

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

Greenock Arts Guild Limited
(A Company Limited by Guarantee)

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2019

Greenock Arts Guild Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2019**

	Page
Reference and Administrative Details	1
Strategic and Trustees Report	2 to 16
Report of the Independent Auditors	17 to 18
Statement of Financial Activities	19
Statement of Financial Position	20
Statement of Cash Flows	21
Notes to the Financial Statements	22 to 34

Greenock Arts Guild Limited

**Reference and Administrative Details
for the Year Ended 31 March 2019**

TRUSTEES	Mr G W Armour (resigned 8.3.19) Mr R Jack (resigned 7.3.19) Mr S J McCabe (resigned 15.8.18) Mrs E L Robertson Mrs C Paterson (resigned 17.12.18) L D Currie (resigned 18.3.19) I Lind (resigned 18.3.19) D Brands (resigned 18.3.19) Mr P Gupta (appointed 12.9.18) Mr J J Clocherty (appointed 6.11.18) Mr G F Maguire (appointed 12.9.18) (resigned 18.3.19) Mr M J McCluskey (appointed 12.9.18) Mr A Reedijk (appointed 18.3.19) J M Walmsley (appointed 12.9.18) Mr J W Haworth (appointed 2.9.19) Mr M J Hughes (appointed 27.8.19)
REGISTERED OFFICE	The Beacon Arts Centre Custom House Quay Greenock Renfrewshire PA15 1HJ
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
Strategic and Trustees Report
for the Year Ended 31 March 2019**

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 2019. 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.

CHAIR'S STATEMENT

I am delighted to present my first Chair's Statement on behalf of the Board of Trustees of Greenock Arts Guild Limited, having been appointed in March 2019.

This year has been a period of change and I very much want to thank the former and current Trustees and the team at the Beacon Arts Centre for their commitment and hard work. Secondly, I wish to thank key stakeholders especially Inverclyde Council and Creative Scotland for their sustained investment and, most importantly, the people of Inverclyde for their loyalty and strength of support.

This report shows the rich and diverse programme of performances and creative learning and outreach activities the Beacon Arts Centre has offered during another successful year. Like many arts organisations, Greenock Arts Guild Limited has faced financial challenges, particularly during the last financial year. Contributing factors included longstanding contractual and legal issues resulting from the new building, financial losses on the catering side of the business and some leadership challenges.

The Trustees take our responsibility to Greenock Arts Guild Limited very seriously. I am pleased to report that the organisation has a strong board and team, with funding and support in place to be able to develop as a more diverse and ambitious creative hub for Inverclyde.

OBJECTIVES AND ACTIVITIES

PRINCIPAL OBJECTIVE

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

Greenock Arts Guild Limited'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

MISSION

The company's mission is *'to light up lives in Inverclyde'* through creative practice.

In fulfilling its mission, the Beacon Arts Centre aims to be a landmark resource for cultural life in Scotland, a unique hub for the arts in which to be entertained by an inspiring range of performances and events. It serves to maximise the impact of existing creative investment and works to increase that investment in Inverclyde. It seeks to enhance the enjoyment and cultural experience of all who use it, helping make Inverclyde a more attractive place to live, to establish a business and to visit.

VISION

Greenock Arts Guild Ltd. is committed to creating and practising a culture of inclusion; within the organisation and externally across our customer facing brand (Beacon Arts Centre); by means of positive, welcoming, generous and inclusive behaviours, earned through team and individual employee training, mentoring and peer-to-peer support. Beacon Arts Centre believes that everyone should have fair and equitable access to the arts, and aims to remove the barriers around disability, age, health and wellbeing and socio-economic deprivation, to minimise disadvantage by encouraging participation for all, to deliver our mission: to light up lives in Inverclyde through creative practice.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

VALUES

Beacon Arts Centre has three core values that are aligned to our strategic plan, matched with an ambition to work meaningfully with all communities across Inverclyde and beyond to:

- Encourage equality; reducing barriers to access the arts and creativity for those who find it most difficult.
- Strive for excellence in all that we do, from what we put on our stage to the way we do business and how we communicate and interact with others.
- Be resilient; responsive to change, flexible in our approach and ready for the future.

PUBLIC BENEFIT

In shaping and reviewing its objectives and planning its activities, the Trustees have considered the Scottish Charity Regulators (OSCR) guidance on public benefit and fee charging. GAG relies on grants and income from ticket sales, fees and charges to cover the operating costs of Beacon Arts Centre. In settling the level of fees, charges and concessions, the Board gives careful consideration to the accessibility of the centre for those on low incomes and those with particular needs.

Beacon Arts Centre continues to enable a wide range of arts, learning and participation activities and provides a base for outreach activities through community engagement. GAG's commitment is to continue providing the people of Inverclyde, and the wider region, with an annual arts programme. These activities are designed to meet the interests of all, and embrace specific strands for children, young people, people with disabilities and older people.

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.

ACHIEVEMENTS & PERFORMANCE

Beacon Arts Centre plays a pivotal role in access to the arts in Inverclyde and carries on the legacy of the Greenock Arts Guild, established in 1946, as a key cultural venue in the Scottish arts landscape. The international standard performance and public spaces combined with its central location, adaptable venue, diverse programme, and spectacular views of the River Clyde and hills of Argyll and Bute, make it a unique and exciting venue to visit.

The Beacon stages a vast array of performances from award-winning national companies like Scottish Opera and National Theatre of Scotland to large-scale community musicals and amateur theatre. There's also a year-round exhibition programme and range of courses and classes for all ages and all abilities.

The Beacon supports artists based in Inverclyde to create and present work in both participatory and professional contexts and develops Inverclyde's participation in national festivals like the Scottish Mental Health Arts and Film Festival and St Andrew's Fair Saturday.

With over 100,000 people visiting the venue each year the Beacon makes a positive economic impact on the region, attracting locals and visitors from near and far. The Beacon represents and raises the profile of a diverse, creative Inverclyde within national forums such as the Federation of Scottish Theatre and Arts & Business Scotland.

Beacon Arts Centre operates at the heart of the Inverclyde community; creating positive partnerships with many other local and national organisations to provide life-enriching creative, social and educational experiences.

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. We believe in the power of the arts to inspire and empower our community. Therefore, we are committed to embedding outreach and creative learning throughout the heart of the Beacon's activity with the aim of reaching as many people as possible.

Beacon Youth Theatre continues to provide a creative, safe, inclusive and nurturing environment which enables young people to explore ideas, take creative risks, share opinions and stories which results in theatre productions which are imaginative, dynamic and authentic. The ethos of Beacon Youth Theatre is that all artistic input is led by the young people and overseen by arts professionals. The youth theatre lets the members engage in every aspect of theatre including script writing, composition, set design, costume design, staging, performance and stage lighting.

