

REGISTERED COMPANY NUMBER: SC024805 (Scotland)
REGISTERED CHARITY NUMBER: SC003030

**Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2017
for
Greenock Arts Guild Limited
(A Company Limited by Guarantee)**

SATURDAY



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23/12/2017

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COMPANIES HOUSE

Henderson & Company
73 Union Street
Greenock
Renfrewshire
PA16 8BG

Greenock Arts Guild Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2017**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 13
Report of the Independent Auditors	14 to 15
Statement of Financial Activities	16
Statement of Financial Position	17
Statement of Cash Flows	18
Notes to the Financial Statements	19 to 29

Greenock Arts Guild Limited

**Reference and Administrative Details
for the Year Ended 31 March 2017**

TRUSTEES

Mr G W Armour
Mr A M Gerrard (resigned 27.6.17)
Mr R Jack
Mr A Robertson (resigned 1.12.17)
Ms S Robinson
Mrs J W Spiers
Mr I Nelson (resigned 14.8.17)
Mr S J McCabe
Mrs E L Robertson
Mrs C Paterson
Mr J Snoddy (resigned 15.6.17)
L D Currie (appointed 14.7.17)
I Lind (appointed 14.7.17)
D Brands (appointed 15.8.17)

REGISTERED OFFICE

The Beacon Arts Centre
Custom House Quay
Greenock
Renfrewshire
PA15 8BG

**REGISTERED COMPANY
NUMBER**

SC024805 (Scotland)

REGISTERED CHARITY NUMBER

SC003030

AUDITORS

Henderson & Company
73 Union Street
Greenock
Renfrewshire
PA16 8BG

SOLICITORS

BTO
48 St Vincent Street
Glasgow
G2 5HS

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of 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 2015).

Legal and administrative information set out on page one forms part of this report.

OBJECTIVES AND ACTIVITIES

Greenock Arts Guild Ltd (GAGL) is a registered charity and a company limited by guarantee. Formed on 15 May 1948, GAGL now operates the iconic Beacon Arts Centre in Greenock, and delivers a wide range of community-based activities across Inverclyde and the west of Scotland.

Greenock Arts Guild Ltd's charitable purpose is: to advance, promote, maintain and improve education, participation and enjoyment of the arts, including, without limitation, the arts of drama, mime, dance, singing, music, film, paintings and sculpture

The vision that shapes the charity's activities is: to engage Inverclyde residents and visitors in a quality arts and events programme that is vibrant, fun, stimulates learning and a sense of purpose

The Beacon Arts Centre offers a diverse programme of activity from theatre, dance and music within the venue to workshops and outreach projects across the community. A series of year round participatory programmes include Beacon Youth Theatre and Beacon Dance.

The Beacon launched in January 2013 with spectacular community participation activity and is now firmly established as a centre of excellence for the arts, creativity and learning. Since opening, the Beacon has welcomed 191,000 people to theatre performances and 23,500 people have been involved in the learning and outreach programme.

This community engagement work reduces barriers to access arts and cultural activity and inspires local people, whilst also contributing to reduce social isolation, improve self-esteem and confidence both at individual level and across communities as a whole.

MANAGEMENT AND STAFF

The Chief Executive Officer (CEO) is line-managed by the Chair of Trustees and reports to the Board and its Committees at regular meetings throughout the year. These focus on the financial, operational and artistic performance of the business in line with the company's policies, aims and objectives.

The CEO has overall management responsibility for the artistic, financial and operational running of the organisation including the catering operation and is supported by a Senior Management Team comprising a Director of Operations and Business Development and a Director of Marketing and Communications.

PARTNERSHIP BASE

The Beacon continues to develop its partnership work with a wide range of organisations and agencies to ensure access and participation for all of our audiences.

These partnerships include, for example - nurseries, primary and secondary schools alongside agencies such as Inverclyde Council, West College Scotland, River Clyde Homes, Inverclyde's Health and Social Care Partnership, Reach for Autism, Rig Arts, McLean Art Gallery and Museum, Street Level Photoworks, local Tourist Groups and Inverclyde Chamber of Commerce.

Working with others achieves more than the sum of the parts and contributes to greater opportunity for local people.

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

The Beacon Arts Centre is an important facility for Inverclyde providing great opportunities for local residents and those outwith the area to engage with, and participate in, cultural activities. The Beacon delivers and showcases a diverse range of theatre, dance, music productions and projects throughout the year. RIG Arts specialises in film and media, the visual arts and community engagement and working in partnerships with the Beacon will support and complement their offerings to benefit a greater number of Inverclyde residents. **Karen Orr, Artist/Manager, Rig Arts Ltd**

The Beacon is a world-class venue. It is hands-down my favourite place to develop and rehearse work. The views from the rehearsal rooms must make them some of the most impressive and inspiring spaces to be creative in the world. The theatre and management staff have been so helpful, accommodating and friendly time and time again and we have always had great audiences. Don't work here - it's mine! **Jamie Harrison, Co-artistic Director Vox Motus**

A DIVERSE ARTISTIC PROGRAMME

The Beacon's artistic programme over 2016/17 to 2020/21 focuses on partnerships with local and national companies as a core and defining feature of the artistic vision.

