

REGISTRAR'S COPY

Charity Registration No. 1031800

Company Registration No. 2884347 (England and Wales)

FIRSTSITE LIMITED
CONSOLIDATED ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



WHITTLES
CHARTERED ACCOUNTANTS

FIRSTSITE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr G C Armitage Mr R C Hirst Ms J R Knowles Mr T Field Ms Rosie Millard OBE Mr R A Polom Mr A K Shah Ms C Francis Ms D Leacock Ms S Pui San Lok Mr P Tibber Ms J Young Mr M Durham	(Appointed 18 March 2020) (Appointed 18 March 2020) (Appointed 18 March 2020) (Appointed 18 March 2020) (Appointed 31 July 2019) (Appointed 31 July 2019)
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

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

Lloyds Bank
22 High Street
Colchester
Essex
CO1 1DU

FIRSTSITE LIMITED

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FIRSTSITE LIMITED

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

This has been a remarkable year for Firstsite; one which has seen both a dramatic reduction and an important increase in our services to our community. In first instance I am of course referring to the Coronavirus pandemic, during which we were obliged to close completely in March, where this Statement ends. We are thankfully open once more, and I believe stronger and more coherent than ever.

The year began with the continuation of our status as an Arts Council of England National Portfolio Organisation, and the delivery of the first in a sequential programme of exhibitions of the Arts Council of England Collection. The first exhibition, *Super Black*, was curated by members of the community and exhibited work by nationally heralded figures as well as local artists whom Firstsite has championed. A very successful opening was enhanced by the appearance of the Black historian David Olusoga who came to Colchester on our behalf and gave a very well attended talk. The second exhibition *Tell Me The Story Of All These Things*, featuring work made by some of Britain's best known artists including Sarah Lucas, Cornelia Parker and Tracey Emin, has been interrupted by the Covid closures but has reopened to acclaim and great audience figures.

As part of our position exhibiting the Arts Council of England Collection for a three year period, Firstsite successfully pitched for, and was granted, the chance to exhibit Sir Antony Gormley's *Field* for the British Isles, a monumental work and the largest single exhibit held by the Arts Council of England.

To display this epic work comprising of over 40,000 terracotta figures, Firstsite had to work closely with the Council and also Sir Antony's team as the site within the building had to be agreed upon by the artist himself. He admitted we were the first to ever show the work on a diagonal axis but was delighted with the result. The show was curated and mounted by members of the local community which was very satisfying for all concerned, not least because the original figures had been sculpted by members of the Liverpool community and the work relies upon a notion of communal enterprise.

The launch of this work was extremely successful with national coverage and acclaim. Thousands of people came to see it, free of charge.

Our scheme to encourage and nurture low-income families at Firstsite continues apace. Holiday Fun has now been extended from summer holidays to include half terms and Easter. Children and young people who qualify for free school meals are made welcome at Firstsite, with a hot and nutritious lunch provided onsite, physical education outdoors courtesy of Colchester Football Club and a series of artistic activities and engagement. The Firstsite team have been first class providing and leading this ingenious and wildly successful initiative. We are now funded by the local NHS Trust who can see the huge benefits of Holiday Fun, and I am delighted to report that Firstsite has been in talks with national collections keen to deliver a similar scheme in their buildings. It has had a remarkable and entirely beneficial affect on the building and our community and we are delighted to see it go from strength to strength.

Our digital capacity has been greatly enhanced this year. Our website has been completely rebuilt and is a far sleeker and faster enterprise thanks to the hard work and ingenuity of our Comms Team. People now find it much easier to find out what is going on at Firstsite, and where appropriate, to book tickets for activities, films etc. It was ready just in time for the momentous events of this year.

When lockdown commenced in March, we were able to swiftly produce a digital Artists Activity Book which had delightful and creative artistic ideas from nationally acclaimed figures in a book to be downloaded and used by members of the Firstsite community. This was very successful, gained national traction with coverage on BBC Radio 4 and national newspapers, and the enterprise eventually ran to three editions and boosted our digital reach to an unprecedented scale.

FIRSTSITE LIMITED

CHAIR'S STATEMENT

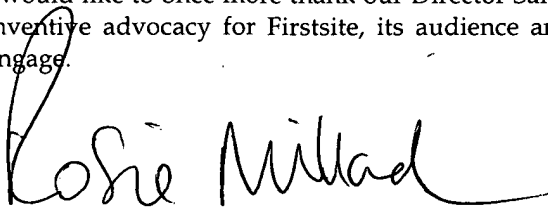
FOR THE YEAR ENDED 31 MARCH 2020

We have continued with our tradition of exhibiting work by local artists and encouraging local events to take place in the wonderful Firstsite building, including the regular folk music event Slack Folk which happens at the front of the building and has a large and vigorous following.

I would like to acknowledge and thank the entire team, the executive and the Board of Firstsite for a remarkable year during which we scaled artistic heights to national acclaim, had enormous success in encouraging and welcoming a properly diverse audience into the building and were essentially in a sufficiently stable position to be able to cope with the unexpected trauma of an international pandemic. We have increased the scope, diversity and expertise of the Board and we have also slowly started to expand the staff team with great success.

