

Charity Registration No. 1031800

Company Registration No. 2884347 (England and Wales)

REGISTRAR'S COPY

FIRSTSITE LIMITED
CONSOLIDATED ANNUAL REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

RE-SCAN

THURSDAY
F



A6C0UTD6
A15 03/08/2017 #246
COMPANIES HOUSE
A6AO10PM
A07 14/07/2017 #364
COMPANIES HOUSE

WHITTLES

FIRSTSITE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr N Z Rashid (Chair)
Mr G C Armitage
Mr R C Hirst
Ms N R Johnston
Mrs J R Knowles
Ms H Organ
Mr R Perera
Mr R N Surman
Mr T J Young
Mr M L Blackburn
Ms J Obasa
Ms C Winters

Chief Executive Ms S Shaw

Charity number 1031800

Company number 2884347

Registered office

Lewis Gardens
High Street
Colchester
Essex
CO1 1JH

Auditors

Whittles
Whittle & Partners LLP
The Old Exchange
64 West Stockwell Street
Colchester
Essex
CO1 1HE

Solicitors

Ellisons
Headgate Court
Head Street
Colchester
Essex
CO1 1NP

FIRSTSITE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

HSBC
26 High Street
Colchester
Essex
CO1 1DG

Co-operative Bank
PO Box 250
Delf House
Skelmersdale
Lancashire
WN8 6WT

CCLA Investment Management Limited
COIF Charity Funds
80 Cheapside
London
EC2V 6DZ

Lloyds Bank
22 High Street
Colchester
Essex
CO1 1DU

FIRSTSITE LIMITED

CONTENTS

	Page
Trustees report	1 - 6
Trustees' responsibilities statement	7
Independent auditor's report	8 - 9
Consolidated statement of financial activities	10
Consolidated balance sheet	11
Charity balance sheet	12
Consolidated statement of cash flows	13
Notes to the financial statements	14 - 32

FIRSTSITE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The Board of Trustees, who are also Directors for the purposes of the Companies Act, present their annual report and the consolidated financial statements of Firstsite Limited for the year ended 31 March 2017. The trustees report is also a Directors' report as required by s417 of the Companies Act 2006.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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) as amended for accounting periods commencing from 1 January 2016".

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association revised on 2 June 2016 and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Objectives and activities

The charity's object and its principal activity is the provision of contemporary visual and media arts in Colchester and the surrounding area. The organisation is a national leader in commissioning new art, exhibiting it for the first time in the organisation's building and providing innovative new learning opportunities for the public to understand and appreciate new and existing art.

The charity's objective is to increase its reach into the community with a programme of exhibited artwork and associated learning activities. The strategy for the artistic programme is to exhibit artwork that included new art that engaged with a broad audience, show work from established artists and to produce an innovative thematic exhibition. The learning programme's aims were to find appropriate and interesting ways to engage with hard to reach sections of the community, attract school visits to exhibitions and artist led workshops and to encourage more members of the community to participate in a creative activity.

Programme

Firstsite continued to provide major exhibitions including:-

- **Andy Warhol: ARTISTS ROOMS** (19 March - 12 June 2016) - key works from an array of different media spanning the influential artist's 40-year career were presented in this exhibition in collaboration with ARTIST ROOMS, Tate and National Galleries of Scotland for the first time in Colchester.
- **Camille Walala** (19 March - 19 February 2017) - Walala created a bespoke pattern influenced by Warhol's use of colour and repetition, to adorn the exterior wall of Firstsite's auditorium in the building.
- **Martin Parr** (2 July - 2 October) Major survey of the work of acclaimed British documentary photographer, photojournalist and photobook collector. A Hepworth Wakefield touring exhibition.
- **Colchester Art Society** (2 July - 2 October) Exhibition of recently discovered archive material and works from the Society's collection. Celebrating 70 years of the Society.
- **Essence of Essex** (2 July - 2 October) On screen photography exhibition and competition open to the general public. Inspired by the work of Martin Parr.

FIRSTSITE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

- **Flipside - Circuit Festival** (14 - 30 October) Firstsite's Young Art Kommunity's (YAK) two week takeover of the gallery. Including exhibitions, installation, gaming café, dance, film and comedy.
- **Gee Vaucher** (11 November 16 - 19 February 2017) - First retrospective exhibition of the Essex based artist's work in the UK
- **Zhang Enli - Gesture and Form** (11 March - 4 June) - Major exhibition by celebrated Chinese artist. Including large canvases as well as a monumental 'space painting' covering the entirety of the gallery's large curved walls, which will remain in situ for the year.
- **Wunderkammer** (11 March - ongoing) - Firstsite's very own cabinet of curiosities that will periodically grow over the year. In collaboration with Colchester and Ipswich Museums.
- **#WorldsUpsideDown** (11 March - 2 April) Pop-up exhibition, for three weeks only, exploring moments of political upheaval and the process of communication.

Learning

The Learning team programmed a large number of workshops, classes and participatory events that attracted an estimated 13,545 participants. 52 free family artist led activities were organised on Saturdays throughout the year aimed at encouraging families. Flipside, organised by Firstsite's Young Art Kommunity's (YAK), attracted an audience of 6,600, and 12 young people had regular paid opportunities to influence cultural productions.