Pantomime Youth Cast: In December 2018, twenty-four aspiring young performers from Inverclyde and beyond took to the stage in *Sleeping Beauty* at the Beacon Arts Centre alongside professional actors Jane McCarry and Mark Cox, aka Craiglange pensioners Isa and Tam from the acclaimed Scottish sitcom, *Still Game*. This opportunity will be offered again in 2019.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

This year **Beacon Youth Dance** provided a creatively adventurous programme with a strong focus on performance and contemporary dance technique. All participants had the chance to learn exciting new performance skills, expand their choreographic talents and have fun meeting and performing with their peers. Beacon Youth Dance was also a fantastic training resource for young people considering an education in dance. The Beacon's dance programme focuses on creativity and dance forms that are not currently taught elsewhere in Inverclyde. Aimed at young people aged 11-21 years, the company was inclusive and invited members from diverse social backgrounds.

The aim of 'later life' **Platinum Dance** project is to teach classes that target motor and sequencing pathways in the brain, stimulating coordination and enhancing and developing cognitive function in older adults who have limited access to physical and social activity. Dance is mostly a celebratory activity and taking part in something which brings people together and makes them smile or even laugh out loud can greatly improve their wellbeing. With a fully inclusive approach to our work, adults with a range of abilities are encouraged and supported in their participation.

Our **Dance for Parkinson's** classes started in June 2018 and have been a great success; led by Scottish Ballet and designed for people with little or no dance experience who are affected by Parkinson's disease. The classes run every week and people who attend are welcome to bring family, friends or carers along (for free). The aim of the dance classes is to develop balance, co-ordination, confidence and creativity. Class leaders are not trained medical professionals, they are trained dancers so try to make the classes fun and not seem like exercise. Participants dance while sitting on chairs and then move on their feet before enjoying a social afternoon with a cup of tea.

Our ground-breaking aerial dance project, **Creatability**, has continued this year with a positive impact on the Inverclyde community and young people from the area with additional support needs and/or autism. This project provides a vital opportunity for the young people involved; extending their social circles whilst learning new skills. The most important aim of the project is to ensure that the target group are not defined by their health challenges; this project allows them to become dancers, performers, storytellers and choreographers with a creative voice.

Sensatronic Sessions - Beacon Arts Centre hosted 11 sessions of this project over 8 weeks from January to April 2019; this project was funded by Creative Scotland's YMI Access to Music Making fund with aims to increase access to our digital music sessions for young people with additional support needs and others barriers. Participants referred via Barnardo's Inverclyde Thrive Services had also been involved in our Creatability project.

West College Scotland's technical theatre students continue to attend weekly workshops within the Beacon, this gives them first-hand experience of a live arts venue and access to the Beacons technical team's expertise. West College Scotland students also present their end-of-year showcase performances and exhibitions in the Beacon Arts Centre.

In December 2018 the Beacon hosted the 'I Welcome' Photo Exhibition launch attended by 60 people - an exhibition by **Amnesty International** and Magnum Photos to highlight stories of refugee's past and present. The exhibition was part of Amnesty's 'I Welcome' campaign which calls on the UK to share responsibility in responding to the refugee crisis.

In December 2018 the Beacon hosted a **St Andrew's Fair Saturday** event, a day devoted to culture, social causes and the celebration of St Andrew's Day, in support of Ardgowan Hospice. The event was supported by BEMIS Scotland and was free for the community, 75 people 30 artists attended. The programme included live music, talks, dance, food and more in a celebration of the cultural fusions of Inverclyde. Prior to the event we worked with the Refugee Integration Officer for Inverclyde's Health and Social Care Partnership. She invited approximately 60 participants to join the event, most of them were Syrian refugees who have resettled in Inverclyde.

Galoshans Festival 2018 continued our partnership with RIG Arts. Over 1,000 people attended the many events held over the Halloween weekend. Along with the street parade, there were arts and performance workshops, talks and concerts. Inverclyde's schoolchildren were the beating heart of the festival, pupils from St Michael's, St Francis' and Newark primary schools used drums and trumpets to hammer out the tunes in parade with over 500 participants. Beacon Arts Centre also hosted 3 performances as part of the festival (Frankenstein & The Macbeths), with 157 attendances.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

Evolve Festival 2018 - The aim of this project was to create a stronger role for young people in shaping their learning and celebrating young people's talent and contribution to Scottish Culture and the arts. Taking inspiration from the Year of Young People 2018 themes, local youth groups created original performances which were presented at the Beacon Arts Centre as part of the Evolve Festival Programme. Throughout the project the young people worked in collaboration with facilitators and were encouraged to share their opinions, challenge perceptions, take risks and make creative decisions, turning their ideas into a reality. During the festival the Beacon provided a platform for young people to showcase their talents to a wide audience demographic including young people, families and the wider community. The resulting 'Evolve Fest 2018' was delivered in partnership with Greenock arts charity RIG Arts, supported by the Year of Young People 2018 EventScotland Fund. Beacon Arts Centre delivered 15 workshops on lead up to festival with 34 participants. Approximately 600 young people and families attended the festival; 120 performed.

ARTISTIC PROGRAMME HIGHLIGHTS

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.

In July 2018 the Beacon supported Mary Jane Wells; writer, performer and winner of Made in Scotland Award 2018; in the production of a one woman show. *Heroine* is based on the true story of a lesbian soldier in the US army: a survivor of military sexual trauma. *Heroine* is an incredible human story about one soldier's experiences, and what healing and forgiveness really mean.

Echoes from Inverclyde, March 2019 - *Echoes* was a multi-disciplinary production which celebrated the histories of Scotland's forgotten female scientists, through the medium of song, music, performance and spoken word. Created by Electric Voice Theatre, the project aim was to bring together professional performers with community musicians and school children, to raise awareness of the rich heritage and deep connections between Scottish music and science, and to inspire the next generation of future scientists. The show was BSL interpreted with integrated audio description and a touch tour was also available. The performance was specially created in collaboration with Clydeside Singers and All Saints Primary School.

Shackleton's Carpenter, October 2018 told the story of Shackleton's Endurance which sank in Antarctica, leaving 28 men stranded. Inverclyde born carpenter, Harry McNish, played a vital role in saving them.

National Theatre of Scotland rehearsed and previewed *Adam* at the Beacon in May 2018, to an audience of 196 over three performances. NTS also spent a week rehearsing *First Snow* in the Beacon in July 2018.