Yet again, Firstsite has made huge gains in local engagement and national recognition. It has come back from closure stronger than ever. It is leading the way for many other institutions across the country, who want to follow suit with Holiday Fun. It continues to present an ongoing programme of work which is enlivening, fascinating and disruptive, as well as maintaining a style which is accessible, and an insistence on being free to all. It is a truly remarkable institution.

I would like to once more thank our Director Sally Shaw for her vision, persistence, strength and her constantly inventive advocacy for Firstsite, its audience and its programme, which never ceases to move, interest and engage.

A handwritten signature in black ink, reading 'Rosie Millard'. The signature is fluid and cursive, with a large initial 'R'.

Ms Rosie Millard OBE

Chair

Dated: 4 November 2020

FIRSTSITE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the group'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) (effective 1 January 2019)".

Objectives and activities

The charity's object and its principal activity is to promote the arts in society, in particular the visual and media arts, for the benefit of the inhabitants of Colchester in particular and the surrounding area in East Anglia in general by developing public appreciation of the arts and by improving public access to and the quality of the arts. The organisation is a national leader in commissioning contemporary, exhibiting it 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.

Vision

A thriving art gallery and a vibrant cultural organisation that is valued and admired locally, regionally and internationally, serving diverse communities

Mission

To inspire people through innovative art and culture that contributes to the wellbeing, learning and economy of the surrounding areas.

Values

Inclusion: equality of access and opportunity combined with best practice to help engage with our audiences, artists, hard-to-reach groups, partners, suppliers and staff.

Quality: the use of analytics to help us continuously improve customer experience and how we work and make decisions, to ensure we make measureable impacts.

Innovation: working collaboratively with our stakeholders, partners and funders to ensure we are continuously looking for better ways of working and achieving higher returns on investment.

Professionalism: adopting best practice in all that we do to ensure that we are well governed, well managed and seen as an effective asset for the communities we serve.

Our business plan – Creative Together – has achieved the incredible success of our return to Arts Council England's National Portfolio ensuring core funding for the next two years to the end of our current business plan. However, the business model will mean considerably reduced funding to our artistic programme. This means the challenge to create and implement excellent content is even greater and calls on our small team to be entrepreneurial, outward looking and collaborative in every aspect of our work, driving commercial activity and seeking new partners and investors.

FIRSTSITE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Again, 2019/20 has shown that Firstsite is a highly valued community asset, enabling positive change and living up to its expectations as an agile and innovative regeneration project. The following report provides an assessment of our progress against our headline goals and KPIs.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the group should undertake.

Achievements and performance

1. Be a radical and outstanding art gallery

KPI: Deliver four headline exhibitions that draw in internationally significant partners and artists as well as supporting emerging and regional talent.

2019/20 was the first year of programming in partnership with the Arts Council England National Collection. Firstsite hosted two headline exhibitions – Super Black and Antony Gormley's Field for the British Isles as part of this programme. We also delivered headline exhibitions with artists Cory Arcangel, Lilah Fowler and Elsa James – keeping to our commitment to show work by diverse artists from regional, national and international contexts.

2. Bring lots of different people together to enjoy art and culture

KPI: Increase audience footfall from 131,000 in 2018/19 to 136,000 in 2019/20

Despite closing our building in mid-March 2020 as a result of the COVID-19 Pandemic Firstsite achieved its audience target. Had the building remained open it would have exceeded this target by at least 4,000. Online audiences jumped up from 11,000 to 25,000 in the last two weeks of March in anticipation of the Artist Activity Packs we launched on 3rd April 2020 as our first stage response to the global Pandemic.

3. Be bold in improving diversity and inclusion

KPI: Increase levels of diversity in the artistic programme to a minimum of 50% per year, in our audiences to reflect national levels and likewise in our Board and our staff including volunteers to reflect national levels.

Firstsite significantly improved the levels of diversity within its audiences, artistic programme, team and governance in 2019/20. The artistic programme dedicated the majority of its programmed time not only to diverse artists but also by inviting diverse members of the community to take part in curating exhibitions and authoring the programme at large. The Firstsite Holiday Fun programme recognised a significant leap in the diversity of its attendees in summer 2019 registering 36.36% attendees from BAME families compared to typical visitor attendance of 12% and local resident demographic of 8%. Firstsite's Board membership achieved a greater balance of male and female members and the average age of members decreased significantly and BAME membership also increased from already strong levels.

FIRSTSITE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4. Champion the needs of Children and Young People

KPI: Increase the number of children and young people in Colchester and surrounding wards especially those from protected characteristic groups engaging with art and culture by delivering at least 100 sessions and connecting with 40 schools.

Firstsite continued the delivery of its ground-breaking Holiday Fun programme, expanding activities to every school holiday for the first time and establishing a programme in Harwich, Tendring for the first year. Firstsite has now provided over 5,000 meals and supported in excess of 400 families in the immediate Colchester area through the programme. School visits remained at similar levels to the previous year, with a small dip in the overall number of schools making visits due to resources being diverted towards Holiday Fun. Through Holiday Fun however, Firstsite has made links with families from more than 100 schools across Colchester town centre.

5. Be financially resilient and share our resources

Strategic Objective: Successfully apply to the Arts Council England National Portfolio to confirm core funding for the next four years.