Specifically, the Beacon supports individual artists with space and resources including actors, writers and theatre-makers - e.g. award-winning theatre-maker Julia Taudevin and local emerging artists - Tiffany Broadfoot (dance), Christopher Patrick (writer), Martyn McKenzie (visual art) and Calum McMillan (photographer). Other professional artists include: Alec Galloway (visual art), Leanne Dobie (dance), Marianne Yeomans (theatre), Louise Ahl (dance), Anna Krystek (dance), Effie Scott (theatre), Rob Heaslip (dance), Nicholas Barton-Wines (theatre), Chris Devaney (dance) and Claire Cunningham (dance).

In December 2016, we also supported local writer and director, Kevin Jannetts to produce and tour *It's a Wonderful Life*: a radio play on stage across central Scotland to resounding critical acclaim.

A careful balance of commercial and creative work allowed us to offer the widest range of experiences for new and existing audiences. The programme included work from Scotland's national companies National Theatre of Scotland and Scottish Opera to a more populist programme including evenings with Scottish celebrities e.g. Dean Park, Alex Norton, Michelle McManus, Craig Hill and the creators of the BBC sketch show *Burnistoun*. Other programme elements included music tributes, top comedians and an eclectic programme of contemporary music, theatre and modern dance from some of the top UK companies. The family programme comprised quality work for children and young people from early years to teenagers.

'An absolute privilege to see those incredibly talented musicians in such an intimate setting. More of the same please, Beacon!' **Audience member (Roddy Woomble)**

*'I was extremely impressed to see such a large audience at *Black Beauty* at the Beacon. As an audience member there was a great atmosphere, which enhanced the theatrical experience for everyone. As a theatre maker who makes performance for young audiences it really excited me as it was clear there was an enthusiasm and thirst for this work at the Beacon.'* **Audience Member (Black Beauty)**

'I really enjoy going to the Beacon, it is a lovely theatre - very comfortable and the staff are very kind and helpful' **Audience member (Francie and Josie)**

'Great to have this type of drama on offer especially with such a distinguished actor. More of this please. My friends and I like to support the Beacon and have booked for another five events coming up' **Audience member (The Cause of Thunder).**

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

'The Beacon Arts Centre is a great venue to perform in. The space is intimate and allows for a positive atmosphere for both the performer and audience during a show. I played here as part of my most recent tour and had a great experience. All of the staff were helpful and efficient which enabled me to feel relaxed before the gig. I hope to be back soon.' **Siobhan Miller, Singer/songwriter**

A local focus is manifested through a 'homegrown' brand, established and rolled out in 2016 to highlight the plethora of local work supported by the Beacon. This included work from local singers/songwriters and musicians to Greenock Players, Greenock Light Opera Club, Sidelines Productions, Inverclyde Musical Theatre Youth Theatre and Thistle Theatre Company.

'Blown away by the performance of the Inverclyde musical youth! What a talented bunch' **Audience member, Inverclyde Musical Youth Theatre's The Wizard of Oz**

The Beacon is an aspirational, high quality venue that genuinely reaches out to all. It is underpinned by an integrated creative learning and arts development programme that runs year round.

Festive Programme

An expanded festive season was introduced in 2016 comprising a family Panto - Beauty and the Beast; a show dedicated to early years - Flora's Fairy Challenge and taking the critically acclaimed show, It's a Wonderful Life, on tour to venues around Central Scotland.

Feedback on the panto was resoundingly positive, establishing the Beacon panto-mime as the number one festive attraction for the residents of Inverclyde with 83% of attendees travelling from the Inverclyde area.

17% of pantomime attendees in 2016 travelled from outside Inverclyde, attracting over 2,400 visitors to the district. The pantomime was very popular amongst families with over 33% of the audience purchasing our family saver tickets.

Twenty local young performers were given the opportunity to perform alongside the professional actors in our Pantomime in 2016 and this will be repeated in 2017.

Supporting Local People and Artist Development

The Beacon importantly supports and develops local talent and has done so over 2016/17 through many projects, including Emerging Artist Commissions - these build capacity in local artists, encouraging the sharing of skills and creating high quality work for audiences including teachers, pupils, local writing and theatre groups.

The Scottish Tour of It's a Wonderful Life, local theatre, writer, director and producer Kevin Jannetts was mentored by the Beacon's artistic team throughout 2016. He went on to tour It's a Wonderful Life for the first time in December visiting eight Scottish venues and reaching an audience of 1,300 across 15 performances.

All Hands Project, high quality traditional music sessions and a heritage style walking tour engaged local artists, visitors and tourists alongside local people.

The Beacon, just over 30 minutes by train from Glasgow city centre is the perfect place to develop, rehearse and teach new work. Not only do they have brilliant facilities and a hard-working and dedicated team, but you also get to have tea breaks overlooking gorgeous views of the Clyde estuary. **Gillian Garrity, Producer.**

Reduced rates were put in place to make the venue affordable to a distinct group of local amateur theatre companies alongside 'talent hub' style support to professional and local artists. In general, local groups contributed 30% (75 shows) of the theatre programme and generated 41% (21,842 tickets) of the theatre audience in 2016/17.

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

Year Round Taking Part Programme

The Beacon offers a range of year round participatory classes and workshops, both in the venue and across the wider area.

Beacon Youth Theatre (BYT)

Led by young people and guided by professional theatre practitioners BYT runs each week, all year round, and offers 5 to 21 year olds opportunities to develop skills in performance, creative writing and technical theatre whilst gaining confidence, meeting new friends and having fun.