Citizens Theatre performed at the Beacon for the first time in October 2018 with its version of Shakespeare's darkest play, *The Macbeths*; programmed as part of the local Galoshans Festival.

Our '**In conversation with...**' programme was developed this year and included Doug Allan's *Wild Images*, *Wild Life* in October 2018 and Francis Rossi's *I Talk Too Much* in March 2019.

Our **family theatre** programme also expanded this year and achieved 9.2% of our audience compared to 3.9% in 2017-18. The programme included children's favourites *There was an old lady who swallowed a fly* and *Dear Zoo*. Horsecross Theatre presented *Animals* and Imagine presented *Baba Yaga* in May 2018, and Scottish Chamber Orchestra presented *Big Ears Little Ears* in June 2018.

Inclusive **professional dance** company Indepen-dance brought us *Four Go Wild in Wellies* in April 2018 and an accompanying free workshop, which was attended by pupils from St John's Primary School and Craigmarnock School, which serves pupils with additional support needs.

Our theatre programme continued to offer performances to suit the **targeted older demographic**. Timeless Theatre performed *All our Yesterdays* in April 2018 and *Rolling Back the Years* in November 2018. We have increased our offering of matinee performances in response to the older demographic's show time preference.

Our **Festive programme** attracted 17,127 people to the theatre in December 2018 with the addition of Emily Smiths *Songs for Christmas*, 11 performances of *It's a Wonderful Life* and 42 performances of our pantomime, *Sleeping Beauty*.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

The table below demonstrates the income and audiences achieved per genre.

Genre	Attendance	% of Net Income	% of Audience
An evening with...	1,557	4.5	2.7
Classical	259	0.4	0.4
Comedy	2,223	5.1	3.8
Dance	5,920	8.6	10.2
Family	5,321	6.2	9.2
Music	11,885	23.1	20.5
Musical	6,586	12.9	11.4
Opera	200	0.3	0.3
Pantomime	18,270	29.7	31.6
Spoken word	71	0.1	0.1
Theatre	5,561	9.1	9.6

Amateur theatre forms an important part of GAG's history and the company continues to maintain those links by giving professional support to local companies and artists. Local performing groups continue to present an ambitious theatre programme with diverse and increasing audiences, generating 35% of the Beacon's overall ticket sales in financial year 2018-19.

We continue to offer community groups reduced price theatre tickets and theatre hire while working collaboratively with the amateur sector by maintaining regular dates in theatre programme for local productions.

The table below demonstrates the significance of lessee/amateur productions in our annual theatre programme.

Type	Attendance	% of Net income	% of Audience
Artistic Programme	37,596	70	65
Lessee	20,257	30	35

In February 2019 the Beacon hosted **Scottish Community Drama Association's** annual showcase of local acting and writing talent from across the district. Aspiring actors and Inverclyde stage veterans co-starred alongside each other in the annual *Inverclyde One Act Festival* featuring ten home-grown plays across three days. Among the groups taking part were Greenock Players, Greenock Players Youth, Port Glasgow High School Drama Club, GIP Theatre Company, Kayos Youth Theatre and PLAMF. This year the total number of actors involved was in the region of 100, with more young people involved than ever before getting to experience performing on stage at the Beacon while enjoying themselves.

In October 2018, Inverclyde's **Kayos Youth Theatre** performed the hit musical *25th Annual Putnam County Spelling Bee* at the Beacon. Following this very successful run, the company presented the production at the Edinburgh Festival Fringe in 2019, with support from the Beacon. It was the first time in 41 years that a youth group from Inverclyde had performed at the Fringe. The Beacon provided support with fundraising, marketing, rehearsal space, mentoring and technical provision.

We continue to host **local dance schools'** annual showcase performances, in 2018-19 this accounted for 13 performances and attracted a total audience of 4,801.

Each year we hold prime dates in our festive season for **Greenock Players' annual pantomime**, this year they performed four shows of *Aladdin* to a total audience of 1,753.

In 2018-19 we launched the third series of **Songwriters Uncovered** - quarterly concerts that celebrate talented local singer/songwriters and musicians.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

AUDIENCE DEVELOPMENT

Inverclyde is an area where the cultural infrastructure is developing. The Beacon is vital to the continued development of the cultural sector in Inverclyde. The Beacon acts as a hub for production and performance for national and international artists, as well as emerging local artists and the amateur sector. The Beacon is an important venue for the development and testing of work, with companies like the National Theatre of Scotland becoming resident in the venue while developing work.

Sitting within an area with high levels of deprivation, the Beacon Arts Centre has already proved to be a symbol of the area's transformation and has used partnership working to transform communities through creativity. The Beacon is a creative hub supporting artists at a local and national level with space and resources, thus creating a new story for the area and its heritage.

We have a clear commitment to improving the lives of the people and pride in the Inverclyde area. Our arts delivery is diverse and distinct, based on staging, co-producing and commissioning work that both reflects and challenges local demographics. We are active in identifying the various entry points and routes to engage in the arts, for both participants and audience members.

Our Creative Learning team has successfully delivered outreach activities to reduce barriers to participation and have supported the integration of many participants from targeted groups into the youth theatres regular activity.

Through our in-house dance companies, Platinum and Creatability, and programming of professional dance companies, we are developing an audience and participation for dance within the Inverclyde area. In a wider Scottish context, we also partner with the national dance networks and companies.

Another important part of The Beacon's programming is our commitment to music, drawing on the area's traditional musical heritage, and the legacy of the Folk and Roots Festival. We are working with the national companies, Scottish Opera, Scottish National Youth Jazz Orchestra to expand the programme into jazz, classical and opera.

Beacon Arts Centre also offers exhibition space to local and national artists, and partners with visual art organisations to develop new work.

The Beacon aims to be a major part the day to day lives of people in the Inverclyde area and succeed by contributing to the economic life of the area both as employer and a visitor attraction. The venue works with Visit Scotland, the local tourism group and Discover Inverclyde to tap into the visitor market.

The Beacon's programme is broad which is appropriate to our local population, however, there is a thread of experimentation in many of the activities offered and specifically in working with local artists and professional theatre makers.

COMMUNICATIONS & DIGITAL ENGAGEMENT

With a footfall in the centre of over 100,000 visits per year, a highly active social media following on Twitter and Facebook, consistently developing sales via our website and a wide distribution of marketing print, the Beacon continues to develop awareness of its presence and its offer with participants and audiences.