38 Live events were presented, broadcast from theatres from major UK and international venues (National Theatre, Royal Shakespeare Company), attracting an audience of 3,022 people. 138 films were shown attracting an audience of 4,227.

These achievements were supported by our funding partners, Arts Council England, Colchester Borough Council, and Essex County Council. The Flipside festival was part of Circuit, a programme connection 15-25 yr. olds to art galleries, led by Tate and funded by the Paul Hamlyn Foundation.

Public Benefit

In deciding the charity's work over the course of the year the Trustees have complied with the duty in s17 Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Achievements and performance

The most significant achievements across the artistic and learning programmes are as follows: -

Essex based political artist Gee Voucher presented a major show curated by Stephen Shukatis from University of Essex. Works by Vaucher used in the promotion of the exhibition reached significant international audiences via printed and social media; tweeted by pop-figures such as Rihanna and Katy Perry.

FIRSTSITE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

BAME audiences increased by 1% in the last 6 months of the year. This is significant in the local context which is 93% white British. Firstsite's majority audiences are increasing around showing the work of marginalized people or issues they face. Demonstrated through activities like the Syrian pop-up café, organised during Gee Vaucher's exhibition, that attracted 2000 visitors in two days.

In the final year of our Circuit activities we achieved the largest of all the festivals held nationally, created as part of the programme. Entitled Flipside, the festival has led to a transformation in our thinking about talent development and how to create first-hand opportunities for creative professional development across all areas of our operations.

Chinese artist Zhang Enli created his largest ever 'space painting'; a mural that stretches the entirety of Firstsite's enormous curved walls. Visitors were able to see the work being made by the artist over 10 days.

Over three hundred photographers from Essex contributed over 1000 original photographic images to the Essence of Essex project, that ran alongside the Martin Parr exhibition. It was presented online by Zealous.com. 10 images were shortlisted and printed for exhibition in the gallery by a range of community and photography professionals. Martin Parr selected 3 images for prizes.

Financial review

The charitable company continues to endeavour to implement its risk management strategy and reserves policy in line with its business planning for the full operation of the building and the carrying out of its charitable objectives.

The policy is to have 3 months of expenditure covered by unrestricted reserves at any time and the trustees are working towards achieving this. The accumulated surplus in the unrestricted fund account at 31 March 2017 was £159,125 and there were restricted funds of £264,880.

The Trustees sought and secured additional funding during the year ended 31 March 2016 that enabled the charitable company to move into a position where it has recorded a surplus for that year arising from the receipt of grants in respect of planned expenditure which was not completed until the year ended 31 March 2017 which has given rise to the loss recorded in that year. Based upon the actions which the trustees have put in place, it is anticipated that surpluses can be achieved for future years. This will help towards achieving the level of reserves that the Trustees believe are appropriate for the charity.

The announcement by Arts Council England (ACE) that funding would be available to 31 March 2018. Confirmation of NPO application success secures £3,258,108 funding for the 4 year period 2018-2022.

The Board restructure was completed in 2015 and a new Director was appointed early in the current year with other members of the senior management team appointed during the year. Financial reporting has been improved and developed and new exhibitions and other initiatives have led to growing visitor numbers.

The trading activities of the group are carried out by Firstsite Enterprises Limited, a wholly owned subsidiary, whose results are included in these consolidated financial statements. The Trustees were satisfied with the performance of the trading subsidiary which achieved an operating surplus of £14,603 (2016: loss of £36,651) after a contribution to the charity of £61,442 for the year (2016: £24,512).

The trustees have formed a judgement, at the time of approving the financial statements, that based upon funding secured and actions taken in 2016, the group will continue its activities for the foreseeable future.

FIRSTSITE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Principle Funding Sources

Funding continues to be awarded by Arts Council England East, Colchester Borough Council and Essex County Council, which is dependent on Firstsite achieving a number of performance objectives.

Plans for the future

The Charity plans to continue to present a programme of contemporary art that is both internationally significant and locally relevant with an associated programme of learning activities that promote access and participation in the visual arts. The charity also plans to ensure that a high proportion of what it offers is accessible to the local and regional community, is relevant and culturally wide ranging.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. In addition the Trustees consider other risks to the continuance of Firstsite as an artistic learning and viewing venue. The major risks to which the charity is exposed, as identified by the trustees, include the financial position and facilities available, have been reviewed and a system has been established to mitigate those risks. The Trustees continue to work closely with the major sponsors of Firstsite to ensure common objectives and activities are achieved to ensure continued support.

Structure, governance and management

The charity is a company limited by guarantee.