BYT also provides opportunities for young people to perform in front of parents/guardians and peers and to engage with Beacon Arts Centre's ongoing arts programme through workshops, previews and discounted/free tickets.

Beacon Young Company (BYC)

Established in 2016 for young theatre-makers aged 16+ from across Inverclyde who are interested in pursuing further learning opportunities in performance and production.

The group now has 10 members and they performed Hector Moray in July 2016 as part of NTS Exchange 2016 week long residential programme. Supported by the National Theatre of Scotland, the group were given access to leading creative artists, encouraged to take risks, explore new approaches and create a piece of theatre about their lives.

Beacon Dance

The Beacon hosts dance classes for all ages with participants ranging from 16 months to 97 years. An experienced team of professionals lead innovative and fun classes in various styles including Junior Ballet, Young Groovers, Contemporary Dance, Dance Workout and Platinum for older people aged 60+.

Participants meet on a weekly basis to develop their technical, choreographic and performance skills and are offered opportunities to perform throughout the year.

The Beacon's dance programme focuses on creativity and dance forms that aren't available in Inverclyde and by linking in with curriculum for excellence the dance programme works with the area's secondary schools.

Beacon Dance runs two dance companies - a junior one and a youth dance company, which is creatively adventurous with a strong focus on performance and contemporary dance technique. Aimed at young people aged 11-21 years, the youth dance company is inclusive in terms of participants' abilities and invites members from diverse social backgrounds.

There are 15 members who learn exciting new performance skills, expand their choreographic talents and have fun meeting and performing with other people. It provides a fantastic training opportunity for those who are considering an education in dance.

Community Outreach and Learn Programme

The Beacon runs an aspirational open access Creative Learning and Arts Development programme. The highlights of 2016/17 include:

Galoshans Festival and Community Parade

A partnership of local agencies co-produced this festival with UZ Arts to bring the community together through high quality participative arts activity and create a spectacular series of events across Greenock.

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

Through 19 workshops across 5 local groups, the Beacon's Learning and Outreach team engaged with 105 participants to create a series of masks, costumers and props for the large scale community parade.

The parade brought together friends, families, community groups, performers and artists. The procession featured live music performances where everybody was invited to get dressed up and display their costumes throughout the town.

Creative Summer Workshops

The Beacon's Learning and Outreach team devised and delivered creative workshops in 10 community centres over the school holidays. Children of all ages and abilities were encouraged to participate in arts activities that stimulated imagination and encouraged creativity. A total of 278 young people participated across 10 workshops.

Creative Learning Network (CLN)

CLN is a partnership between the Beacon and Inverclyde Council's Education Services funded by Education Scotland. CLN delivers continuous professional development opportunities for local teachers and creative expression opportunities for pupils.

The Beacon's Learn team alongside 25 pupils from St. Ninian's Primary School (Gourock) created a new dance piece called Within the Wolf. It was choreographed by the Beacon's Dance Officer and performed on the Beacon's main stage as a curtain raiser for the award-winning Barrowland Ballet's Wolves in March 2017.

The project focused on the meaning of creativity and the development of the children's creative skills and learning. Through exploration sessions the participants challenged their human instinct to think about what it meant to be a lone wolf and to be part of the pack.

The class gained first-hand experience of making a high quality performance in a professional theatre environment and rated their learning experience as fantastic. After the project the pupils were asked what does creativity mean to them. To me creativity means:

"being able to come up with my own ideas and use my imagination to create something that I like. It means being me and not a version of me that others made."

"turning your imagination into reality"

"I can be myself and use my imagination. Being open-minded and curious about everything going on around me. To be confident and happy and just be me!"

"Trying your hardest, trying new things, contributing new ideas that are exciting, expressing yourself in all ways possible, being positive."

Creatability

This ground breaking dance project took place for a second time in June 2016 with 46 participants, providing vital opportunities for young people with physical disabilities and learning additional support needs to extend their social circles and learn new skills.

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

Participants explored contemporary creative movement in workshops led by choreographic experts and went on to enjoy a highly innovative week of aerial dance at the Beacon. Participants, parents and support staff from organisations Barnardos, Craigmarloch School and Reach for Autism highly praised the project, stating it had been a resounding success and had a further, fundamental impact and benefit on the quality of the young participants' lives.

Participants gained physical benefits such as increased range of movement, strength, agility and balance while developing spatial awareness, physical mastery of the body and a better understanding of their condition. Cognitive benefits included increased focus, memory function and ability to socially engage with peers. The performance element of the project gave participants a true sense of empowerment and accomplishment. They become dancers, performers and choreographers with a creative voice.

Many young adults with limiting health and wellbeing conditions are beset by low confidence and self-esteem; the performing arts can change their perceptions of themselves, and help them realise what they are capable of achieving. Audiences feedback included:

Brilliant! I felt really emotional, it's great that kids with disabilities are not being held back.

Very emotional watching the children perform, we don't get to see our children getting access to activities that they can truly engage in and be supported in.

Inclusion at its best, amazing talent.

Inverclyde Booked! Festival

In August 2016 the Beacon worked in partnership with Inverclyde Council's library service and the Edinburgh International Book Festival to deliver a full schools programme of interactive presentations and workshops hosted by world class authors bringing books to life for children and young people.

A celebration of words and ideas, the festival brought authors, artists and audiences together to inspire each other and to be inspired, to share stories and experiences, and bring books to life for people of all ages in their own communities.

