

Charity Registration No. SC002848

Company Registration No. SC123773 (Scotland)

FIREFLY ARTS LIMITED
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

THURSDAY



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COMPANIES HOUSE

FIREFLY ARTS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Frazer Henderson
Philip Kingscott
Sinclair MacKenzie
Andrew Miller
Eleanor Stewart
Rod Young
Emma Mooney
Raymond Branton
Sylvia Forshaw

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 2016

The trustees present their report and accounts for the year ended 31 March 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the rules 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, which throughout 2015/2016 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:

Frazer Henderson

Philip Kingscott

Sinclair MacKenzie

Andrew Miller

Thursa Sanderson

(Resigned 7 September 2015)

Eleanor Stewart

Rod Young

Emma Mooney

Raymond Branton

Sylvia Forshaw

(Appointed 9 February 2016)

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 regularly 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. The continued national financial situation is of concern to all public and charitable bodies. Core funding from West Lothian Council has now been on standstill for 6 years, and we continue to take the uncertain economy into consideration in our budgeting and financial planning.

FIREFLY ARTS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

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 skills.
- Generate innovative social, educational and cultural exchange.

Achievements and performance

2015/16 has been a successful year for Firefly, with the company maintaining good attendance figures for core theatre, film and arts activity across West Lothian, securing national recognition for youth theatre development, and progressing strategic partnerships with schools, community, youth and health services.

In recent years Firefly has developed and maintained a position of economic stability and generated a number of ongoing strategic partnerships. The company's reserve now equates to 6 months operating costs, as required by West Lothian Council's Voluntary Sector Health Check, and which brings the Company well within OSCR guidelines. We remain vigilant regarding the current economic climate and local authority reorganisation, and committed to our role of providing quality and accessible arts experience to children and young people cross West Lothian.

Throughout 2015/16 Firefly have delivered weekly youth arts workshops, holiday activity, youth theatre activity school and community projects for children and young people across West Lothian. Participant attendance for this 12 month period totals at 6,869 over 645 workshops, training, rehearsal and performance events.

Designated project funding from Creative Scotland's Strategic Cashback Fund, The Robertson Trust, Creative Carbon Scotland, Weslo Housing Management, and West Lothian Council's Arts Grant has enabled Firefly to work with young people who are especially vulnerable, marginalized and have additional support needs.

School and community partnerships play an invaluable role in Firefly's success in engaging with young people from a range of social, economic and cultural backgrounds, including Armadale Youth Space; The Craig Inn Centre, Blackridge; Knightsridge Adventure Project; Boghall Drop-In Centre; Fauldhouse Community Development Trust; Bathgate Chill Out Zone; West Lothian Helping Young People Engage; West Lothian Young Carers; West Lothian Domestic Abuse and Sexual Assault Team; Pinewood School; Beattie School; Bathgate Academy; St Kentigern's Academy; Falla Hill, Blackburn, Bankton and Bridgend Primary Schools.

Youth Theatre remains at the heart of Firefly's programming, with productions, theatre and technical skills and youth theatre exchange across the year. Key productions in 2015/2016 included Kafka's *Metamorphosis*, Goldings *Lord of the Flies* and Shakespeare's *King Lear*. Devised shows included *The Gates*, *Humming* (touring show) and a winter showstopper *Tilly SnowHoper*.

Throughout the year, Firefly's core staff team have been complimented by a growing bank of freelance, music, film, visual arts and movement specialists. Firefly support the professional progression of staff, associate artists, trainees and volunteers with a regular in-house training programme, external CPD and assisted access to professional mentoring programmes.

Financial review

Firefly completed the financial year with a fund balance of £144,144, made up of £5,150 in restricted funds, and £138,994 in unrestricted funds. Firefly aims to set aside between 3 and 6 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. This target level of reserves equates to approximately £45,000 - £90,000. At 31 March 2016 the company had free unrestricted reserves of £88,994.

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.

FIREFLY ARTS LIMITED

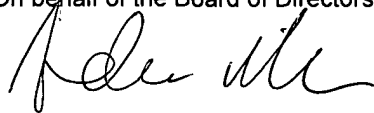
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Plans for the future

In terms of finance, programming and partnerships, this has been a further year of stability for Firefly Arts. In the coming year we will continue to develop and support our core workshop, holiday activity and youth theatre services, whilst looking to maintain the reach and quality of our project and community programmes.

On behalf of the Board of Directors



Andrew Miller

Trustee

Dated: 26 September 2016

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 2016, which are set out on pages 5 to 12.

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.

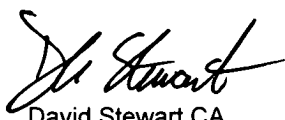
Basis of independent examiner's report

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: 26 September 2016

FIREFLY ARTS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<u>Incoming resources from generated funds</u>					
Donations and core funding	2	107,800	9,500	117,300	119,647
Investment income	3	379	-	379	306
		108,179	9,500	117,679	119,953
Incoming resources from charitable activities	4	45,093	32,900	77,993	81,145
Other incoming resources	5	-	-	-	600
		153,272	42,400	195,672	201,698
Total incoming resources					
<u>Resources expended</u>					
	6				
<u>Charitable activities</u>					
Youth Theatre Company		140,154	56,779	196,933	201,176
Governance costs		990	-	990	928
		141,144	56,779	197,923	202,104
Total resources expended					
Net income/(expenditure) for the year/ Net movement in funds		12,128	(14,379)	(2,251)	(406)
Fund balances at 1 April 2015		126,866	19,529	146,395	146,801
Fund balances at 31 March 2016		138,994	5,150	144,144	146,395