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

Mr N Z Rashid (Chair)	(Appointed 15 July 2015)
Mr G C Armitage	(Appointed 23 September 2015)
Ms C Winters	(Appointed 22 December 2016)
Mr M L Blackburn	(Appointed 22 December 2016)
Mr R C Hirst	(Appointed 15 October 2015)
Ms N R Johnston	(Appointed 12 September 2012)
Mrs J R Knowles	(Appointed 5 March 2015)
Mr A Nightingale	(Appointed 19 March 2008 and resigned 8 October 2016)
Ms H Organ	(Appointed 23 September 2015)
Ms J Obasa	(Appointed 22 December 2016)
Mr R Perera	(Appointed 23 September 2015)
Mr R N Surman	(Appointed 23 September 2015)
Mr T J Young	(Appointed 14 October 2015)

FIRSTSITE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Recruitment and appointment of new Trustees

Trustees are recruited via an agreed procedure:

- Establish and agree the competencies required;
- Advertise the positions in the public appointments website and other appropriate media and invite other applicants;
- Carry out a paper short-listing exercise comparing experience and qualifications etc., against the preferred criteria;
- Carry out structured, competency based interviews with members of the Nominations and Remuneration Committee and the Chair of the Managing Board and score the evidence against the pre-determined rating scale. Follow up with competency based references;
- Arrange a meeting of the Nominations and Remuneration Committee to decide on the successful candidates;
- Put the names of successful candidates to a meeting of the Board of Trustees for formal approval.

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.

Induction and training of new trustees

New trustees undergo a period of training to brief them on their legal obligations under Charity and Company Law, the content of the Memorandum and Articles of Association, the decision making process, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational Structure

The Board of Trustees meets quarterly to review the policy, strategy and medium and long term planning needs of the organisation.

The Finance and Risk Committee (Mr B Surman, Mr A Nightingale and Ms J Obasa) meets regularly with the Finance Director and Director to ensure that the organisation is focussed on the Business Plan priorities whilst managing risks proactively. Lead Trustees have been nominated to support Programme Development, Community Engagement and Learning ensuring more collaborative working between the executive and non-executives. Trustees will be nominated to lead on Diversity and Inclusion Action Plan including the help of a specialist Diversity and Inclusion expert with national credibility.

The Innovation and Enterprise Group led by the chair has been established to help drive income generation through Firstsite Enterprises Ltd cinema, retail, catering and hospitality services.

A Company Secretary has also been appointed from amongst the Trustees to help continually develop our governance arrangements ensuring we adhere to best practice.

The Board of Trustees delegate day-to-day management to the Chief Executive Ms S Shaw.

Wider Network

Firstsite has a close relationship with Arts Council of England, East, which is a charity, Colchester Borough Council and Essex County Council, all of which provide funding to enable Firstsite to carry out its charitable objectives.

FIRSTSITE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Related parties

Firstsite Enterprises Limited is a wholly owned subsidiary company and operates the commercial aspect of the organisation which includes a number of elements. 15 Queen Street offers a creative hub for local small and new businesses. At the year-end there were 9 resident members with creative skills ranging from graphic design, interior design, web development and video streaming. There are also flex members who utilise space on an ad hoc basis.

The other activities that comprise those of Firstsite Enterprises Limited include managing the hire of spaces in Firstsite's building and organising events, conferences and meetings; the provision of a permanent café in the building which is open for food and drink 7 days a week; the provision of a shop selling art related items that includes locally produced artwork and craft. The operation of the auditorium which is used to screen live performances and with the partnership with Curzon Cinemas, a full film programme. In addition, there are a number of related talks and debates which are on offer to the public.

The commercial activity produced an income that allows Firstsite to show informative and interesting art exhibitions as well as the provision of educational workshops and classes that are free to attend or are offered at a subsidy.

Auditors

In accordance with the charity's articles, a resolution proposing that Whittles be reappointed as auditors of the charity will be put at a General Meeting.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

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



Mr N Rashid

Chair

8 July 2017

FIRSTSITE LIMITED

TRUSTEES' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2017

The Trustees, who are also the Directors of Firstsite 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FIRSTSITE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FIRSTSITE LIMITED

We have audited the financial statements of Firstsite Limited group for the year ended 31 March 2017 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and the related notes. 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of Firstsite 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.

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, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 33 to the financial statements.

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 group's and the parent charitable company's affairs as at 31 March 2017, and of the group's 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.

Opinion on other matter prescribed by the Companies Act 2006

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

FIRSTSITE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FIRSTSITE LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Michael Greene BSc FCCA (Senior Statutory Auditor)
for and on behalf of Whittles

8 July 2017

Chartered Accountants
Statutory Auditor

Whittle & Partners LLP
The Old Exchange
64 West Stockwell Street
Colchester
Essex
CO1 1HE

FIRSTSITE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

		Unrestricted funds	Restricted funds	Total 2017	Total 2016
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies	3	1,075,105	71,648	1,146,753	1,707,124
<u>Charitable activities</u>					
Artistic programme	4	11,518	-	11,518	50,305
Learning and education	4	35,027	151,524	186,551	161,134
Investments	5	14,983	-	14,983	14,892
Other income	6	225,027	1,901	226,928	266,109
Total income and endowments		1,361,660	225,073	1,586,733	2,199,564
<u>Expenditure on:</u>					
<u>Raising funds</u>					
Costs of generating voluntary income	8	23,958	-	23,958	724,538
Trading costs	8	144,342	-	144,342	88,572
		168,300	-	168,300	813,110
<u>Charitable activities</u>					
Artistic programme	7	195,807	172,048	367,855	589,482
Learning and education	7	1,197,870	95,712	1,293,582	412,442
Total charitable expenditure		1,393,677	267,760	1,661,437	1,001,924
Other	13	-	-	-	346,933
Total resources expended		1,561,977	267,760	1,829,737	2,161,967
Net (outgoing)/incoming resources before transfers		(200,317)	(42,687)	(243,004)	74,248
Gross transfers between funds		39,583	(39,583)	-	-
Net movement in funds		(160,734)	(82,270)	(243,004)	37,597
Fund balances at 1 April 2016		319,859	347,150	667,009	629,412
Fund balances at 31 March 2017		159,125	264,880	424,005	667,009