BOX OFFICE STATISTICS

- Number of Performances: 270
- Total Bookers: 10,600
- Total Tickets (theatre and classes): 60,972
- Total Gross Income from Ticket Sales (theatre and classes): £863,802
- Average Ticket Yield: £14

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

DIGITAL AND FUNDRAISING (INDIVIDUALS)

- 34% of tickets sold were booked online
- 47% of online ticket sales included a small 'round up' donation, raising £1,911 in the year
- Number of website Users: 99,000
- Number of Website Sessions: 166,000
- Total video plays (Vimeo & YouTube): 9,020
- Followers on Facebook: 11,560
- Followers on Twitter: 4,315
- Followers on Instagram: 1,565
- Number of physical publication (season brochures): 3, with a circulation of 60,000
- 63% of bookers stated that the season brochure was their referral source
- Number of electronic publications (e-flyers, interactive brochures): 123, with circulation of 31,423

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

ATTENDANCE

Over 2018/19 Beacon Arts Centre achieved the following:

Activity	2018/19	2017/18	2016/17
live performances	270	254	251
individuals attending performances	57,853	58,732	53,553
courses classes and workshops	355	522	414
participation in courses classes and workshops	3,119	5,863	4,447
free community events	177	143	179
attending free community events	3,952	4,371	3,692
exhibitions	19	17	7
exhibition days	361	407	260
Functions - corporate events	371	313	220
Functions - attending corporate events	5,398	6,493	3,117
Functions - social events	63	31	71
Functions – attending social events	1,517	1,572	1,439
Functions - commercial lets	193	158	124
bar & kitchen covers	29,043	30,996	36,662

The statistics show overall visitor numbers for the year as over 104,000.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

AUDIENCE DEMOGRAPHICS

Beacon Arts Centre believes that everyone should have fair and equitable access to the arts, and aims to remove the barriers around disability, age, health and wellbeing and socio-economic deprivation, to minimise disadvantage by encouraging participation for all.

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 data zones in Inverclyde. There are many factors at play in Inverclyde's most deprived data zones. Some of these are: Income, Employment and Health.

Inverclyde households attending Beacon Arts Centre now stands at 12,674; an increase of 1,243 on last year's figure of 11,431.

The following data shows the Beacon's reach in 2018-19, in relation to the SIMD 2016:

- The Beacon has 22,027 patrons registered with valid Scottish postcodes; 1240 (5.63%) of those are within the 5th percentile, 5123 (23.26%) of those are within the 15th percentile
- 15790 patrons are registered with Inverclyde postcodes; 1094 (6.93%) of those are within the 5th percentile, 4585(29.04%) of those are within the 15th percentile
- There are 2956 postcodes in Inverclyde, of those the Beacon has at least one registered patron in 1,954 (66.10%)
- There are 1016 postcodes within the 5th percentile, the Beacon has at least one registered patron in 405 (42.72%)
- There are 1280 postcodes within the 15th percentile, the Beacon has at least one registered patron in 650 (50.78%)

Inverclyde is one of Scotland's attainment challenge authorities which offers support to families, children and young people across the community to bridge the attainment gap. We work with Inverclyde's Attainment Challenge Officers to ensure that our Creative Learning activity contributes to this common objective. Attainment Challenge Officers identify children, young people and their families who could benefit from our Open Ticket scheme. 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. There is also an allocation via our participative programme; all patrons are entitled to an Open Ticket for the first time they participate in any of the Beacon's Classes.

COMPLIMENTARY TICKETS

Open Tickets: 310 tickets throughout the year, distributed to local nurseries, schools and youth groups

Taster sessions/Try before you buy: 81 free classes through this scheme

Teacher tickets: 316 free tickets given to teachers accompanying pupils

Class companions: 60 free companion passes for Dance for Parkinson's classes

Assisted Companion tickets: 783 tickets, anyone who requires assistance to attend a performance is invited to bring a companion who will be admitted free of charge

Charity Donations: 46 tickets distributed to local charities to offer as raffle prizes

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

AUDIENCE POSTCODE ANALYSIS

Over 2018/19, the audience postcode breakdown was as follows:

District	%	Tickets
Inverclyde	61	38,944
Renfrewshire	11	7,009
Glasgow	6	4,028
Largs & North Ayrshire	5	3,319
Argyll & Bute	3	1,698
Other	2	1,087
Unknown	12	7,661
Inverclyde by Area	%	Tickets
Greenock South, West & Inverkip	25	15,620
Gourock	11	6,990
Greenock East & Central	12	7,738
Port Glasgow	9	5,860
Wemyss Bay	2	1,507
Kilmacolm	2	1,229

EQUALITY, DIVERSITY & WORKFORCE

Beacon Arts Centre is an organisation committed to driving diversity both in its provision of services and as an employer. Beacon Arts Centre seeks not only to ensure equality of opportunity, but also to sustain a long-term strategy to develop a greater understanding of the diversity of people that we live and work with in order to strengthen our programme, enhance our visitors' experience and enable staff to maximise their potential.

Weekly staff meeting provide an effective means of consulting employees on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests and assist in achieving a common awareness on the part of employees of the operational, financial and economic factors affecting the performance of the company.

The Beacon has an equal and fair pay policy and has gained accreditation as a Scottish Living Wage Employer, while also matching the Scottish industry rate for freelance artists.

Priorities from EDI plan:

People: To build an inclusive culture through new learned behaviours to make sure the people we work with feel comfortable, supported and encouraged at work. To provide arts opportunities to people of all ages and abilities regardless of their background.

Place: To expand and enhance the Beacon's artistic programme for those experiencing disadvantage or attitudinal barriers based on health and wellbeing.

Partnerships: To work with other local and national organisations and agencies to remove barriers to access and increase diversity of those attending, participating and/or creating or presenting work at the Beacon

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

ENVIRONMENTAL POLICY

We want to ensure that we work in as sustainable a manner as possible. We continue the recording and monitoring of our Carbon Emissions as part of our Carbon Management plan. Our long-term goal is to bring a 'green' mindset to all that we do both operationally and creatively.

We have also committed to monitoring and reducing kitchen waste and favouring environmentally conscious suppliers for our catering operation. We have completely removed single use plastics from our consumable purchases, swapping them for compostable alternatives.

We have increased our digital distribution of marketing material including our season brochures and developed and introduced better email capture methods. We are currently researching e-ticket solutions. Our brochures are now printed using vegetable inks on FSC approved paper – all carbon emissions generated through printing will be offset by planting broadleaved trees in a local community woodland resulting in the print becoming completely carbon balanced. We have formed a partnership with a local business, Clyde Life, which distributes print throughout Inverclyde - this is enabling a reduction in associated travel and carbon emissions.