Firstsite has continued to successfully manage and report on its on-going funds from ACE, and Colchester Borough Council. This year saw a drop in funds from Essex County Council as the gallery's 12.5 year funding agreement comes to a close. There are currently no plans to continue funds from Essex County Council after 2020/21 despite the authority having previously confirmed their support at continuous levels throughout the Business Planning period. Firstsite has seen new sources of funding emerge from East Suffolk and North East Essex Clinical Commissioning Group in support of its Holiday Fun programme. The programme is seen as an innovative example of preventative care in the community enabling the NHS to engage with residents in new and accessible ways and provide support when and where it's needed most

6. Be excellent in our Governance and management

Headline KPI: Reduce Firstsite's overall organisational risk ratio from 0.6 in 2017/18 to 0.4 by 2021/22 by continuously assessing immediate and long-term risk and improving mitigation plans.

Prior to COVID-19 Firstsite had made significant progress in reducing its overall risk. ACE had reported that Firstsite was no longer in the 'high' risk category of organisations in its portfolio, being reviewed as 'normal'. This was as a result of significant improvements in financial management, governance, decision-making and procurement. Firstsite's improved Risk Register has enabled the organisation to be better prepared to mitigate for and navigate risks leading to much steadier oversight of all areas of activity. Improved communication and team-working at all levels of the organisation have enabled a strong and agile response to COVID-19 and good levels of morale and organisational resilience to date, despite immense change.

FIRSTSITE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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 as of 31 March 2020 was £88,032 and there were restricted funds of £281,856. Of the reported £76,447 deficit in unrestricted financial activity, £20,000 was the result of an impairment in value of investment property following a market revaluation. A further £36,772 related to an accounting adjustment transferring funds from unrestricted to restricted for the Bronze Age exhibition. The remaining deficit pertaining to in-year operational activity amounted to £19,675, which was attributable to loss of income following the closure of Firstsite on the 19th March 2020 in response to the National Lockdown.

The combined restricted and unrestricted financial activity resulted in a net surplus of £92,914. Of this, £64,520 related to the revaluation of heritage assets held by Firstsite. Income from restricted activity increased by £125,861 from the prior year, which reflects the increase in funding for our Holiday Fun initiative as part of our learning and education activities. During the financial year we received £220,000, out of the £550,000 grant awarded by the Arts Council Collection National Partners Programme in respect of the 3-year collaborative exhibition project to March 2022.

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 £136,121. £143,668 was donated to the charity during the year.

Income overall has increased from the prior year by £194,632 and was mostly attributable to the increase in restricted income from trusts and foundations. There were increases in trading activity across cinema, hires and retail from the prior year amounting to £28,775. This was expected to be higher, but the closure of the building, cancellation of events and ticket refunds to customers resulted in not achieving the expected financial forecast. However, despite the impact of the closure mid-March, 2019-20 has been a positive year financially with the steady growth in income from both trading and restricted sources. The activities that we have produced have been well received, resulting in us achieving our audience target. We have demonstrated that we can deliver high quality exhibitions and projects for our audiences.

Expenditure overall increased from the prior year by £103,232, this increase is reflective of the activity during the year, together with some operating cost increases. Firstsite operates in a unique building that is open to the public 362 days per year. We operate to a very tight financial budget in respect of building maintenance and costs in -year were higher owing to reactive building maintenance. Marketing costs are higher in 2019-20 and reflect the investment that was made to rebuild and upgrade the website. Staff numbers increased on the prior year and was reflective of the additional seasonal staff we employ to support the Holiday Fun project when it operated during school holidays.

Tangible net fixed assets reduced to £34,945 from the prior financial year and this movement in assets reflects the depreciation charge based upon the Charity's accounting policies. Investment property following a market revaluation resulted in an impairment in its value by £20,000 which was charged to unrestricted funds. Heritage assets increased in value by £64,520 following a review.

Debtors are lower at the year-end (£119,436) compared to 2018-19 (£209,013), collection of debtors is much improved from two years ago and debtors reflect 1-2 months maximum. Included within debtors is £65,602 in respect to Exhibition Tax Relief claim that is made post year end.

FIRSTSITE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Creditors falling due within one year of £115,546 (2018-19: £289,692), includes for £50,000 deferred income from Essex County Council who released their remaining funding early, the remaining £50,000 of this will be released in 2020-21 financial year.

Post year end Firstsite was awarded emergency funding in response to the impact of the Coronavirus pandemic and the national lockdown. Arts Council England awarded Firstsite a grant of £250,000 to support the loss of income and reduction in visitors to the building. The trustees have formed a judgement, at the time of approving the financial statements, that based upon funding secured and actions being taken to respond the financial impact of Coronavirus, the group will continue its activities for the foreseeable future and remains a going concern.

Funding continues to be awarded by Arts Council England and Colchester Borough Council, which is dependent on Firstsite achieving several performance objectives.

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 group 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 and up to the date of signature of the financial statements were:

Mr G C Armitage

Mr R C Hirst

Ms J R Knowles

Mr R Perera

(Resigned 28 May 2019)

Mr T J Young

(Resigned 31 July 2019)

Mr T Field

Ms Rosie Millard OBE

Mr R A Polom

Mr A K Shah

Mr M Blackburn

(Resigned 12 October 2019)

Ms J Obasa

(Resigned 31 July 2019)

Ms C Winters

(Resigned 31 July 2019)

Ms C Francis

(Appointed 18 March 2020)

Ms D Leacock

(Appointed 18 March 2020)

Ms S Pui San Lok

(Appointed 18 March 2020)

Mr P Tibber

(Appointed 18 March 2020)

Ms J Young

(Appointed 31 July 2019)

Mr M Durham

(Appointed 31 July 2019)

FIRSTSITE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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 at least quarterly to review the policy, strategy and medium and long term planning needs of the organisation.