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

FIRSTSITE LIMITED

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	15		215,711		262,734
Heritage assets	16		14,880		14,880
Investment properties	17		195,000		195,000
			<u>425,591</u>		<u>472,614</u>
Current assets					
Stocks	20	17,644		21,921	
Debtors	23	114,948		152,035	
Cash at bank and in hand		149,322		350,793	
		<u>281,914</u>		<u>524,749</u>	
Creditors: amounts falling due within one year	24	(250,155)		(330,354)	
Net current assets			<u>31,759</u>		<u>194,395</u>
Total assets less current liabilities			<u>457,350</u>		<u>667,009</u>
Creditors: amounts falling due after more than one year	25		(33,345)		-
Net assets			<u>424,005</u>		<u>667,009</u>
Income funds					
Restricted funds	28		264,880		347,150
Unrestricted funds			159,125		319,859
			<u>424,005</u>		<u>667,009</u>

The financial statements were approved by the board of directors and authorised for issue on 8 July 2017 and are signed on its behalf by:



Mr N Rashid

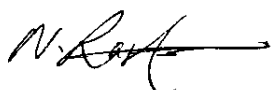
Chair

Company Registration No. 2884347

FIRSTSITE LIMITED
CHARITY BALANCE SHEET
AS AT 31 MARCH 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	15		212,979		259,533
Heritage assets	16		14,880		14,880
Investment properties	17		195,000		195,000
Investments	18		100		100
			<u>422,959</u>		<u>469,513</u>
Current assets					
Debtors	23	121,304		217,628	
Cash at bank and in hand		140,551		308,868	
		<u>261,855</u>		<u>526,496</u>	
Creditors: amounts falling due within one year	24	(229,595)		(316,528)	
Net current assets			<u>32,260</u>		<u>209,968</u>
Total assets less current liabilities			<u>455,219</u>		<u>679,481</u>
Creditors: amounts falling due after more than one year	25		(33,345)		-
Net assets			<u>421,874</u>		<u>679,481</u>
Income funds					
Restricted funds	28		264,880		347,150
Unrestricted funds			156,994		332,331
			<u>421,874</u>		<u>679,481</u>

The financial statements were approved by the board of directors and authorised for issue on 8 July 2017 and are signed on its behalf by:



Mr N Rashid

Chair

Company Registration No. 2884347

FIRSTSITE LIMITED

CONSOLIDATED 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	35		(235,319)		155,673
Investing activities					
Purchase of tangible fixed assets		(64,342)		(42,315)	
Proceeds on disposal of tangible fixed assets		-		288	
Interest received		244		264	
Net cash used in investing activities			(64,098)		(41,763)
Financing activities					
Net receipt of bank loans		49,764		-	
Net cash generated from financing activities			49,764		-
Net (decrease)/ increase in cash and cash			(249,653)		113,910
Cash and cash equivalents at beginning of year			350,793		236,883
Cash and cash equivalents at end of year			<u>101,140</u>		<u>350,793</u>
Relating to:					
Bank balances and short term deposits			149,322		350,793
Bank overdrafts			<u>(48,182)</u>		<u>-</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Firstsite Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Lewis Gardens, High Street, Colchester, Essex, CO1 1JH.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on 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 notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

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.

The charity occupies a Council funded building within Colchester for a peppercorn rent. It has not been possible to ascertain an accurate market rate for inclusion in the financial statements due to the specialist nature of the building provided.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Income from grants is included in incoming resources when these are receivable, except as follows:

- when donors specify that grants given to the charity must be used in future accounting periods;
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions have been met;
- when donors specify that grants are for restricted purposes which do not amount to preconditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

In prior years, where the costs of charitable activities cannot be directly attributed to a charitable activity they are allocated proportionally between fundraising trading (5%), costs of voluntary income (40%), artistic programme (35%) and learning and education (20%).

In the current year, the trustees determined that this apportionment was not a fair representation of the support costs incurred by the charity. Therefore the costs, which can not be directly attributable to charitable activities have been apportioned between Artistic programme (88%) and learning and education (12%).

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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33.3% straight line
Fixtures and fittings	20% straight line
Gallery equipment & IT	25% straight line
Motor vehicles	33.3% straight line
Office IT	25% straight line
Auditorium	20% straight line

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.

Heritage assets consist of previously donated art. These assets are not depreciated as the value is not considered to diminish.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 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).