The Beacon Green Team has been established and tasked with improving our carbon footprint. We joined the Green Arts Initiative in June 2015 and take advice and recommendations from Creative Carbon Scotland by attending their webinar sessions, held every few months. The creative carbon reporting scheme is helping us to move forward in realising our green ambitions.

2018 priority project: Reduction in electrical consumption; installation of LED lighting.

Energy efficient LED lamps have now been installed in our lower concourse lighting, upper concourse lighting and lower theatre downlights. Our estimates show that this will reduce energy consumption in this area from 111,360 kilowatts to 14,166 kilowatts per annum.

2019 priority project: Waste and recycling reduction; reduce single use plastic consumables.

Compostable paper cups and plastic glasses now in use, also switched to paper straws. Brochure carrier packaging switched from polythene to compostable potato-starch alternative.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

FINANCIAL REVIEW

Beacon Arts Centre's key financial objective is to ensure financial stability and continued solvency to allow the fulfilment of GAG's aims and objectives. Our commercial trading activities include event sales, catering and bar services, commissions, merchandise sales and occasional retail offerings. Without this commercial trade income our charitable work would be severely restricted.

ANALYSIS OF INCOME & EXPENDITURE

- In 2018-19 public investment accounted for 26% of the Beacon's turnover
- Earned income generated an impressive 68%
- Grant income from trusts, foundations, corporate and individual giving comprised 6% of total income
- Salaries, Wages and Administration were 34% of total expenditure
- Artistic and Creative Programme expenditure was 27% of total expenditure
- Costs of running the building were 9% of total expenditure

PRICING

Beacon Arts Centre is situated in an economically deprived area and as such is committed through our policies to remove barriers to attendance and participation through our pricing policy and open access. We have clearly identified key demographics and we are currently targeting the younger and the older generations, and those suffering social isolation due to health conditions or disability.

Our pricing policy reflects our strategy of enabling all within our community, whatever their means, to take part in our activities. Our exhibitions offer an opportunity for the public to view, free of charge, new works created by local and national artists and photographers. Full price tickets to our theatre performances range from £5 to £30. Concession rates are available for most productions. Assisted companion tickets are available, anyone who requires assistance to attend a performance is invited to bring a companion who will be admitted free of charge. Babes-in-arms tickets are available for £2 at most family shows. Weekly class fees range from £2 to £7, and free taster classes are available to all new participants. We fundraise to help make our activities affordable to those most in need.

PRINCIPAL FUNDING SOURCES

The Board is continuously exploring the options available to move the charity to a sustainable income generation model. Greenock Arts Guild Limited'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 agreed with Creative Scotland (£600,000) for the period 2018-21.

Inverclyde Council provided £750,000 over the three-year period 2015-18 through a revised Service Level Agreement in December 2015. Inverclyde Council provided the final tranche of supplementary funding of £130,000 in 2017/18 in addition to the £50,000 annual voluntary organisation's grant funding. From 2018/19 their core grant will be £200,000

FUNDRAISING

We continue to focus on fundraising from a variety of sources which is key to help sustain and develop our activities, especially for those with the least ability to pay, whether individuals or groups, and to support the work of emerging and early stage artists.

- The Robertson Trust made a contribution of £45,000 over 3 years (2016 to 2019) with £15,000 received in 2018/19.
- Postcode Community Trust awarded £19,043 in 2017-18 towards our Creatability dance project, a balance from this award was carried forward into 2018-19.
- BEMIS £6,500 was awarded to stage an event devoted to culture, social causes and the celebration of St Andrews Day. This event occurred on 1st December 2018
- Education Scotland/Creative Learning Network Grant: £7732.35 was awarded in November 2017 to enable the Beacon to continue leading Inverclyde's Creative Learning Network. Two outstanding balances from this fund (2017: £705 & 2018: £773) were received in 2019.
- £6,195 of funding is attributed to support from individuals through collection boxes at our Pantomime in 2018.

Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019

The Beacon is supported by Inverclyde Council and Creative Scotland and has attracted a significant amount of funding into the area over the last decade from trusts, foundations, corporate supporters and private donors. This has, in turn, increased visitors to the area, created jobs, attracted inward investment and stimulated the local economy.

Securing a second award of Regular Funding from Creative Scotland for the period 2018-21; enables us to operate on a sound financial platform and confirmed the trust we have gained from our main funding partners. However, like every other regional theatre/arts centre in Scotland, ongoing funding will always be a priority for us, and we must continue to look for new income sources to implement our charitable aims. Our Creative Learning work does not have the capacity to generate significant income, hence why we must seek external funding to supplement this area of our work.

Whilst audiences remain loyal it is the responsibility of the charity to remain resilient and profitable. Like many arts organisations across the UK, GAG continues to face a number of financial challenges. Particularly in the last financial year, there were several contributing factors to this situation including longstanding contractual and legal issues resulting from the new building, financial losses on the catering side of the business and leadership challenges.

With a new Chair, a robust and skilled board, strong governance structure, a clear fundraising focus and wider support from partners, the business is developing resilience. The company is continually improving its financial activities to become sustainable and has plans to increase revenue through audiences, participation, hire and tourism.

The company's annual operating budget was set by the Beacon's Board in partnership with Inverclyde Council through regular governance meetings. The relationship between the Beacon's Board and Inverclyde Council to establish a structure to support the delivery of our plans is strong. We are working together to identify alternative and innovative business opportunities that can mutually benefit our shared ambitions to enforce strong economic, social and cultural success for Inverclyde.

The organisation is now in a significantly improved position, with the staff, board and local funding and support in place to be able to further develop as a creative hub for Inverclyde and the West of Scotland.

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

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.

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 months turnover or approximately £400,000 over the 5-year period 2016/17 to 2020/21.

PLANS FOR THE FUTURE

The company is continually improving its financial activities to become sustainable and has plans to increase revenue through audiences, participation, hire and tourism.

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

- Build new, and maintain existing creative partnerships with communities, organisations and groups
- Develop creative learning projects targeting the younger and the older generations, and those suffering social isolation due to health conditions or disability
- Continue focus on providing excellent customer service
- Continue to build the venues profile in the sector
- Embark on significant fundraising activity

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.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

REGULATORY AND ADVISORY BODIES

In line with our company policies and fundraising good practice we are currently maintaining memberships and relationships with the following regulatory and advisory bodies;

OSCR - the independent Regulator and registrar for Scotland's charities

Companies House – the executive agency who register company information and make it available to the public.

Living Wage Foundation – we have now gained accreditation as a living wage employer and will be promoting this over the coming year.

