to work with children and young people who are vulnerable, socially, economically or geographically isolated. Throughout this programme, drama, film, song-writing and visual arts activity has run throughout the year in Armadale, Knightsridge (Livingston), Blackburn, Broxburn, Boghall (Bathgate), and Fauldhouse. Community partners play a vital role in the success of this programme and have included Boghall Drop-In, Fauldhouse Community Development Trust, West Lothian Young Carers, Bathgate Chill-Out Zone, Armadale Youth Space, Knightsridge Adventure Project, Beecraigs Country Park, West Lothian Mental Health Services.

Youth Theatre remains central to Firefly's aim to provide quality, accessible and transforming arts experience children and young people in West Lothian. Key productions of Animal Farm (with integrated BSL signing), Through The Wire and Beastly Tails (with integrated BSL signing) took place in June/July, enabling Firefly's Artistic Director to oversee this programme in advance of a 12 month maternity break. Artistic programming for the remainder of the year focused on theatre skills development, light and sound technical training, opportunity for young people from different workshops groups to present work to each other. Firefly's older participants were presented with the unique opportunity to write, fund-raise, direct and perform their own production, The Insanity Games, in Firefly's performance space at Howden Park Centre.

Currently running with a core part-time staff of 6, Firefly continue to offer quality arts experience that builds confidence and resilience, social, technical and creative skills in West Lothian's children and young people. With continued support from our Board of Directors, West Lothian Council, funders, community partners and participant families, we look forward to challenge and success in 2013/14.

FIREFLY ARTS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

Financial review

Firefly completed the financial year with a fund balance of £132,741, made up of £60,434 in restricted funds, and £72,307 in unrestricted funds. This has enabled Firefly to set aside 3 months of running costs as a Company reserve, ensuring that in the event of a significant drop in funding, the Company will be able to continue the current activities while consideration is given to ways in which additional funds may be raised.

With continued core support from West Lothian Council, regular monitoring and careful financial management the Trustees are confident that Firefly can maintain its financial position in the year ahead.

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.

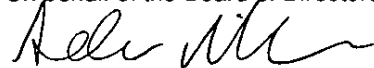
Plans for the future

This has been a good year for Firefly. Our finances are stable, our staff team cohesive and confident. Our workshop numbers have increased and we have produced a number of very well regarded performances. Partnership working has continued to grow with Firefly reaching out into the communities of West Lothian. Our continued support for BSL and a number of alcohol awareness related partnership projects have strengthened our social profile and grass roots community involvement.

In the year ahead we plan on doing more of what we do best, providing attractive, quality and accessible arts activity for children and young people throughout West Lothian. We have an ambitious workshop programme, continuing to expand where we feel it is beneficial, affordable and prudent to do so. We are keen to continue to reach out to partners, particularly where this can allow us to share resources and to reach some of the more vulnerable and marginalized young people in our communities.

Firefly remain grateful for the support received throughout the year from West Lothian Council, our funders, community partners and supporters. We are also eternally grateful and proud of the contribution made by our excellent staff team and our many young participants who make what we do so very worthwhile.

On behalf of the Board of Directors



Andrew Miller

Trustee

Dated: 6 August 2013

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 2013, 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: 6 August 2013

FIREFLY ARTS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2013

	Notes	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
<u>Incoming resources from generated funds</u>					
Donations and core funding	2	120,232	-	120,232	121,577
Investment income	3	8	-	8	-
		120,240	-	120,240	121,577
Incoming resources from charitable activities	4	34,782	70,334	105,116	54,953
Total incoming resources		155,022	70,334	225,356	176,530
<u>Resources expended</u>					
	5				
Charitable activities					
Youth Theatre Company		122,153	40,588	162,741	138,009
Governance costs		1,109	-	1,109	915
Total resources expended		123,262	40,588	163,850	138,924
Net income for the year/ Net movement in funds		31,760	29,746	61,506	37,606
Fund balances at 1 April 2012		40,547	30,688	71,235	33,629
Fund balances at 31 March 2013		72,307	60,434	132,741	71,235

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 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	10		981		1,149
Current assets					
Debtors	11	38,412		2,235	
Cash at bank and in hand		120,746		91,862	
		159,158		94,097	
Creditors: amounts falling due within one year	12	(27,398)		(24,011)	
Net current assets			131,760		70,086
Total assets less current liabilities			132,741		71,235
Income funds					
Restricted funds	13		60,434		30,688
Designated funds	14		15,000		12,500
Unrestricted funds	14		57,307		28,047
			132,741		71,235

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 2013. 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 6 August 2013



Andrew Miller

Trustee

Company Registration No. SC123773

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2013

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.