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Investments, including those in subsidiary undertakings are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes, deferred income and provisions. Assets and liabilities held in foreign currencies are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

1.13 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1.14 Retirement benefits

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

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.16 Consolidation

The consolidated financial statements incorporate the financial statements of the charitable company and its subsidiary. As a consolidated statement of financial activities is published, a separate statement of financial activities for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors 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.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	32,668	71,648	104,316	18,785
Grants	1,042,437	-	1,042,437	1,687,736
Membership fees	-	-	-	603
	<u>1,075,105</u>	<u>71,648</u>	<u>1,146,753</u>	<u>1,707,124</u>
For the year ended 31 March 2016	<u>1,703,903</u>	<u>3,221</u>		<u>1,707,124</u>
Grants receivable for core activities				
Arts Council England	814,512	-	814,512	1,259,811
Essex County Council	-	-	-	100,000
Colchester Borough Council	127,925	-	127,925	227,925
University of Essex	100,000	-	100,000	100,000
	<u>1,042,437</u>	<u>-</u>	<u>1,042,437</u>	<u>1,687,736</u>

4 Charitable activities

	Artistic programme	Learning and education	Total 2017	Total 2016
	£	£	£	£
Sales within charitable activities	<u>11,518</u>	<u>186,551</u>	<u>198,069</u>	<u>211,439</u>
Analysis by fund				
Unrestricted funds	11,518	35,027	46,545	
Restricted funds	-	151,524	151,524	
	<u>11,518</u>	<u>186,551</u>	<u>198,069</u>	
For the year ended 31 March 2016				
Unrestricted funds	-	23,593		23,593
Restricted funds	<u>50,305</u>	<u>137,541</u>		<u>187,846</u>
	<u>50,305</u>	<u>161,134</u>		<u>211,439</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

5 Investments

	2017 £	2016 £
Rental income	14,738	14,628
Interest receivable	245	264
	<u>14,983</u>	<u>14,892</u>

6 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Other income	84,252	-	84,252	124,489
Room and venue hire	85,070	-	85,070	93,872
Auditorium programme	55,705	1,901	57,606	47,748
	<u>225,027</u>	<u>1,901</u>	<u>226,928</u>	<u>266,109</u>
For the year ended 31 March 2016	<u>266,109</u>	<u>-</u>		<u>266,109</u>

7 Charitable activities

	Artistic programme £	Learning and education £	Total 2017 £	Total 2016 £
Staff costs	79,324	364,730	444,054	113,035
Direct costs	189,642	221,511	411,153	382,722
	<u>268,966</u>	<u>586,241</u>	<u>855,207</u>	<u>495,757</u>
Share of support costs (see note 9)	93,494	668,672	762,166	498,927
Share of governance costs (see note 9)	5,395	38,669	44,064	7,240
	<u>367,855</u>	<u>1,293,582</u>	<u>1,661,437</u>	<u>1,001,924</u>
Analysis by fund				
Unrestricted funds	195,807	1,197,870	1,393,677	
Restricted funds	172,048	95,712	267,760	
	<u>367,855</u>	<u>1,293,582</u>	<u>1,661,437</u>	
For the year ended 31 March 2016				
Unrestricted funds	455,248	246,684		701,932
Restricted funds	134,234	165,758		299,992
	<u>589,482</u>	<u>412,442</u>		<u>1,001,924</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

8 Raising funds

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
<u>Costs of generating voluntary income</u>				
Subscription and membership	-	-	-	2,641
Advertising	-	-	-	51,723
Staff costs	23,958	-	23,958	91,119
Governance costs	-	-	-	660
Support costs	-	-	-	578,395
	<u>23,958</u>	<u>-</u>	<u>23,958</u>	<u>724,538</u>
<u>Costs of generating voluntary income</u>	<u>23,958</u>	<u>-</u>	<u>23,958</u>	<u>724,538</u>
<u>Activities for generating funds</u>				
Direct trading costs	144,342	-	144,342	88,572
	<u>168,300</u>	<u>-</u>	<u>168,300</u>	<u>813,110</u>
For the year ended 31 March 2016				
Costs of generating voluntary income	724,538	-		724,538
Trading costs	88,572	-		88,572
	<u>813,110</u>	<u>-</u>		<u>813,110</u>

In the year to 31 March 2016, substantial work was carried out in order to raise funds and assisted the charity's transition using the intervention funds provided by Arts Council England. In the year to 31 March 2017, with the transition complete, more work was directed towards the charitable activities of the charity and hence raising funds come back to a more typical level.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

9 Support costs

	Support costs	Governance costs	2017	2016
	£	£	£	£
Staff costs	231,793	-	231,793	407,853
Depreciation	112,433	-	112,433	127,545
Office costs	15,363	-	15,363	46,899
Insurance	53,622	-	53,622	33,665
Communications	46,584	-	46,584	131,688
Recruitment and training	29,424	-	29,424	55,460
Utilities	55,105	-	55,105	128,212
Building costs	101,901	-	101,901	111,426
Computer and telecoms	73,866	-	73,866	70,625
Licence and subscriptions	42,075	-	42,075	7,502
Audit fees (over accrual adjusted in 2016)	-	7,551	7,551	5,105
Non-audit fees (over accrual adjusted in 2016)	-	5,469	5,469	3,240
Legal and professional	-	17,157	17,157	8,992
Board and committee expenses	-	6,407	6,407	8,865
Bank charges	-	7,480	7,480	8,483
	762,166	44,064	806,230	1,155,560
Analysed between				
Fundraising	-	-	-	65,732
Generating voluntary income	-	-	-	583,661
Charitable activities	762,166	44,064	806,230	506,167
	762,166	44,064	806,230	1,155,560

In prior years all support costs had been attributed into Office costs. In the year to 31 March 2017, it was decided that this needed further analysis and so support costs have been split by the appropriate expense categories. An exercise to analyse the prior year figures has taken place.