Scottish Council for Voluntary Organisations – allows us access to training opportunities and funding resources

Federation of Scottish Theatre - allows us access to training, networking, funding resources and guides best practice.

Arts & Business Scotland – allows us access to training and match funding opportunities

Institute of Fundraising – allows us access to training, networking, funding resources and guides best practice.

Green Arts Initiative/Creative Carbon Scotland – to guide best practice on our annual carbon management plan.

Information Commissioner's Office – to guide us on data privacy legislation and GDPR.

MANAGEMENT AND STAFF

The company is now led by experienced Theatre Director, Pauline Kane. Pauline and her well-qualified team have many years' experience in the arts sector to enable delivery of the Beacon's ambitious community engagement plans going forward.

The Board of GAG and its staff have continued to hold its business plan under review honing future plans in the light of operational experience, future public investment prospects and the strategic context of its future activities.

GAG has effective governance in place with a strong Board made up of business, civil servant, and arts expertise to ensure the venue, arts programme and charitable aims are effective. Alex Reedijk, who has successfully led Scottish Opera since 2006 as its General Director, was appointed chairman of Beacon Arts Centre on the recommendation of senior Inverclyde Council officials in March 2019.

The organisation is now in a significantly improved position, with the staff, board and local funding and support in place to be able to further develop as a creative hub for Inverclyde and the West of Scotland.

Staffing in 2018-19: 56 staff members, 29 male/27 female. 18 Freelance staff, 9 male/9 female

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 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.

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 into the company's strategic business planning cycle.

STATEMENT ON RISK

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

The Risk Register focuses the Trustees on the challenges operating the Business from the 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.

**Greenock Arts Guild Limited
Strategic and Trustees Report
for the Year Ended 31 March 2019**

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.

Report of the Trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20 December 2019 and signed on the board's behalf by:

A REEDIJK
Chair of the Board of Trustees

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

Opinion

We have audited the financial statements of Greenock Arts Guild Limited (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and 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 (United Kingdom Generally Accepted Accounting Practice).

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 2019 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.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors 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.

Opinions on Other Matters Prescribed by the Companies Act 2006

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

- 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; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities, 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, 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 are responsible for assessing the charitable company'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.

Our 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 a Report of the Independent Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of Our Report

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.

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

23 December 2019

Greenock Arts Guild Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2019**

		Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	2018 <i>Total Funds</i> £
INCOME AND ENDOWMENTS FROM					
Donations and Legacies	2	431,815	107,500	539,315	<i>511,683</i>
Charitable Activities	5				
Charitable Activities		687,207	1,866	689,073	<i>668,001</i>
Other Trading Activities	3	378,829	35,000	413,829	<i>366,416</i>
Investment Income	4	<u>4</u>	<u>-</u>	<u>4</u>	<u><i>1</i></u>
Total		1,497,855	144,366	1,642,221	<i>1,546,101</i>
 EXPENDITURE ON					
Raising Funds	6	373,146	-	373,146	<i>325,971</i>
Charitable Activities	7				
Charitable Activities		1,190,618	302,679	1,493,297	<i>1,567,572</i>
Impairment of Land and Buildings		-	-	-	<i>3,887,871</i>
Other		<u>8,403</u>	<u>-</u>	<u>8,403</u>	<u><i>9,899</i></u>
Total		1,572,167	302,679	1,874,846	<i>5,791,313</i>
 NET INCOME/(EXPENDITURE)		(74,312)	(158,313)	(232,625)	<i>(4,245,212)</i>
 RECONCILIATION OF FUNDS					
Total funds brought forward		(164,286)	8,007,348	7,843,062	<i>12,088,274</i>
 TOTAL FUNDS CARRIED FORWARD		<u>(238,598)</u>	<u>7,849,035</u>	<u>7,610,437</u>	<u><i>7,843,062</i></u>

CONTINUING OPERATIONS

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

All incoming resources and resources expended derive from continuing activities.

Greenock Arts Guild Limited
Registered Company Number: SC024805 (Scotland)
Statement of Financial Position
At 31 March 2019

	Not es	2019 £	2018 £
FIXED ASSETS			
Tangible Assets	12	8,020,566	8,219,081
CURRENT ASSETS			
Stocks	13	6,900	9,275
Debtors	14	148,175	68,330
Cash at Bank		<u>52,462</u>	<u>66,127</u>
		207,537	143,732
CREDITORS			
Amounts falling due within one year	15	<u>(536,436)</u>	<u>(425,705)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(328,899)</u>	<u>(281,973)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,691,667	7,937,108
CREDITORS			
Amounts falling due after more than one year	16	<u>(81,230)</u>	<u>(94,046)</u>
NET ASSETS/(LIABILITIES)		<u><u>7,610,437</u></u>	<u><u>7,843,062</u></u>
FUNDS			
Unrestricted Funds	21	(238,598)	(164,286)
Restricted Funds		<u>7,849,035</u>	<u>8,007,348</u>
TOTAL FUNDS		<u><u>7,610,437</u></u>	<u><u>7,843,062</u></u>

The financial statements were approved by the Board of Trustees on 20 December 2019 and were signed on its behalf by:

A REEDIJK
Trustee

Greenock Arts Guild Limited

**Statement of Cash Flows
for the Year Ended 31 March 2019**

	Notes	2019 £	2018 £
Cash Flows from Operating Activities:			
Cash Generated from Operations	23	39,355	(9,278)
Interest Paid		<u>(8,403)</u>	<u>(9,899)</u>
Net Cash Provided by (used in) Operating Activities		<u>30,952</u>	<u>(19,177)</u>
 Cash Flows from Investing Activities:			
Purchase of Tangible Fixed Assets		(28,402)	(4,127)
Interest Received		<u>4</u>	<u>1</u>
Net cash Provided by (used in) Investing Activities		<u>(28,398)</u>	<u>(4,126)</u>
 Cash Flows from Financing Activities:			
Loan Repayments in Year		<u>(16,219)</u>	<u>(18,165)</u>
Net Cash Provided by (used in) Financing Activities		<u>(16,219)</u>	<u>(18,165)</u>
 Change in Cash and Cash Equivalents in the Reporting Period			
Cash and Cash Equivalents at the Beginning of the Reporting Period		<u>66,127</u>	<u>107,595</u>
Cash and Cash Equivalents at the End of the Reporting Period		<u>52,462</u>	<u>66,127</u>

The notes form part of these financial statements

Greenock Arts Guild Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

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 accounts have been prepared on a going concern basis as the directors are of the opinion that the company can continue to meet its obligations as they fall due for the foreseeable future. Three year funding agreements are in place with Inverclyde Council and Creative Scotland and these run until 2021. The company also requires to continue improving its financial activities if it is to become sustainable. There is a robust programme of performances planned and advanced ticket sales are at a healthy level. Improvements are also being made in the operation of the Bistro. The charity also continues to seek new sources of income to support its ongoing activities.