The Finance and Enterprise Committee meets regularly with the Finance Director and Director to ensure that the organisation is focused on the Business Plan priorities whilst managing risks proactively.

A Company Secretary role is appointed from amongst the Trustees to help continually develop our governance arrangements ensuring we adhere to best practice. Firstsite has also appointed a Vice Chair to take on duties and responsibilities in the absence of the Chair.

The Board of Trustees delegate day-to-day management to the Director, Ms S Shaw. Please note that Ms S Shaw is not a formal Director at Companies House.

Wider network

Firstsite has a close relationship with Arts Council of England, 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 is also an active member of the +Tate network and the Contemporary Visual Arts Network, contributing to sector-wide strategic projects that support increased access to art and culture across the UK.

FIRSTSITE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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 10 resident members with creative skills ranging from illustration, crafts and marketing with a mix of charity, and social enterprise status.

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.

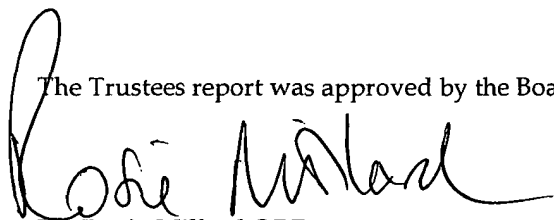
Auditor

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

Disclosure of information to auditor

Each of the Trustees 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 auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.



Ms Rosie Millard OBE

Trustee

Dated: 4 November 2020

FIRSTSITE LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2020

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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FIRSTSITE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FIRSTSITE LIMITED

Opinion

We have audited the financial statements of Firstsite Limited (the 'group') for the year ended 31 March 2020 which comprise the consolidated statement of financial activities, the consolidated and parent company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable group and company's affairs as at 31 March 2020 and of its incoming resources and application of resources, 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.

Basis for opinion

We conducted our audit in accordance with *International Standards on Auditing (UK)* (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

FIRSTSITE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FIRSTSITE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees report.

We have nothing to report in respect of the following matters in relation to which 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 financial statements 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the group for the purpose of company law, is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

FIRSTSITE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FIRSTSITE LIMITED

Use of our report

This report is made solely to the charitable group'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 groups' members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable group and the charitable group's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

4 November 2020

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 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	1,068,725	-	1,068,725	1,075,269	-	1,075,269
<u>Charitable activities</u>							
Learning & education	4	25,528	286,303	311,831	30,538	93,580	124,118
Artistic programme	4	40,910	171,405	212,315	28,973	197,767	226,740
Investments	5	23,110	-	23,110	23,997	-	23,997
Other income	6	441,036	-	441,036	372,261	40,000	412,261
Total income		1,599,309	457,708	2,057,017	1,531,038	331,347	1,862,385
<u>Expenditure on:</u>							
<u>Raising funds</u>							
Costs of generating voluntary income	7	35,718	-	35,718	40,421	-	40,421
Trading costs	7	237,011	-	237,011	172,225	-	172,225
		272,729	-	272,729	212,646	-	212,646
<u>Charitable activities</u>							
Learning & education	8	417,563	150,202	567,765	294,668	44,457	339,125
Artistic programme	8	924,991	244,260	1,169,251	1,055,866	238,793	1,294,659
Total charitable expenditure		1,342,554	394,462	1,737,016	1,350,534	283,250	1,633,784
Total resources expended		1,615,283	394,462	2,009,745	1,563,180	283,250	1,846,430
Net gains/(losses) on investments	13	(20,000)	-	(20,000)	-	-	-

FIRSTSITE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Net (outgoing)/ incoming resources before transfers	(35,974)	63,246	27,272	(32,142)	48,097	15,955
Gross transfers between funds	(41,595)	41,595	-	-	-	-
Net (outgoing)/incoming resources	(77,569)	104,841	27,272	(32,142)	48,097	15,955
Other recognised gains and losses						
Revaluation of tangible fixed assets	-	64,520	64,520	-	-	-
Net movement in funds	(77,569)	169,361	91,792	(32,142)	48,097	15,955
Fund balances at 1 April 2019	164,479	112,495	276,974	196,621	64,398	261,019
Fund balances at 31 March 2020	86,910	281,856	368,766	164,479	112,495	276,974

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

All income and expenditure derive from continuing activities.