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but one of them was reimbursed a total of £1,887 travelling expenses (2016: one was reimbursed £1,482).

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

12 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
General	46	63

Employment costs

	2017 £	2016 £
Wages and salaries	645,475	647,283
Social security costs	37,699	20,509
Other pension costs	16,631	16,540
	<u>699,805</u>	<u>684,332</u>

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

13 Other

	2017 £	2016 £
Intervention	-	346,933
	<u>-</u>	<u>346,933</u>

In the year to 31 March 2016, specific costs were outlaid in order for a restructure of the charity to meet the rigours required by Art Council Essex. The intervention expense allowed the charity to make changes where necessary and streamline the workforce to provide maximum efficiency.

14 Profit/(Loss) of Parent Company

As permitted by Section of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's surplus was £257,607 (2016 : £74,284).

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

15 Tangible fixed assets Group

	Plant, equipment & auditorium £	Fixtures and fittings £	Gallery equipment & IT £	Motor vehicles £	Office IT £	Total £
Cost						
At 1 April 2016	140,763	331,025	343,728	1,475	48,708	865,699
Additions	48,421	1,975	13,946	-	-	64,342
Disposals	-	-	-	(1,475)	-	(1,475)
At 31 March 2017	189,184	333,000	357,674	-	48,708	928,566
Depreciation and impairment						
At 1 April 2016	83,038	191,979	277,765	1,475	48,708	602,965
Depreciation charged in the year	23,411	46,631	41,323	-	-	111,365
Eliminated in respect of disposals	-	-	-	(1,475)	-	(1,475)
At 31 March 2017	106,449	238,610	319,088	-	48,708	712,855
Carrying amount						
At 31 March 2017	82,735	94,390	38,586	-	-	215,711
At 31 March 2016	57,725	139,046	65,963	-	-	262,734

Charity

	Plant, equipment & auditorium £	Fixtures and fittings £	Gallery equipment & IT £	Motor vehicles £	Office IT £	Total £
Cost						
At 1 April 2016	137,494	331,025	343,728	1,475	48,708	862,430
Additions	48,421	1,975	13,946	-	-	64,342
Disposals	-	-	-	(1,475)	-	(1,475)
At 31 March 2017	185,915	333,000	357,674	-	48,708	925,297
Depreciation and impairment						
At 1 April 2016	82,970	191,979	277,765	1,475	48,708	602,897
Depreciation charged in the year	22,942	46,631	41,323	-	-	110,896
Eliminated in respect of disposals	-	-	-	(1,475)	-	(1,475)
At 31 March 2017	105,912	238,610	319,088	-	48,708	712,318
Carrying amount						
At 31 March 2017	80,003	94,390	38,586	-	-	212,979
At 31 March 2016	54,524	139,046	65,963	-	-	259,533

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

16 Heritage assets Group and Charity

2017
£

At 1 April 2016 and at 31 March 2017

14,880

The heritage assets are held at a previously recorded revaluation, they are currently insured for £62,420. The assets will be revalued professionally over the coming year.

17 Investment property Group and Charity

2017
£

Fair value

At 1 April 2016 and 31 March 2017

195,000

Investment property comprises the long leasehold of 15 Queen Street, Colchester until the year 2160. Lloyds Bank PLC have a registered charge over the property.

The fair value of the investment property has been arrived at on the basis of a valuation carried out on 14 December 2009 by Nicholas Percival Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The Board of Trustees consider that the market value of the property is not materially different to that stated above.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2017 £	2016 £
Cost	195,000	195,000
Accumulated depreciation	-	-
Carrying amount	195,000	195,000

18 Fixed asset investments Charity

	Notes	2017 £	2016 £
Investments in subsidiaries	19	100	100

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

19 Subsidiaries

Separate company financial statements are required to be prepared by law. Consolidated financial statements for the Firstsite Limited Group are prepared and publicly available.

Details of the company's subsidiaries at 31 March 2017 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct
Firstsite Enterprises Limited United Kingdom	Trading arm of Charity	Ordinary	100.00

20 Stocks	2017	2016
	£	£
Shop stock	17,644	16,349
Café and bar stock	-	5,572
	<u>17,644</u>	<u>21,921</u>
21 Financial instruments Group	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>264,267</u>	<u>502,828</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>273,403</u>	<u>322,701</u>
22 Financial instruments Charity	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>261,855</u>	<u>526,496</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>219,498</u>	<u>308,575</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