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.

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

2 Donations and core funding

	2013 £	2012 £
Donations and gifts	9,580	13,450
Grants receivable for core activities	110,652	108,127
	<u>120,232</u>	<u>121,577</u>

3 Investment income

	2013 £	2012 £
Interest receivable	<u>8</u>	<u>-</u>

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Workshops and Activity weeks	22,083	-	22,083	21,729
Grants and other public funding	-	66,709	66,709	21,125
Project income	12,699	3,625	16,324	12,099
	<u>34,782</u>	<u>70,334</u>	<u>105,116</u>	<u>54,953</u>

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

5 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2013 £	Total 2012 £
Charitable activities					
<u>Youth Theatre Company</u>					
Activities undertaken directly	86,667	1,638	45,716	134,021	119,318
Support costs	-	-	28,720	28,720	18,691
Total	86,667	1,638	74,436	162,741	138,009
Governance costs	-	-	1,109	1,109	915
	86,667	1,638	75,545	163,850	138,924

6 Activities undertaken directly

	Unrestricted	Restricted	2013 £	2012 £
Other costs relating to youth theatre company comprise:				
Rent & Venue Hire	3,409	375	3,784	1,926
Travel expenses	1,343	353	1,696	5,708
Materials	2,482	2,513	4,995	3,760
Freelancer fees	8,616	25,638	34,254	19,337
Other Costs	987	-	987	1,463
	16,837	28,879	45,716	32,194

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

7 Support costs

	2013 £	2012 £
Office costs	28,720	18,691
	<u>28,720</u>	<u>18,691</u>

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:

	2013 Number	2012 Number
Administration	2	2
Drama Workers	3	3
	<u>5</u>	<u>5</u>

Employment costs

	2013 £	2012 £
Wages and salaries	81,347	79,084
Social security costs	5,320	6,576
	<u>86,667</u>	<u>85,660</u>

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 2013

10 Tangible fixed assets

	Website	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2012	2,000	68,672	4,168	74,840
Additions	-	1,470	-	1,470
At 31 March 2013	2,000	70,142	4,168	76,310
Depreciation				
At 1 April 2012	1,334	68,189	4,168	73,691
Charge for the year	666	972	-	1,638
At 31 March 2013	2,000	69,161	4,168	75,329
Net book value				
At 31 March 2013	-	981	-	981
At 31 March 2012	666	483	-	1,149

11 Debtors

	2013	2012
	£	£
Trade debtors	-	1,548
Other debtors	38,075	144
Prepayments and accrued income	337	543
	38,412	2,235

12 Creditors: amounts falling due within one year

	2013	2012
	£	£
Trade creditors	2,338	6,018
Taxes and social security costs	1,036	970
Other creditors	1,491	2,245
Accruals	18,754	14,778
Deferred income	3,779	-
	27,398	24,011

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

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 2012	Movement in funds		Balance at 31 March 2013
	£	Incoming resources	Resources expended	£
Big Fund	-	48,075	(7,899)	40,176
Creative Scotland - Bathgate Nights	14,557	14,140	(12,630)	16,067
WLC - Project Grants	241	-	(241)	-
Youthlink Cash back - Fuse	1,123	-	(1,123)	-
Youthlink Cash Back - Boghall	-	3,625	(1,434)	2,191
Blu	13,817	2,494	(16,311)	-
West Lothian Initiative - Arise	950	-	(950)	-
West Lothian Community Arts Fund	-	2,000	-	2,000
	<u>30,688</u>	<u>70,334</u>	<u>(40,588)</u>	<u>60,434</u>

The funds in respect of Big Fund, Bathgate Nights, Youthlink Cash Back - Boghall and West Lothian Community Arts Project are for projects ongoing at the year end.

14 Unrestricted Funds

	Balance at 1 April 2012	Movement in funds		Balance at 31 March 2013
	£	Incoming resources	Resources expended	£
Unrestricted funds	28,047	140,022	(110,762)	57,307
West Lothian Council - Arts Development Productions	12,500	-	(12,500)	-
	-	15,000	-	15,000
	<u>40,547</u>	<u>155,022</u>	<u>(123,262)</u>	<u>72,307</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 2013

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2013 are represented by:			
Tangible fixed assets	981	-	981
Current assets	98,724	60,434	159,158
Creditors: amounts falling due within one year	(27,398)	-	(27,398)
	<u>72,307</u>	<u>60,434</u>	<u>132,741</u>