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

FIRSTSITE LIMITED

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	16		34,257		70,643
Heritage assets	15		79,400		14,880
Investment properties	17		175,000		195,000
			<u>288,657</u>		<u>280,523</u>
Current assets					
Stocks	20	37,357		38,970	
Debtors	22	126,897		215,516	
Cash at bank and in hand		31,401		31,657	
		<u>195,655</u>		<u>286,143</u>	
Creditors: amounts falling due within one year	23	(115,546)		(289,692)	
Net current assets/(liabilities)			<u>80,109</u>		<u>(3,549)</u>
Total assets less current liabilities			<u>368,766</u>		<u>276,974</u>
Income funds					
General restricted funds		217,336		112,495	
Revaluation reserve		64,520		-	
	26		<u>281,856</u>		<u>112,495</u>
Unrestricted funds			<u>86,910</u>		<u>164,479</u>
			<u>368,766</u>		<u>276,974</u>

The financial statements were approved by the Trustees on 4 November 2020



Ms Rosie Millard OBE
Trustee

Company Registration No. 2884347

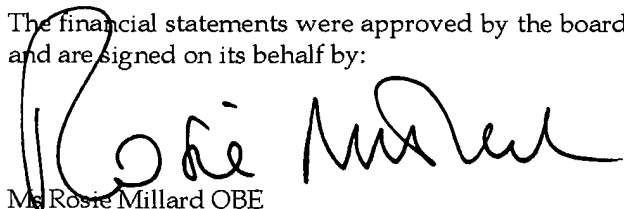
FIRSTSITE LIMITED

CHARITY BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	16		33,351		68,296
Heritage assets	15		79,400		14,880
Investment properties	17		175,000		195,000
Investments	18		100		100
			<u>287,851</u>		<u>278,276</u>
Current assets					
Debtors	22	119,436		209,013	
Cash at bank and in hand		25,457		12,497	
		<u>144,893</u>		<u>221,510</u>	
Creditors: amounts falling due within one year	23	(104,433)		(270,814)	
Net current assets/(liabilities)			<u>40,460</u>		<u>(49,304)</u>
Total assets less current liabilities			<u>328,311</u>		<u>228,972</u>
Income funds					
General restricted funds		217,336		112,495	
Revaluation reserve		64,520		-	
	26		<u>281,856</u>		<u>112,495</u>
Unrestricted funds			<u>46,455</u>		<u>116,477</u>
			<u>328,311</u>		<u>228,972</u>

The financial statements were approved by the board of directors and authorised for issue on 4 November 2020 and are signed on its behalf by:



Ms Rosie Millard OBE
Trustee

Company Registration No. 2884347

FIRSTSITE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	32		41,035		34,644
Investing activities					
Purchase of tangible fixed assets		(4,641)		(5,627)	
Interest received		3		39	
Net cash used in investing activities			(4,638)		(5,588)
Financing activities					
Repayment of bank loans		(16,057)		(18,409)	
Net cash used in financing activities			(16,057)		(18,409)
Net increase in cash and cash equivalents			20,340		10,647
Cash and cash equivalents at beginning of year			11,061		414
Cash and cash equivalents at end of year			31,401		11,061
Relating to:					
Bank balances and short term deposits			31,401		31,657
Bank overdrafts			-		(20,596)

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity 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

The financial statements have been prepared in accordance with the group'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) (effective 1 January 2019)". The group is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the group 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 financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

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 financial statements.

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 financial statements.

1.4 Income

Income is recognised when the group 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 group 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 (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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 Expenditure

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

Where the costs of charitable activities cannot be directly attributed to a charitable activity they are allocated proportionally between the artistic programme 67% (2019: 76%) and learning and education 33% (2019: 24%).

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, equipment & auditorium	33.3% straight line
Fixtures and fittings	20% straight line
Gallery equipment & IT	25% straight line
Office IT	25% 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. During the year, the heritage assets have been revalued by an independent valuer for insurance purposes.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the SOFA.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.8 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).

1.9 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 the lower of replacement cost and 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.

1.10 Financial instruments

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

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.

1.11 Taxation

Firstsite is an exempt charity within the meaning of the Charities Act 2011 and as such is a charity within the meaning of Part 11, Corporation Tax Act 2010. Accordingly, Firstsite is partially exempt from taxation in respect of income or capital gains received within the categories by Part 11, Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively to its charitable purposes.

Firstsite received no similar exemption in respect of Value Added Tax. Firstsite is a partially exempt organisation for VAT purposes and consequently input tax on its purchases are not fully recoverable.

1.12 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 group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.13 Retirement benefits

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

1.14 Leases

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

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	57,198	48,292
Grants	1,011,527	1,026,977
	<u>1,068,725</u>	<u>1,075,269</u>
Grants receivable for core activities		
Arts Council England	814,527	814,527
Colchester Borough Council	97,000	112,450
University of Essex	100,000	100,000
	<u>1,011,527</u>	<u>1,026,977</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Charitable activities

	Learning & education £	Artistic programme £	Total £	Total 2019 £
Sales within charitable activities	311,831	212,315	524,146	350,858
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Analysis by fund				
Unrestricted funds	25,528	40,910	66,438	
Restricted funds	286,303	171,405	457,708	
	<u> </u>	<u> </u>	<u> </u>	
	311,831	212,315	524,146	
	<u> </u>	<u> </u>	<u> </u>	
For the year ended 31 March 2019				
Unrestricted funds	30,538	28,973		59,511
Restricted funds	93,580	197,767		291,347
	<u> </u>	<u> </u>		<u> </u>
	124,118	226,740		350,858
	<u> </u>	<u> </u>		<u> </u>

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Rental income	23,107	23,957
Interest receivable	3	40
	<u> </u>	<u> </u>
	23,110	23,997
	<u> </u>	<u> </u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Other income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Other income	209,981	-	209,981	203,248
Room and venue hire	101,395	-	101,395	96,230
Auditorium programme	129,660	-	129,660	112,783
	<u>441,036</u>	<u>-</u>	<u>441,036</u>	<u>412,261</u>
For the year ended 31 March 2019	<u>372,261</u>	<u>40,000</u>		<u>412,261</u>