The Beacon engaged with 1,198 children and young people through this event.

Place Partnership

This programme, funded by Creative Scotland, took place over a 3-year period to:

- build capacity for The Beacon by placing it at the heart of Inverclyde's cultural offering;
- develop cultural opportunities for young people, particularly those more isolated communities; and
- develop the creative economy in Inverclyde by building capacity in artists alongside new and existing creative organisations.

Open Ticket Scheme

The Beacon offers opportunities to local schools and groups who face barriers in engaging with the arts to attend the year round theatre programme through specialist workshops, previews and discounted or free tickets when available.

Work Experience and Placement Programmes

The Beacon provides extensive opportunities for young people to gain transferable work experience skills. Throughout the 2016/17 school year the Beacon's Learn Team coordinated 10 placements for students from a variety of schools and further education.

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

The Beacon is working towards accreditation to pursue formal qualifications out with the school environment.

The Beacon receives a particularly high volume of enquiries from young people wanting experience in a live arts venue specifically on the technical and production side of things.

The Beacon is a wonderful place for young people to learn and develop in all aspects of the arts thanks to its great staff and facilities. **Alasdair Smith, Beacon Young Company Member & Technical Volunteer**

Audience Development

Beacon Arts Centre operates in the local authority district of Inverclyde which has a population of approximately 80,000. According to the Social Index of Multiple Deprivation 2016, Beacon Arts Centre is situated in one of the most deprived datazones in Inverclyde. There are three factors at play in Inverclyde's most deprived data zones. These are: Income, Employment and Health

Inverclyde households attending Beacon Arts Centre now accounts for 8,000 annually. An analysis of our box office data showed how many households we have reached from the 10% most deprived data zones in Inverclyde. There are 846 postcodes in Inverclyde that fall into the 10% most deprived datazones. Since Beacon Arts Centre opened, 467 postcodes out of the 846 in the 10% most deprived datazones have attended at least once. This translates to a reach of 55% of the 10% most deprived postcodes.

In 2016/17, the Beacon had the highest levels of repeat attendance and first time attenders for 2016/17 had also increased compared to 2015/16.

A number of initiatives have been rolled out to achieve growth from different sectors of the community. We have seen an increase in audiences overall encouraged by the following initiatives:

Pay What You Decide, a pricing strategy to encourage audiences to try new work. Affordability and risk are two of the barriers that prevent people from attending. With each season of work, the Beacon will offer at least one show on that basis.

A new 'Open Ticket' scheme is delivered in partnership with Inverclyde Council's education team. Families and children identified as being likely to benefit will receive free tickets for performances. This scheme is linked to Inverclyde's Attainment Challenge Programme.

This scheme is an open and accessible opportunity for individuals to experience a wide range of performances and discover what the Beacon has to offer. This is a more discreet method of offering complimentary tickets to targeted individuals and groups.

This scheme works through an allocation referral approach where we work with service providers to identify families and individuals who would benefit most from the open ticket scheme.

There is also an allocation via our in-house participative programme; all patrons are entitled to an Open Ticket for the first time they participate in any of the Beacon's In-House Classes (try before you buy). The Beacon has now committed 10% of all their in-house class spaces to this scheme.

In addition to this, 684 Free Disabled Companion tickets were issued in the year and 379 free tickets were gifted to local charities to distribute; further promoting inclusivity.

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

Audiences by Postcode

Over 2016/17, the audience postcode breakdown was as follows:

District	%	Tickets
Inverclyde	66	38,548
Renfrewshire	8	4,742
Glasgow	5	2,737
Largs & North Ayrshire	4	2,199
Argyll & Bute	3	1,914
Other	2	1,023
Unknown	12	7,442
Inverclyde by Area	%	Tickets
Greenock South, West & Inverkip	29	16,722
Gourock	13	7,446
Greenock East & Central	11	6,481
Port Glasgow	9	5,554
Weymss Bay	3	1,467
Kilmacolm	1	878

Achievements and Performance

Over 2016/17, Beacon Arts Centre achieved key development priorities including:

- building new links with communities;
- improving customer service with a dedicated team;
- introducing a music programme across different genres;
- delivering a festive programme with family Panto, an early years' show and a touring production generating record numbers; and
- a review of pricing

The Beacon celebrated its 4-year anniversary in January 2017 and over 2016/17 achieved the following

Greenock Arts Guild Limited

**Report of the Trustees
for the Year Ended 31 March 2017**

Activity	2016/17	2015/16	2014/15
live performances	251	201	208
individuals attending performances	53,553	45,557	46,721
courses classes and workshops	414	440	331
participation in courses classes and workshops	4,447*	4,874	4,066
free community events e.g. Galoshans Festival	179*	440	n/a
attending free community events	3,692	1,604	1,472
exhibitions	7*	9	9
exhibition days	260	tbc	tbc
Functions - corporate events	220	147	129
Functions - attending corporate events	3,117	not available	not available
Functions - social events	71	62	56
Functions - attending social events	1,439	not available	not available
Functions - commercial lets	124	148	not available
bar & kitchen covers	36,662	41,299	49,886
bar & kitchen turnover	£351,655	£403,059	£tbc

The statistics show overall visitor numbers for the year as over 104,581.