23 Debtors	Charity		Group	
	2017	2016	2017	2016
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	52,201	16,644	75,214	21,184
Amounts due from subsidiary undertaking	30,667	71,147	-	-
Other debtors	18,733	122,150	20,031	123,164
Prepayments and accrued income	19,703	7,687	19,703	7,687
	<u>121,304</u>	<u>217,628</u>	<u>114,948</u>	<u>152,035</u>
24 Creditors: amounts falling due within one year	Charity		Group	
	2017	2016	2017	2016
	£	£	£	£
Other taxation and social security	10,097	7,653	10,097	7,653
Bank loan and overdrafts	64,601	-	64,601	-
Trade creditors	73,945	190,857	88,322	193,287
Other creditors	3,215	9,987	3,215	18,143
Accruals and deferred income	77,737	108,031	83,920	111,271
	<u>229,595</u>	<u>316,528</u>	<u>250,155</u>	<u>330,354</u>
25 Creditors: amounts falling due after more than one year			2017	2016
	Notes		£	£
Bank loans	26		<u>33,345</u>	<u>-</u>
26 Loans and overdrafts			2017	2016
			£	£
Bank overdrafts			48,182	-
Bank loans			<u>49,764</u>	<u>-</u>
			<u>97,946</u>	<u>-</u>
Payable within one year			64,601	-
Payable after one year			<u>33,345</u>	<u>-</u>

The long-term loans are secured by a fixed charge over the investment property, 15 Queen Street.

The loan was taken out in February 2017 for a term of 36 months to facilitate the renovation of the auditorium. It will be repaid in equal instalments of £1,479 a month at an interest rate of 2.9% plus the base rate. Whilst there is a legal charge over the loan, there have been no restrictions imposed by the lender, Lloyds Bank.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

27 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £16,631 (2015 : £16,540).

28 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
	£	£	£	£	£
University of Essex	9,902	-	-	(9,902)	-
First Site Development Appeal	204,515	-	(83,028)	-	121,487
NSEDA - TDA	1,879	-	-	(1,879)	-
Esmee Fairbairn Foundation	12,327	6,975	(17,817)	-	1,485
ECC re Insite	908	-	-	(908)	-
PHF Exp. Communities project	2,514	-	-	(2,514)	-
Artwork Fund	14,380	-	-	-	14,380
Collectors Group - Artists support	29,883	3,552	(3,000)	-	30,435
Making Space	588	-	(588)	-	-
Tate - Circuit	35,681	140,898	(156,495)	-	20,084
New Firstsite projects	3,907	-	(546)	-	3,361
ECC Studio Network	5,739	-	-	(5,739)	-
The Britishness Project	-	69,148	-	-	69,148
Bruce Mclean	2,375	-	-	(2,375)	-
Royal Opera House	-	2,500	-	-	2,500
VALE NNF Bridge	4,692	-	-	(4,692)	-
Coode-Adams Firstsite Trust	-	2,000	-	-	2,000
Other	17,860	-	(6,286)	(11,574)	-
	<u>347,150</u>	<u>225,073</u>	<u>(267,760)</u>	<u>(39,583)</u>	<u>264,880</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

28 Restricted funds

Insite - Cultural Tourism

Balance of a grant from Essex County Council to support the reach of major events and openings and encourage increased visibility and audience awareness of Firstsite.

Artwork Fund

This relates to works of art donated to the charity which are held as heritage assets.

University of Essex for Programme

Balance from 5 year agreement to strengthen partnership between Firstsite and the University of Essex. To be used to employ an Associate Curator to act as liaison with University academic departments to shape student placements and a public programme of events targeted at students and academics from the University.

NSEDA - TDA

Grant to support delivery and research of the Artist Teacher Scheme. Firstsite applied for support when initiating their MA ATS Contemporary Prof Practice continuing work to support the research for this scheme going forward. The fund must only be used to support delivery and research for MA ATS and evaluation of the programme.

Esmee Fairbairn Foundation

Grant for Activity and Dissemination of Learning, continuation of dissemination and research, must only be used for this programme for outreach and community work.

Firstsite Development Appeal

This relates to fixed assets purchased out of funds raised following a specific campaign for the development of Firstsite.

Paul Hamlyn Foundation Community Project

Grant for Experimental Communities Activity and Dissemination arising from continuing work to complete the dissemination of research and learning from the experimental communities programme. The fund must only be used to support the experimental communities programme and for Firstsite to continue involvement with outreach and community work.

Collectors Group - Artist Support

Funds raised by the Collectors' Group through Membership fees and special events to be used to support artists with the Collectors Group annual bursary awards and to contribute to specific Firstsite exhibition fundraising projects.

TATE - Circuit

Grant for the delivery of the Circuit Programme for young people aged 15-25 years to involve them in cultural production and embed them into the organisation. To be used only for Circuit delivery, staff and programme.

Firstsite Projects

Specific private donations sought by the Director for strategic projects related to the Organisational Review and Change Programme and to provide seed funding for larger projects and new programmes or work.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

28 Restricted funds

Summer of Art V & VI & VII & ENAS

To identify and ring fence funds to fulfil the aims of Essex Summer of Art as outlined by Essex Council:

- Unite existing art trails under the banner of "Essex Summer of Art" for the benefit of each art trail.
- Raise the profile of each art trail and the arts in Essex as a whole.
- Increase audience participation and the exposure of exhibiting artists via the cross pollination that will occur as a result of each art trail being uniformly marketed.
- Encourage existing art trails and organisations to work together and build stronger relationships.
- To lay the foundations for future Summer of Art projects.