7 Raising funds

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Costs of generating voluntary income</u>		
Staff costs	<u>35,718</u>	<u>40,421</u>
<u>Trading costs</u>		
Direct trading costs	<u>237,011</u>	<u>172,225</u>
	<u>272,729</u>	<u>212,646</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Charitable activities

	Learning & education 2020 £	Artistic programme 2020 £	Total 2020 £	Total 2019 £
Staff costs	170,022	358,155	528,177	498,654
Direct costs	114,866	253,404	368,270	320,515
	<u>284,888</u>	<u>611,559</u>	<u>896,447</u>	<u>819,169</u>
Share of support costs (see note 9)	260,007	511,260	771,267	760,097
Share of governance costs (see note 9)	22,870	46,432	69,302	54,518
	<u>567,765</u>	<u>1,169,251</u>	<u>1,737,016</u>	<u>1,633,784</u>
Analysis by fund				
Unrestricted funds	417,563	924,991	1,342,554	1,350,534
Restricted funds	150,202	244,260	394,462	283,250
	<u>567,765</u>	<u>1,169,251</u>	<u>1,737,016</u>	<u>1,633,784</u>
For the year ended 31 March 2019				
Unrestricted funds	294,668	1,055,866		1,350,534
Restricted funds	44,457	238,793		283,250
	<u>339,125</u>	<u>1,294,659</u>		<u>1,633,784</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Support costs

	Support costs	Governance costs	2020 Support costs	Governance costs	2019
	£	£	£	£	£
Staff costs	297,647	-	297,647	303,407	303,407
Depreciation	41,028	-	41,028	55,660	55,660
Office costs	13,814	-	13,814	15,081	15,081
Insurance	27,100	-	27,100	33,857	33,857
Communication	47,206	-	47,206	36,277	36,277
Recruitment and training	8,889	-	8,889	30,854	30,854
Utilities	132,041	-	132,041	120,898	120,898
Building costs	145,314	-	145,314	102,663	102,663
Computer and telecoms	46,238	-	46,238	45,444	45,444
Licence and subscriptions	10,440	-	10,440	15,956	15,956
Bad debts	1,550	-	1,550	-	-
Audit fees	-	8,750	8,750	-	10,208
Accountancy	-	3,000	3,000	-	2,760
Legal and professional	-	42,740	42,740	-	26,524
Board and committee expenses	-	860	860	-	5,814
Bank charges	-	13,952	13,952	-	9,909
Corporation tax	-	-	-	-	(697)
	<u>771,267</u>	<u>69,302</u>	<u>840,569</u>	<u>760,097</u>	<u>814,615</u>
Analysed between					
Charitable activities	<u>771,267</u>	<u>69,302</u>	<u>840,569</u>	<u>760,097</u>	<u>814,615</u>

10 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the group's auditors and associates:

	2020	2019
	£	£
Audit of the groups annual accounts	<u>8,750</u>	<u>10,208</u>
Non-audit services		
All other non-audit services	<u>3,000</u>	<u>2,760</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but three of them were reimbursed a total of £540 travelling expenses (2019 : two were reimbursed £307).

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
General	54	47

Employment costs

	2020 £	2019 £
Wages and salaries	778,285	782,763
Social security costs	57,205	44,164
Other pension costs	26,052	15,555
	<u>861,542</u>	<u>842,482</u>

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

	2020 Number	2019 Number
£60,000 - £70,000	1	1

13 Net gains/(losses) on investments

	Unrestricted funds	Total
	2020 £	2019 £
Revaluation of investment properties	(20,000)	-

14 Profit/(Loss) of Parent Company

As permitted by Section 408 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 £99,339 (2019: £12,180 deficit).

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

15 Heritage assets
Group and Charity

	2018 £
At 1 April 2019	14,880
Revaluation	64,520
At 1 April 2019 and at 31 March 2020	<u>79,400</u>

The heritage assets have been revalued in line with the amount the assets are insured for. This has created a gain of £64,520. It is the intention of the trustees to professionally revalue the heritage assets over the coming year.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

16 Tangible fixed assets Group

	Plant, equipment & auditorium	Fixtures and fittings	Gallery equipment & IT	Office IT	Total
	£	£	£	£	£
Cost					
At 1 April 2019	192,080	337,396	365,603	48,708	943,787
Additions	-	-	4,641	-	4,641
At 31 March 2020	192,080	337,396	370,244	48,708	948,428
Depreciation and impairment					
At 1 April 2019	162,930	307,776	353,729	48,708	873,143
Depreciation charged in the year	11,205	22,779	7,044	-	41,028
At 31 March 2020	174,135	330,555	360,773	48,708	914,171
Carrying amount					
At 31 March 2020	17,945	6,841	9,471	-	34,257
At 31 March 2019	29,149	29,620	11,874	-	70,644

Charity

	Plant, equipment & auditorium	Fixtures and fittings	Gallery equipment & IT	Office IT	Total
	£	£	£	£	£
Cost					
At 1 April 2019	186,311	337,396	365,603	48,708	938,018
Additions	-	-	4,641	-	4,641
At 31 March 2020	186,311	337,396	370,244	48,708	942,659
Depreciation and impairment					
At 1 April 2019	135,997	307,776	353,729	48,708	846,210
Depreciation charged in the year	23,511	22,779	7,044	-	53,334
At 31 March 2020	159,508	330,555	360,773	48,708	899,544
Carrying amount					
At 31 March 2020	26,803	6,841	9,471	-	43,115
At 31 March 2019	50,314	29,620	11,874	-	91,808

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

17 Investment property Group and charity

	2020 £
Fair value	
At 1 April 2019	195,000
Net gains or losses through fair value adjustments	(20,000)
At 31 March 2020	<u>175,000</u>

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 11 February 2020 by Morley Riches & Ablewhite Chartered Surveyors, who are not connected with the group. 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.