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.

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.

Greenock Arts Guild Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

1. ACCOUNTING POLICIES - continued

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	- Over 44 years
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.

Greenock Arts Guild Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

1. ACCOUNTING POLICIES - continued

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.

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) and also in the valuation of the company's land and buildings. The theatre was valued by an independent professional valuer, D.M. Hall, Chartered Surveyors. They have the required experience to value the company's land and buildings.

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Donations	30,338	-	30,338	34,431
Grants	<u>401,477</u>	<u>107,500</u>	<u>508,977</u>	<u>477,252</u>
	<u>431,815</u>	<u>107,500</u>	<u>539,315</u>	<u>511,683</u>

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

	2019 £	2018 £
Inverclyde Council	236,000	248,809
Riverside Inverclyde	-	7,400
Creative Scotland	200,000	200,000
Postcode Community Trust	-	19,043
Youth Theatre Arts Scotland	-	2,000
BEMIS Scotland	6,500	-
Education Scotland CLN Funds	1,477	-
Inverclyde Council Equipment Fund	<u>65,000</u>	<u>-</u>
	<u>508,977</u>	<u>477,252</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Bistro and Function Income	359,790	-	359,790	350,907
Fundraising and Merchandising	19,039	-	19,039	15,509
Professional Indemnity Claim	<u>-</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
	<u>378,829</u>	<u>35,000</u>	<u>413,829</u>	<u>366,416</u>

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Deposit Account Interest	<u>4</u>	<u>-</u>	<u>4</u>	<u>1</u>

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

5. INCOME FROM CHARITABLE ACTIVITIES

	2019 Charitable Activities	2018 <i>Total</i> <i>Activities</i>
	£	£
Theatre and Room Rents	136,565	148,688
Ticket Sales	488,843	455,734
Income from Classes and Workshops	16,222	23,875
Equipment Hire and Commissions	<u>47,443</u>	<u>39,704</u>
	<u>689,073</u>	<u>668,001</u>

6. RAISING FUNDS

Other Trading Activities

	Unrestricted Funds	Restricted Funds	2019 Total Funds	2018 <i>Total</i> <i>Funds</i>
	£	£	£	£
Purchases	150,961	-	150,961	150,018
Staff Costs	<u>222,185</u>	<u>-</u>	<u>222,185</u>	<u>175,953</u>
	<u>373,146</u>	<u>-</u>	<u>373,146</u>	<u>325,971</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support Costs (See note 8)	Totals
	£	£	£
Charitable Activities	<u>1,350,064</u>	<u>143,233</u>	<u>1,493,297</u>

8. SUPPORT COSTS

	Governance Costs £
Charitable Activities	<u>143,233</u>

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

Support costs, included in the above, are as follows:

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

8. SUPPORT COSTS - continued

Governance Costs

	2019 Charitable Activities	2018 <i>Total</i> <i>Activities</i>
	£	£
Wages	28,417	23,300
Auditors' Remuneration	4,200	4,200
Auditors' Remuneration for Non Audit Work	1,800	1,800
Legal and Professional Fees	<u>108,816</u>	<u>57,664</u>
	<u>143,233</u>	<u>86,964</u>

9. NET INCOME/(EXPENDITURE)

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

	2019	2018
	£	£
Auditors' Remuneration	4,200	4,200
Other Non-Audit Services	1,800	1,800
Depreciation - Owned Assets	226,917	310,342
Other Operating Lease Payments	<u>1,520</u>	<u>1,520</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

11. STAFF COSTS

	2019	2018
	£	£
Wages and Salaries	606,662	556,525
Social Security Costs	36,228	36,344
Other Pension Costs	<u>6,063</u>	<u>2,940</u>
	<u><u>648,953</u></u>	<u><u>595,809</u></u>

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

	2019	2018
Administration and Management	5	6
Catering and Functions	22	16
Charitable Activities	<u>24</u>	<u>21</u>
	<u><u>51</u></u>	<u><u>43</u></u>

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

The key management personnel of the charity comprise the trustees, Chief Executive Officer and the Arts Theatre Manager. The total employee benefits of the key management personnel were £94,172 (2018 - £104,385).

12. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures and Fittings £	Totals £
COST			
At 1 April 2018	9,370,939	566,678	9,937,617
Additions	<u>-</u>	<u>28,402</u>	<u>28,402</u>
At 31 March 2019	<u><u>9,370,939</u></u>	<u><u>595,080</u></u>	<u><u>9,966,019</u></u>
DEPRECIATION			
At 1 April 2018	1,370,939	347,597	1,718,536
Charge for year	<u>181,818</u>	<u>45,099</u>	<u>226,917</u>
At 31 March 2019	<u><u>1,552,757</u></u>	<u><u>392,696</u></u>	<u><u>1,945,453</u></u>
NET BOOK VALUE			
At 31 March 2019	<u><u>7,818,182</u></u>	<u><u>202,384</u></u>	<u><u>8,020,566</u></u>
At 31 March 2018	<u><u>8,000,000</u></u>	<u><u>219,081</u></u>	<u><u>8,219,081</u></u>

The company's land and buildings were valued by D.M. Hall, Chartered Surveyors, on 30 May 2017. At that date their valuation of the property calculated on a depreciated replacement cost basis was £8,000,000. The directors are of the opinion that this valuation was appropriate at 31 March 2019.

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

13. STOCKS

	2019	2018
	£	£
Finished Goods	<u>6,900</u>	<u>9,275</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade Debtors	80,935	45,945
Other Debtors	382	3,899
Prepayments	<u>66,858</u>	<u>18,486</u>
	<u>148,175</u>	<u>68,330</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Other Loans (see note 17)	16,244	19,668
Trade Creditors	168,496	181,672
Social Security and Other Taxes	10,547	10,212
VAT	25,747	15,851
Other Creditors	79,387	78,096
Deferred Income	128,111	71,128
Accrued Expenses	<u>107,904</u>	<u>49,078</u>
	<u>536,436</u>	<u>425,705</u>

The deferred income balance comprises advanced ticket sales relating to amounts refundable should future performances not take place and grant monies received in advance.