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

FINANCIAL REVIEW

The Board are continuously exploring the options available to move the charity to a sustainable income generation model. Greenock Arts Guild Ltd's financial planning is based on core grant funding from Inverclyde Council and Creative Scotland, alongside income generation from ticket sales, other trading and fundraising activity.

Core funding had been previously agreed with Creative Scotland (£600,000) and Inverclyde Council (£700,000) for the period 2015/16 to 2017/18.

A new application has recently been submitted for Regular Funding from Creative Scotland for the period 2018-21 with a decision due in January 2018. The level of future funding from Inverclyde Council is still being negotiated.

The Robertson Trust made a contribution of £45,000 over 3 years (2016 to 2019).

The Hugh Fraser Foundation made a contribution of £5,000 in March 2017

Grants from other Trusts and Foundations are currently being pursued.

In the last financial year GAGL has faced significant financial challenges; but with a robust Board, strong governance structure, a clear fundraising focus and wider support from partners, the business is developing resilience.

GAGL now aims to develop a broader income generation base in line with its Income Generation Strategy. Specific financial goals have been set to establish a level of cash reserves to around three months turnover and to increase the levels of fundraising income from trusts, businesses and individual donors.

Without the support of our Funders and Individual donors, none of these achievements would have been possible. GAGL would like to gratefully acknowledge the support of:

Creative Scotland, Inverclyde Council, The BIG Lottery, Education Scotland, Inverclyde HSCP and Youthlink Scotland

Trusts & Foundations -The Robertson Trust and The Hugh Fraser Foundation

Private Donor - Daniel Temianka

Beacon Patrons - Susan Robinson, Mike Howorth, Ian F. Milne, John & Ann MacLeod, Neil W Barlow, Margaret & Ian Dyer, Martin Axford, Dr H.S Dunsmore OBE, Rosalind & Geoff Woollard, Kathryn Ellaway, Allan Robertson, Elizabeth Dixon, Raymond Jack, Daniel & Zeinab Temianka, Gordon Armour, Mo & Matt Neilson, Mr & Mrs Aitken, Mairi Surtees Cameron - Afro Celt Productions, Elizabeth Armour, Marie Kean, Murdoch Rodgers, Douglas Pilkington, Jacquie and Duncan MacIntyre, Geoff and Jackie Orr, Ruth E Bennett, Richard Wilson, Dr and Mrs Ian and Janet Campbell.

A special thanks to local artists Alec Galloway and Louise Wylie who champion our Patron scheme.

Business sponsorship - Oak Mall Shopping Centre.

INVESTMENT POLICY

Given the ongoing shortfall in relation to the construction project costs and the constraints imposed by the model levels of core funding, it has not been possible to invest any of the funds held by the charity.

Greenock Arts Guild Limited

Report of the Trustees for the Year Ended 31 March 2017

RESERVES POLICY

Reserves are required to bridge the gap between the spending and receiving income and to cover unplanned emergency repairs and other expenditure. The Trustees aim to build reserves up to the equivalent of around 3 month's turnover or approximately £400K over the 5 year period 2016/17 to 2020/21.

PLANS FOR THE FUTURE

Greenock Arts Guild's strategic plan outlines the following activities for the future:

- build new, and, maintain existing creative partnerships with local communities, organisations and groups;
- grow the programme in areas such as music, festivals and creative learning to target specific age groups and postcode areas;
- roll out strategic marketing initiatives to expand audiences;
- build on the Beacon's customer service focus;
- build the venue's profile in the sector;
- review ticket prices and room charges to maximise local engagement;- introduce an exhibition area and shop;
- upgrade theatre lighting to enhance service delivery and green theme; and
- embark on significant fundraising activity

The Beacon's values are that through the arts we can:

- create equity by reducing barriers for those who find it most difficult;
- strive for excellence from what we put on our stage to the way we do business;
- be resilient; responsive, flexible and ready for the future.

A new feature of the plan is to develop the 'partnership' foundation that has under-pinned GAGL's development and will include:

- the Beacon will partner in joint bids for large-scale grants;-
- continuing to be a delivery partner on the Galoshans Festival

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

TRUSTEES

Greenock Arts Guild Ltd is governed by a Board of Trustees, in accordance with its Memorandum & Articles of Association last revised in 2015. Trustees serve for a period of three years, then are eligible to stand for re-appointment for one further three year term. Decisions are taken collectively; any decision of the directors must be either a majority decision at a meeting, or a unanimous decision. The Trustees are recruited through open recruitment - advertised nationally and locally and the majority of Trustees must be resident in Inverclyde.

Applications are reviewed by the Nominations Committee, candidates are interviewed by the Committee and recommendations made to the full Board for selection. Following recruitment, Trustees undertake an induction programme which includes: training on Trustee duties; study of the M&A and previous annual accounts; meeting the Senior Management Team and staff; touring the building. Trustees are required to comply with the Code of Conduct and Declaration of Interests policies. Trustees are expected to continue to engage in developing their skills and knowledge as Trustees, and as ambassadors for GAGL. Training opportunities are made available through Creative Scotland, Arts & Business Scotland and other bodies, including Inverclyde Council.

A programme of annual Board appraisals is being introduced over the coming year.

Greenock Arts Guild Limited

**Report of the Trustees
for the Year Ended 31 March 2017**

In the delivery of the Beacon's activity, the Board sets targets and monitors these against the organisation's aims and objectives. Organisational performance is evaluated and built in to the company's strategic business planning cycle.