Stemming from the Space to Work arts strategy, Essex Summer of Art is a project that galvanises existing regional art trails in Essex and unifies them in an overarching marketing campaign, whilst ensuring that each existing art trail retains its own identity and independence. The project is managed by representatives from Firstsite, Essex County Council Arts Development and Tourism teams, participating District and Borough Arts Development teams and the Art Trail Coordinators.

Funding is transferred to Firstsite from Essex County Council Arts Development Team, with the restriction that it must only be used to deliver the marketing, PR and evaluation elements of Essex Summer of Art. Funding is secured and transferred on a year-by-year basis to deliver the above marketing, PR and evaluation parts of Essex Summer of Art.

ECC Studio Network

Essex Network of Artists' Studio (ENAS) is a two year initiative supported by Arts Council England, Essex County Council and Firstsite. The network aims to increase artistic excellence and encourage dialogue, sustainable practices and business resilience throughout artists' studios in Essex. Launched in March 2014, ENAS now has over 300 artist members and 16 studios. As part of Firstsite's commitment to the local arts ecology and support for artists working locally, it fosters this network and offers staff time and in-kind support such as space hire for the network's activities. The main funded strands for ENAS which Firstsite manages are disseminated from Essex County Council, including staffing costs for one part-time member of staff (who also works for Firstsite) as well as marketing costs drawing on strong existing relationships between Firstsite and designers.

Bruce Mclean

Fundraiser for the meet the Artist dinner, menu designed and selected by the Artist himself.

VALE NNF Bridge

Joint Grant from both Bridges to initiate and complete baseline research/consultancy for Visual Arts Learning East (VALE). Firstsite applied and was awarded grant to be used on meetings, consultation, network initiatives only for VALE.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

28 Restricted funds

Making Space

This scheme, which runs parallel to the Associate Artist Scheme, offers four makers a range of professional development opportunities based on self-directed pathways, across a spectrum of practical and theoretical interest. It is a 6-month intensive programme which will end in January 2016. This scheme has been generously supported through funding from Arts Council England, Making Space and mentoring from Smiths Row.

Garfield Weston Foundation - The Britishness Project

Supporting Learning & Education activities working with young people across Essex in a variety of educational settings to produce a set of works both authored and created by young people from national collections which give a high profile platform for young people's interpretations of British Values and Britishness.

Coode-Adams Firstsite Trust - The Britishness Project

Supporting Learning & Education activities working with young people across Essex in a variety of educational settings to produce a set of works both authored and created by young people from national collections which give a high profile platform for young people's interpretations of British Values and Britishness.

Coode-Adams Firstsite Trust - Retail

Donation to support the commissioning of artist merchandise for sale in the gallery shop.

29 Designated funds

	Balance at 1 April 2016 £	Movement in funds		Balance at 31 March 2017 £
		Incoming resources £	Resources expended £	
Firstsite Transition	146,522	-	(146,522)	-
	<u>146,522</u>	<u>-</u>	<u>(146,522)</u>	<u>-</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

30 Analysis of net assets between funds Group

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible assets	94,225	121,486	215,711
Heritage assets	-	14,880	14,880
Investment properties	195,000	-	195,000
Current assets/(liabilities)	(96,755)	128,514	31,759
Long term liabilities	(33,345)	-	(33,345)
	<u>159,125</u>	<u>264,880</u>	<u>424,005</u>

Analysis of net assets between funds Charity

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2016 are represented by:			
Tangible assets	91,493	121,486	212,979
Heritage assets	-	14,880	14,880
Investment properties	195,000	-	195,000
Investments	100	-	100
Current assets/(liabilities)	(96,254)	128,514	32,260
Long term liabilities	(33,345)	-	(33,345)
	<u>156,994</u>	<u>264,880</u>	<u>421,874</u>

31 Financial commitments, guarantees and contingent liabilities Group and Charity

The investment property, 15 Queen Street, was purchased with the aid of a grant. The terms of this grant state that Firstsite Limited may have to repay the donor their share of the net proceeds of the future sale of the property within a period of ten years. Should the property be sold for its current net book value, Firstsite Limited may potentially be required to repay £100,000.

32 Operating lease commitments

Lessee

At the reporting end date the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	4,406	8,042
Between two and five years	12,408	8,812
	<u>16,814</u>	<u>16,854</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

33 Auditors ethical standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.

34 Related party transactions

Transactions with related parties

During the year the charity obtained human resource (HR) services from Friary West Limited, a company with common directors. The total cost of services amounted to £18,087 (2016 : £92,202). At the year end the charity owed £108 (2016 : £1,044). The transactions were conducted on an arms length basis.

No guarantees have been given or received.

35	Cash generated from operations	2017 £	2016 £
	(Deficit)/Surplus for the year	(243,004)	37,597
	Adjustments for:		
	Investment income recognised in profit or loss	(245)	(264)
	Depreciation and impairment of tangible fixed assets	111,365	148,135
	Movements in working capital:		
	(Increase)/decrease in stocks	4,277	(4,809)
	(Increase) in debtors	76,566	(97,349)
	Increase/(decrease) in creditors	(184,278)	72,363
	Cash generated from operations	(235,319)	155,673