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 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	11		3,201		4,655
Current assets					
Debtors	12	52,686		6,064	
Cash at bank and in hand		163,344		166,243	
		216,030		172,307	
Creditors: amounts falling due within one year	13	(75,087)		(30,567)	
Net current assets			140,943		141,740
Total assets less current liabilities			144,144		146,395
Income funds					
Restricted funds	14		5,150		19,529
Designated funds	15		50,000		26,190
Unrestricted funds	15		88,994		100,676
			144,144		146,395

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 2016. 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 26 September 2016



Andrew Miller

Trustee

Company Registration No. SC123773

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

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 2016

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 2016 £	Total 2015 £
Donations and gifts	1,000	9,500	10,500	1,000
Grants receivable for core activities	106,800	-	106,800	118,647
	<u>107,800</u>	<u>9,500</u>	<u>117,300</u>	<u>119,647</u>

3 Investment income

	2016 £	2015 £
Interest receivable	<u>379</u>	<u>306</u>

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Workshops and Activity weeks	45,093	-	45,093	42,145
Grants and other public funding	-	32,900	32,900	39,000
	<u>45,093</u>	<u>32,900</u>	<u>77,993</u>	<u>81,145</u>

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

5 Other incoming resources

	Total 2016 £	Total 2015 £
Other income	-	600

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2016 £	Total 2015 £
Charitable activities					
<u>Youth Theatre Company</u>					
Activities undertaken directly	94,858	2,404	76,611	173,873	173,451
Support costs	-	-	23,060	23,060	27,725
Total	94,858	2,404	99,671	196,933	201,176
Governance costs	-	-	990	990	928
	<u>94,858</u>	<u>2,404</u>	<u>100,661</u>	<u>197,923</u>	<u>202,104</u>

7 Activities undertaken directly

	Unrestricted	Restricted	2016 £	2015 £
Other costs relating to Youth Theatre Company comprise:				
Rent & Venue Hire	3,655	-	3,655	4,511
Travel expenses	1,119	1,134	2,253	2,468
Materials	4,553	12,106	16,659	10,386
Freelancer fees	25,081	28,596	53,677	53,062
Other Costs	367	-	367	821
	<u>34,775</u>	<u>41,836</u>	<u>76,611</u>	<u>71,248</u>

8 Support costs

	2016 £	2015 £
Office costs	23,060	27,725
	<u>23,060</u>	<u>27,725</u>

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

9 Trustees

During the year one trustee received the sum of £3,615 (2015 - £910) in respect of consultancy services. These transactions were at arms length and on normal commercial terms. None of the other trustees (or any persons connected with them) received any remuneration during the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2016 Number	2015 Number
Administration	2	2
Drama Workers	4	4
	6	6

Employment costs

	2016 £	2015 £
Wages and salaries	89,966	94,784
Social security costs	4,892	4,764
	94,858	99,548

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 2016

11 Tangible fixed assets

	Website	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2015	2,000	70,457	9,729	82,186
Additions	-	950	-	950
At 31 March 2016	2,000	71,407	9,729	83,136
Depreciation				
At 1 April 2015	2,000	68,583	6,948	77,531
Charge for the year	-	1,014	1,390	2,404
At 31 March 2016	2,000	69,597	8,338	79,935
Net book value				
At 31 March 2016	-	1,810	1,391	3,201
At 31 March 2015	-	1,874	2,781	4,655

12 Debtors

	2016 £	2015 £
Trade debtors	52,686	-
Other debtors	-	4,500
Prepayments and accrued income	-	1,564
	52,686	6,064

13 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	5,343	9,848
Taxes and social security costs	1,947	1,995
Other creditors	600	454
Accruals	13,116	16,470
Deferred income	54,081	1,800
	75,087	30,567

FIREFLY ARTS LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

14 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:

Robertson Trust	-	9,500	(4,750)	4,750
Creative Scotland - AWIYE	16,890	32,500	(49,390)	-
Creative Scotland - Soundtown	2,639	-	(2,639)	-
WLC Local Disbursement Fund	-	400	-	400
	<u>19,529</u>	<u>42,400</u>	<u>(56,779)</u>	<u>5,150</u>

The funds in respect of Robertson Trust are towards the cost of the Skylight Programme Co-ordinator. Creative Scotland funding was received for the project A Word in Your Ear. During the year the remaining funds in respect of the Soundtown project were expended. The WLC Local Disbursement Fund is funding for developing a Young Writers project.

15 Unrestricted Funds

	Balance at 1 April 2015	Movement in funds			Balance at 31 March 2016
	£	Incoming resources £	Resources expended £	Transfers £	£
Unrestricted funds	100,676	153,272	(138,363)	(26,591)	88,994
Productions	2,781	-	(2,781)	-	-
Unsecured posts	23,409	-	-	(23,409)	-
Continuity Fund	-	-	-	50,000	50,000
	<u>126,866</u>	<u>153,272</u>	<u>(141,144)</u>	<u>-</u>	<u>138,994</u>

Included in Designated Funds are monies set aside for productions planned for 2014/15 which due to unforeseen circumstances were delivered in 2015/16. The charity had also designated amounts in respect of two salaried posts within the organisation for which funding had not been secured, this has been released in the year. In addition, the charity has designated an amount of £50,000 as a Continuity Fund.

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2016 are represented by:			
Tangible fixed assets	3,201	-	3,201
Current assets	210,880	5,150	216,030
Creditors: amounts falling due within one year	(75,087)	-	(75,087)
	<u>138,994</u>	<u>5,150</u>	<u>144,144</u>