18 Fixed asset investments Charity

	Notes	2020 £	2019 £
Investments in subsidiaries	19	<u>100</u>	<u>100</u>

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 group's subsidiaries at 31 March 2020 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

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

20	Stocks	2020	2019
		£	£
	Shop stock	34,358	34,358
	Bar stock	4,122	4,612
		<u>37,357</u>	<u>38,970</u>
21	Financial instruments	2020	2019
	Group	£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	122,924	202,154
		<u>122,924</u>	<u>202,154</u>
	Carrying amount of financial liabilities		
	Measured at fair value through profit or loss		
	Measured at amortised cost	100,248	273,308
		<u>100,248</u>	<u>273,308</u>
	Financial instruments		
	Charity	2020	2019
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	116,104	195,675
		<u>116,104</u>	<u>195,675</u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	89,135	254,430
		<u>89,135</u>	<u>254,430</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

22 Debtors Group

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	57,963	103,990
Other debtors	65,602	99,523
Prepayments and accrued income	3,332	12,003
	<u>126,897</u>	<u>215,516</u>

Debtors Charity

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	51,143	97,511
Other debtors	64,961	99,499
Prepayments and accrued income	3,332	12,003
	<u>119,436</u>	<u>209,013</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

23 Creditors: amounts falling due within one year Group

	Notes	2020 £	2019 £
Bank loans and overdrafts	24	-	36,652
Other taxation and social security		15,298	16,384
Trade creditors		20,990	50,344
Other creditors		4,661	6,978
Accruals and deferred income		74,597	179,334
		<u>115,546</u>	<u>289,692</u>

Creditors: amounts falling due within one year Charity

	Notes	2020 £	2019 £
Bank loans and overdrafts	24	-	36,652
Other taxation and social security		15,298	16,384
Trade creditors		14,657	35,238
Other creditors		4,661	6,978
Accruals and deferred income		69,817	175,562
		<u>104,433</u>	<u>270,814</u>

24 Loans and overdrafts Group and charity

	2020 £	2019 £
Bank overdrafts	-	20,596
Bank loans	-	16,056
	<u>-</u>	<u>36,652</u>
Payable within one year	-	36,652

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 (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

25 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit and loss in respect of defined contribution schemes was £26,052 (2019 : £15,555).

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

26 Restricted funds

	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 March 2020
	£	£	£	£	£	£
<i>First Site</i>						
<i>Development Appeal</i>	17,056	-	(15,805)	-	-	1,251
<i>Artwork fund</i>	14,880	-	-	-	64,520	79,400
<i>Collectors Group -</i>						
<i>Artists support</i>	13,520	11,970	(3,408)	-	-	22,082
<i>Tate - Circuit</i>	437	-	-	-	-	437
<i>Refugee Action</i>						
<i>Restaurant</i>	6,867	-	(4,955)	-	-	1,912
<i>The Britishness</i>						
<i>project</i>	9,472	-	-	-	-	9,472
<i>Bonze Age</i>	(36,772)	-	-	36,772	-	-
<i>Royal Opera House</i>	1,094	-	-	-	-	1,094
<i>Coode-Adams</i>						
<i>Firstsite Trust</i>	2,000	-	-	-	-	2,000
<i>Youth Music</i>	3,355	34,103	(12,109)	-	-	25,349
<i>Children in Need</i>	5,227	-	(3,453)	-	-	1,774
<i>Percil Bilton</i>						
<i>Charity</i>	500	-	-	-	-	500
<i>14/18 NOW</i>	5,250	-	(5,250)	-	-	-
<i>New Geographies -</i>						
<i>Wysing</i>	(19,675)	22,500	(5,976)	-	-	(3,151)
<i>Gillian Wearing</i>						
<i>(Coode-Adams)</i>	(4,823)	-	-	4,823	-	-
<i>Garfield Weston</i>						
<i>Lighting</i>	40,000	-	(2,666)	-	-	37,334
<i>Arts Council</i>						
<i>Collection</i>	-	220,000	(209,420)	-	-	10,580
<i>Holiday Fun</i>	50,000	125,332	(120,902)	-	-	54,430
<i>Black Essex</i>	-	28,150	(1,325)	-	-	26,825
<i>Art Fund</i>	-	15,653	(8,684)	-	-	6,969
<i>Other</i>	4,107	-	(509)	-	-	3,598
	112,495	457,708	(394,462)	41,595	64,520	281,856

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

26 Restricted funds

(Continued)

Firstsite Development Appeal

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

Artwork Fund

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

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 Firstsite exhibition fundraising projects.

TATE -Circuit

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

Refugee Action Restaurant (The Peoples postcode lottery)

Working with Syrian Refugee Community, providing facilities to enable people to mix; developing transferable skills & achieving qualifications.