The Board has established two sub-committees which lead on: Finance; and External Affairs, These Committees have powers delegated by the Trustees and report at every Board meeting.

STATEMENT ON RISK

The directors have produced a plan setting out the major opportunity available to the charity and the risks to which it is exposed. At each directors meeting progress is monitored.

The Risk Register focuses the Directors on the challenges operating the Business from the new premises at Custom House Quay. Revenue streams require to be continually maximised and costs controlled in order for the company to operate successfully at its new location. External funding also requires to be obtained to support ongoing activities.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Greenock Arts Guild Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

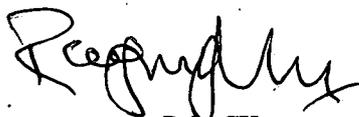
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Henderson & Company, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 21st December 2017 and signed on its behalf by:


R JACK
Trustee

Report of the Independent Auditors to the Trustees and Members of Greenock Arts Guild Limited

We have audited the financial statements of Greenock Arts Guild Limited for the year ended 31 March 2017 on pages sixteen to twenty nine. 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).

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, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 company and the charitable company's members and trustees 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 set out on page thirteen, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements 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 financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Emphasis/

**Report of the Independent Auditors to the Trustees and Members of
Greenock Arts Guild Limited**

Emphasis of Matter - Going Concern

On forming our opinion on the financial statements, which is not modified, we have considered the adequacy of disclosures made in note 1 to the financial statements considering the company's ability to continue as a going concern. The trustees have made key assumptions in relation to the company's ability to secure future funding. The current funding agreements with Inverclyde Council and Creative Scotland terminate in March 2018 and May 2018 respectively. The trustees will not know the levels of funding after these dates until 2018 when future funding agreements will be agreed. If adequate funding packages are not secured then the company will not be able to continue trading. This indicates a material uncertainty which may cast doubt over the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

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

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records 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.



John Henderson (Senior Statutory Auditor)
for and on behalf of Henderson & Company
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
73 Union Street
Greenock
Renfrewshire
PA16 8BG

22nd December 2017

Greenock Arts Guild Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2017**

		Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
	Notes				
INCOME FROM					
Donations and grants	2	550,484	300,797	851,281	2,612,333
Charitable activities	5				
Charitable activities		515,138	-	515,138	530,429
Other trading activities	3	380,322	-	380,322	445,526
Investment income	4	<u>3</u>	<u>-</u>	<u>3</u>	<u>9</u>
Total Income		1,445,947	300,797	1,746,744	3,588,297
 EXPENDITURE ON					
Raising funds	6	361,804	865	362,669	493,651
Charitable activities	7				
Charitable activities		1,006,615	479,791	1,486,406	1,545,731
Other		<u>11,295</u>	<u>-</u>	<u>11,295</u>	<u>986</u>
Total Expenditure		1,379,714	480,656	1,860,370	2,040,368
NET INCOME/(EXPENDITURE)		66,233	(179,859)	(113,626)	1,547,929
 RECONCILIATION OF FUNDS					
Total funds brought forward		998,080	11,203,820	12,201,900	10,653,971
TOTAL FUNDS CARRIED FORWARD		<u>1,064,313</u>	<u>11,023,961</u>	<u>12,088,274</u>	<u>12,201,900</u>

CONTINUING OPERATIONS

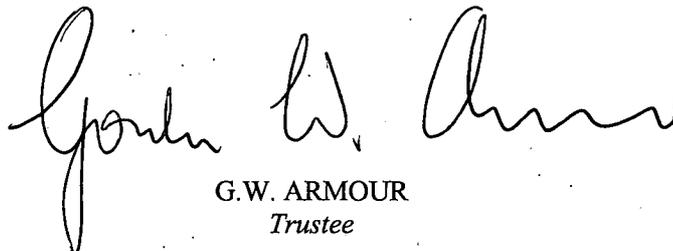
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Greenock Arts Guild Limited
Registered Company Number: SC024805 (Scotland)
Statement of Financial Position
At 31 March 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	12	12,413,167	12,545,860
CURRENT ASSETS			
Stocks	13	9,594	9,789
Debtors	14	128,778	104,773
Cash at bank		<u>107,595</u>	<u>115,466</u>
		245,967	230,028
CREDITORS			
Amounts falling due within one year	15	(457,142)	(442,110)
NET CURRENT ASSETS/(LIABILITIES)		<u>(211,175)</u>	<u>(212,082)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,201,992	12,333,778
CREDITORS			
Amounts falling due after more than one year	16	(113,718)	(131,878)
NET ASSETS		<u>12,088,274</u>	<u>12,201,900</u>
FUNDS	21		
Unrestricted funds		1,064,313	998,080
Restricted funds		<u>11,023,961</u>	<u>11,203,820</u>
TOTAL FUNDS		<u>12,088,274</u>	<u>12,201,900</u>

The financial statements were approved by the Board of Trustees on 21 December 2017 and were signed on its behalf by:


G.W. ARMOUR
Trustee

The notes form part of these financial statements

Greenock Arts Guild Limited

**Statement of Cash Flows
for the Year Ended 31 March 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	24	197,648	(76,464)
Interest paid		<u>(11,295)</u>	<u>(986)</u>
Net cash provided by (used in) operating activities		<u>186,353</u>	<u>(77,450)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(177,458)	(17,620)
Interest received		<u>3</u>	<u>9</u>
Net cash provided by (used in) investing activities		<u>(177,455)</u>	<u>(17,611)</u>
Cash flows from financing activities:			
Loan repayments in year		<u>(16,769)</u>	<u>(1,353)</u>
Net cash provided by (used in) financing activities		<u>(16,769)</u>	<u>(1,353)</u>
		—————	—————
Change in cash and cash equivalents in the reporting period		(7,871)	(96,414)
Cash and cash equivalents at the beginning of the reporting period		<u>115,466</u>	<u>211,880</u>
Cash and cash equivalents at the end of the reporting period		<u>107,595</u>	<u>115,466</u>

The notes form part of these financial statements

Greenock Arts Guild Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£).