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

	2019	2018
	£	£
Other Loans (see note 17)	<u>81,230</u>	<u>94,046</u>

Greenock Arts Guild Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

17. LOANS

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year on demand: Other Loans	<u>16,244</u>	<u>19,668</u>
Amounts falling between one and two years: Other Loans - 1-2 years	<u>20,659</u>	<u>21,284</u>
Amounts falling due between two and five years: Other Loans - 2-5 years	<u>60,571</u>	<u>72,762</u>

The loan is repayable in 60 monthly instalments. The rate of interest on the loan is 8% per annum.

18. LEASING AGREEMENTS

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

	2019 £	2018 £
Within one year	-	1,520
Between one and five years	<u>-</u>	<u>279</u>
	<u>-</u>	<u>1,799</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	2019 £	2018 £
Other Loans	<u>97,474</u>	<u>113,714</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.

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Fixed Assets	26,673	7,993,893	8,020,566	8,219,081
Current Assets	352,396	(144,858)	207,537	143,732
Current Liabilities	(536,437)	-	(536,436)	(425,705)
Long Term Liabilities	<u>(81,230)</u>	<u>-</u>	<u>(81,230)</u>	<u>(94,046)</u>
	<u>(238,598)</u>	<u>7,849,035</u>	<u>7,610,437</u>	<u>7,843,062</u>

21. MOVEMENT IN FUNDS

	At 1.4.18 £	Net Movement in Funds £	At 31.3.19 £
Unrestricted Funds			
General Fund	(164,286)	(74,312)	(238,598)
Restricted Funds			
Arts Centre Redevelopment Fund	7,973,535	(213,576)	7,759,959
Monies Received Towards Lighting Costs	14,123	-	14,123
Creative Learning Network	2,850	(2,850)	-
Postcode Community Trust	16,840	(5,104)	11,736
Inverclyde Council Equipment Fund	<u>-</u>	<u>63,217</u>	<u>63,217</u>
	<u>8,007,348</u>	<u>(158,313)</u>	<u>7,849,035</u>
TOTAL FUNDS	<u>7,843,062</u>	<u>(232,625)</u>	<u>7,610,437</u>

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

	Incoming Resources £	Resources Expended £	Movement in Funds £
Unrestricted Funds			
General Fund	1,497,855	(1,572,167)	(74,312)
Restricted Funds			
Arts Centre Redevelopment Fund	71,000	(284,576)	(213,576)
Place Partnership	1,866	(1,866)	-
Creative Learning Network	-	(2,850)	(2,850)
Postcode Community Trust	-	(5,104)	(5,104)
Inverclyde Council Equipment Fund	65,000	(1,783)	63,217
BEMIS	<u>6,500</u>	<u>(6,500)</u>	<u>-</u>
	<u>144,366</u>	<u>(302,679)</u>	<u>(158,313)</u>
TOTAL FUNDS	<u>1,642,221</u>	<u>(1,874,846)</u>	<u>(232,625)</u>

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

21. MOVEMENT IN FUNDS - continued

Comparatives for Movement in Funds

	At 1.4.17 £	Net Movement in Funds £	At 31.3.18 £
Unrestricted Funds			
General Fund	1,064,313	(1,228,599)	(164,286)
Restricted Funds			
Arts Centre Redevelopment Fund	10,993,285	(3,019,750)	7,973,535
Monies Received Towards Lighting Costs	14,123	-	14,123
Place Partnership	16,553	(16,553)	-
Creative Learning Network	-	2,850	2,850
Postcode Community Trust	-	16,840	16,840
	<u>11,023,961</u>	<u>(3,016,613)</u>	<u>8,007,348</u>
TOTAL FUNDS	<u>12,088,274</u>	<u>(4,245,212)</u>	<u>7,843,062</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming Resources £	Resources Expended £	Movement In Funds £
Unrestricted Funds			
General Fund	1,478,849	(2,707,448)	(1,228,599)
Restricted Funds			
Arts Centre Redevelopment Fund	7,400	(3,027,150)	(3,019,750)
Place Partnership	31,850	(48,403)	(16,553)
Creative Learning Network	6,959	(4,109)	2,850
Postcode Community Trust	19,043	(2,203)	16,840
Youth Theatre Arts Scotland	2,000	(2,000)	-
	<u>67,252</u>	<u>(3,083,865)</u>	<u>(3,016,613)</u>
TOTAL FUNDS	<u>1,546,101</u>	<u>(5,791,313)</u>	<u>(4,245,212)</u>

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

21. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net Movement in Funds £	At 31.3.19 £
Unrestricted Funds			
General Fund	1,064,313	(1,302,911)	(238,598)
Restricted Funds			
Arts Centre Redevelopment Fund	10,993,285	(3,233,326)	7,759,959
Monies Received Towards Lighting Costs	14,123	-	14,123
Place Partnership	16,553	(16,553)	-
Postcode Community Trust	-	11,736	11,736
Inverclyde Council Equipment Fund	-	63,217	63,217
	<u>11,023,961</u>	<u>(3,174,926)</u>	<u>7,849,035</u>
TOTAL FUNDS	<u>12,088,274</u>	<u>(4,477,837)</u>	<u>7,610,437</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming Resources £	Resources Expended £	Movement in Funds £
Unrestricted Funds			
General Fund	2,976,704	(4,279,615)	(1,302,911)
Restricted Funds			
Arts Centre Redevelopment Fund	78,400	(3,311,726)	(3,233,326)
Place Partnership	33,716	(50,269)	(16,553)
Creative Learning Network	6,959	(6,959)	-
Postcode Community Trust	19,043	(7,307)	11,736
Youth Theatre Arts Scotland	2,000	(2,000)	-
Inverclyde Council Equipment Fund	65,000	(1,783)	63,217
BEMIS	6,500	(6,500)	-
	<u>211,618</u>	<u>(3,386,544)</u>	<u>(3,174,926)</u>
TOTAL FUNDS	<u>3,188,322</u>	<u>(7,666,159)</u>	<u>(4,477,837)</u>

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.

Greenock Arts Guild Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2019.

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

	2019 £	2018 £
Net Income/(Expenditure) for the Reporting Period (as per the Statement of Financial Activities)	(232,625)	(4,245,212)
Adjustments for:		
Depreciation Charges	226,917	310,342
Interest Received	(4)	(1)
Interest Paid	8,403	9,899
Loss on Impairment	-	3,887,871
Decrease in Stocks	2,375	319
(Increase)/Decrease in Debtors	(79,866)	60,448
Increase/(Decrease) in Creditors	<u>114,155</u>	<u>(32,944)</u>
Net Cash Provided by (used in) Operating Activities	<u>39,355</u>	<u>(9,278)</u>