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 Britishness.

Bronze Age

This exhibition showed artefacts both old and new that were made from Bronze. Artefacts were loaned to Firstsite by the Hauser & Worth gallery. Costs incurred on this project were for the loan of artefacts and installation of the exhibition.

Coode-Adams Firstsite Trust Retail

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

Youth Music

To expand young people's musical understanding, expression and skills including improvisation, experimentation, listening, composition and performance and developing technical skills in the use of digital technology and software. The project supports participants in engaging with, and collaborating with, a range of other community groups and develop their emotional and psychological capabilities particularly confidence, empathy, self-awareness and creativity.

Children in Need

A programme to support young children from low socio-economic backgrounds with access to art and physical activities. Providing a food offering to families entitled to free school meals in early 2019.

14/18 Now

As part of the centenary of the first world war, 14/18 Now funded an exhibition by internationally renowned artists RAQS Media Collective, which explored the impact of post-traumatic stress affecting Indian soldiers who served in the first world war.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

26 Restricted funds

(Continued)

New Geographies – Wysing Arts

The East Contemporary Visual Arts Network (ECVAN) launched New Geographies in May 2018, a three-year partnership between nine arts organisations in the East of England. ECVAN asked people to nominate overlooked or unexpected places in the region that they find meaningful and interesting to them. The exhibition that was produced in collaboration with artist Susan Pui San Lok focussed upon the persecution of men and women in Essex who were branded as witches. This project continues into 2020 and the closing year end balance reflects timing differences in income and expenditure.

Gillian Wearing

This exhibition celebrated a new statue of Millicent Fawcett in Parliament Square – a prominent suffragist whose work was pivotal to raising the issue of women's rights. Funding of this exhibition has been received in part from Coode-Adams Trust.

Garfield Weston Foundation

Firstsite was awarded part funding to support a lighting renewal programme within the gallery areas of the building.

Arts Council Collection – National Partners Programme

A three-year funded programme by Arts Council England's National Contemporary Art Collection. The programme consists of several exhibitions that are co-curated by community groups in Colchester, which explores their experiences of life in the United Kingdom, be it cultural, social or political. It explores and challenges widely held perceptions about identity and diversity. Exhibitions include content produced in partnership with community groups and drawing upon the extensive national collection of contemporary art held by Arts Council England.

Holiday Fun

A follow up programme from the pilot funded by Children in Need initially. This programme is open to all families, but especially those who access support with free school meals. The project is free to access and consists of a canteen offering a selection of hot food, art activities and engagement and sport activities run by trained coaches. The project has been funded by Essex Community Fund, North Essex Clinical Commissioning Group (NHS) and Tendring District Council. The programme took place at Firstsite and in Harwich.

Black Essex

Funded by Heritage Lottery Fund, the Black Essex exhibition represents a positive assertion of 'black artists' working presence in the UK. Raising the profile of their artistic dignity, inventive use of a visual language reflecting the artists' experiences of living and working in a society in which a person with black skin is often considered inferior.

ArtFund

A small project grant to support a collaborative touring project across the Arts Council England's – National Partners Programme, with programme partners Newlyn and Sunderland contemporary art galleries.

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

27 Analysis of net assets between funds

Group

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2020 are represented by:			
Tangible assets	33,006	1,251	34,257
Heritage assets	-	79,400	79,400
Investment properties	175,000	-	175,000
Current assets/(liabilities)	(121,096)	201,205	80,109
	<u>86,910</u>	<u>281,856</u>	<u>368,766</u>

Analysis of net assets between funds

Charity

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2020 are represented by:			
Tangible assets	32,100	1,251	33,351
Heritage assets	-	79,400	79,400
Investment properties	175,000	-	175,000
Investments	100	-	100
Current assets/(liabilities)	(160,745)	201,205	40,460
	<u>46,455</u>	<u>281,856</u>	<u>328,311</u>

28 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 might have to repay the donor their share of the net proceeds of the future sale of the property. Should the property be sold for its current net book value, Firstsite Limited may potentially be required to repay £100,000.

29 Operating lease commitments

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:

	2020 £	2019 £
Within one year	1,385	1,781
Between two and five years	2,859	3,236
	<u>4,244</u>	<u>5,017</u>

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

30 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.

31 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	71,427	66,300

During the year the charity received income from an entity with a common trustee of £24,000. At the year end £12,000 is outstanding.

32 Cash generated from operations	2020 £	2019 £
Surplus for the year	27,272	15,955
Adjustments for:		
Investment income recognised in profit or loss	(3)	(39)
Fair value gains and losses on investment properties	20,000	-
Depreciation and impairment of tangible fixed assets	41,028	55,660
Movements in working capital:		
Decrease/(increase) in stocks	1,613	(9,483)
Decrease/(increase) in debtors	88,619	(69,492)
(Decrease)/increase in creditors	(137,494)	42,043
Cash generated from operations	41,035	34,644

FIRSTSITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

33 Analysis of changes in net funds/(debt)

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	31,657	(256)	31,401
Bank overdrafts	(20,596)	20,596	-
	<u>11,061</u>	<u>20,340</u>	<u>31,401</u>
Loans falling due within one year	(16,056)	16,056	-
	<u>(4,995)</u>	<u>36,396</u>	<u>31,401</u>