Going Concern

The charity's three year funding agreements with Inverclyde Council and Creative Scotland terminate in March 2018 and May 2018 respectively. A decision on the recently submitted application for regular funding from Creative Scotland for the period 2018 to 2021 is not due until early 2018 and the level of future funding from Inverclyde Council is still being negotiated. The trustees are confident that additional funding will be secured when the current agreements terminate. The directors have prepared forecasts which show that the company can operate on a profitable basis with the continued support of its funding partners. If the funding is not secured then the going concern basis would no longer be applicable. After considering these uncertainties the trustees have reasonable expectation that the required funding can be secured. The charity also continues to seek new sources of income to support its ongoing activities. The directors are therefore of the opinion that the going concern basis is applicable.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants are met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Greenock Arts Guild Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES – continued

Allocation and apportionment of costs

Costs of raising funds comprise the costs of commercial trading including merchandising, the bistro and bar and their associated support costs.

Expenditure on charitable activities includes the cost of performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 10% on cost

The assets residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate or if there is an indication of significant change since the last reporting date.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

Greenock Arts Guild Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES – continued

Debtors

Trade and other debtors are recognised at the settlement amount due after any discounts offered.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any discounts.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at amortised cost using the effective interest method.

Significant Judgments and Estimates

In the application of the Company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects both current and future periods. The trustees are satisfied that the accounting policies are appropriate and applied consistently.

Critical judgements are made in the application of income recognition accounting policies, and the timing of the recognition income in accordance with the Charities SORP (FRS 102).

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

2. DONATIONS AND GRANTS

	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Donations	30,484	5,000	35,484	69,153
Grants	<u>520,000</u>	<u>295,797</u>	<u>815,797</u>	<u>2,543,180</u>
	<u>550,484</u>	<u>300,797</u>	<u>851,281</u>	<u>2,612,333</u>

Grants received, included in the above, are as follows:

	2017 £	2016 £
Inverclyde Council	382,972	2,190,268
Riverside Inverclyde	136,981	12,250
Creative Scotland	267,163	327,144
The Big Lottery	865	9,518
Health and Social Care Partnership	-	4,000
Peel Land & Property (Greenock Harbour) Ltd	<u>27,816</u>	<u>-</u>
	<u>815,797</u>	<u>2,543,180</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Bistro and function income	363,378	-	363,378	426,638
Fundraising and merchandising	<u>16,944</u>	<u>-</u>	<u>16,944</u>	<u>18,888</u>
	<u>380,322</u>	<u>-</u>	<u>380,322</u>	<u>445,526</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Deposit account interest	<u>3</u>	<u>-</u>	<u>3</u>	<u>9</u>

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

5. INCOME FROM CHARITABLE ACTIVITIES

	2017 Charitable activities	2016 Total activities
	£	£
Theatre and room rents	111,220	167,102
Ticket sales	339,690	301,796
Income from classes and workshops	26,148	25,537
Equipment hire and commissions	<u>38,080</u>	<u>35,994</u>
	<u>515,138</u>	<u>530,429</u>

6. RAISING FUNDS

Other trading activities

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Purchases	128,903	-	128,903	178,801
Staff costs	184,931	865	185,796	265,405
Staff hire	<u>47,970</u>	<u>-</u>	<u>47,970</u>	<u>49,445</u>
	<u>361,804</u>	<u>865</u>	<u>362,669</u>	<u>493,651</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Charitable activities	<u>1,438,816</u>	<u>47,590</u>	<u>1,486,406</u>

8. GOVERNANCE AND SUPPORT COSTS

	2017 £	2016 £
Wages	20,953	34,233
Legal and Professional costs	20,637	48,761
Audit and Accountancy costs	<u>6,000</u>	<u>6,000</u>
	<u>47,590</u>	<u>88,994</u>

Governance and support costs have been allocated in full to expenditure on charitable activities based on management estimation of usage.

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Auditors' remuneration	4,200	4,200
Other non-audit services	1,800	1,800
Depreciation - owned assets	310,151	306,894
Other operating lease payments	<u>1,655</u>	<u>818</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

During the year to 31 March 2017 one trustee received travel expenses totalling £346 (2016 - £338).

11. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	555,340	524,175
Social security costs	34,385	28,476
Other pension costs	<u>2,362</u>	<u>-</u>
	<u>592,087</u>	<u>552,651</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Administration and management	6	7
Catering and functions	18	18
Charitable activities	<u>18</u>	<u>20</u>
	<u>42</u>	<u>45</u>

No employees received emoluments in excess of £60,000.

The key management personnel of the charity comprise the trustees, Chief Executive Officer, Director of Marketing and the Arts Theatre Manager. The total employee benefits of the key management personnel were £102,841 (2016 - £79,866).

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2016	13,087,819	556,084	13,643,903
Additions	<u>170,991</u>	<u>6,467</u>	<u>177,458</u>
At 31 March 2017	<u>13,258,810</u>	<u>562,551</u>	<u>13,821,361</u>
DEPRECIATION			
At 1 April 2016	840,584	257,459	1,098,043
Charge for year	<u>265,178</u>	<u>44,973</u>	<u>310,151</u>
At 31 March 2017	<u>1,105,762</u>	<u>302,432</u>	<u>1,408,194</u>
NET BOOK VALUE			
At 31 March 2017	<u>12,153,048</u>	<u>260,119</u>	<u>12,413,167</u>
At 31 March 2016	<u>12,247,235</u>	<u>298,625</u>	<u>12,545,860</u>

13. STOCKS

	2017 £	2016 £
Finished goods	<u>9,594</u>	<u>9,789</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	30,253	11,639
Other debtors	93,971	87,475
Prepayments	<u>4,554</u>	<u>5,659</u>
	<u>128,778</u>	<u>104,773</u>

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Other loans (see note 17)	18,161	16,769
Trade creditors	202,271	242,848
Social security and other taxes	11,860	4,924
VAT	11,704	10,241
Other creditors	75,906	75,000
Deferred income	76,851	23,525
Accrued expenses	<u>60,389</u>	<u>68,803</u>
	<u>457,142</u>	<u>442,110</u>

The deferred income balance comprises advanced ticket sales relating to amounts refundable should future performances not take place.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Other loans (see note 17)	<u>113,718</u>	<u>131,878</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>18,161</u>	<u>16,769</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>19,668</u>	<u>18,161</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>69,333</u>	<u>64,019</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	<u>24,717</u>	<u>49,698</u>

The loan is repayable in 72 monthly instalments. The rate of interest on the loan is 8% per annum.

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	1,655	1,655
Between one and five years	<u>1,799</u>	<u>2,897</u>
	<u>3,454</u>	<u>4,552</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Other loans	<u>131,879</u>	<u>148,647</u>

The company has granted a first ranking bond and floating charge in favour of Inverclyde Council. The company has also granted standard securities in favour of the following parties; Riverside Inverclyde; Inverclyde Council; The Big Lottery Fund; Creative Scotland and Social Investment Scotland.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Fixed assets	1,419,882	10,993,285	12,413,167	12,545,860
Current assets	174,384	71,583	245,967	230,028
Current liabilities	(416,235)	(40,907)	(457,142)	(442,110)
Long term liabilities	<u>(113,718)</u>	<u>-</u>	<u>(113,718)</u>	<u>(131,878)</u>
	<u>1,064,313</u>	<u>11,023,961</u>	<u>12,088,274</u>	<u>12,201,900</u>

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Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

21. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	998,080	66,233	1,064,313
Restricted funds			
Arts centre redevelopment fund	11,135,424	(142,139)	10,993,285
Monies received towards lighting costs	9,123	5,000	14,123
Place Partnership	38,539	(21,986)	16,553
First in a lifetime	828	(828)	-
Arts development officer	8,956	(8,956)	-
Education Services	1,070	(1,070)	-
Youthlink Scotland	8,130	(8,130)	-
Health and Social Care Partnership	1,750	(1,750)	-
	<u>11,203,820</u>	<u>(179,859)</u>	<u>11,023,961</u>
TOTAL FUNDS	<u>12,201,900</u>	<u>(113,626)</u>	<u>12,088,274</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,445,947	(1,379,714)	66,233
Restricted funds			
Arts centre redevelopment fund	164,798	(306,937)	(142,139)
Monies received towards lighting costs	5,000	-	5,000
Monies received towards other projects	625	(625)	-
Place Partnership	100,000	(121,986)	(21,986)
Arts development officer	2,500	(11,456)	(8,956)
Education Services	-	(1,070)	(1,070)
Youthlink Scotland	-	(8,130)	(8,130)
Big Lotto Catering	865	(865)	-
Health and Social Care Partnership	-	(1,750)	(1,750)
Creative Learning Network	10,471	(10,471)	-
National Events - Culture	16,538	(16,538)	-
First in a lifetime	-	(828)	(828)
	<u>300,797</u>	<u>(480,656)</u>	<u>(179,859)</u>
TOTAL FUNDS	<u>1,746,744</u>	<u>(1,860,370)</u>	<u>(113,626)</u>

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

Redevelopment fund

Comprises of grants and donations received for the construction of the new arts centre and this fund is being reduced by the annual depreciation charges.

Lighting Costs

Monies received towards the cost of future expenditure on lighting for the arts centre.

Other Restricted Funds

Grant funding received for specific programming or for a purpose as set out in the name of the fund.

22. CAPITAL COMMITMENTS

	2017 £	2016 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>155,000</u>

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

24. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(113,626)	1,547,929
Adjustments for:		
Depreciation charges	310,151	306,894
Interest received	(3)	(9)
Interest paid	11,295	986
Decrease in stocks	195	5,729
(Increase)/decrease in debtors	(24,005)	42,911
Increase/(decrease) in creditors	<u>13,641</u>	<u>(1,980,904)</u>
Net cash provided by (used in) operating activities	<u>197,648</u>	<u>(76,464)</u>