

**Fife Cultural Trust**  
**(a company limited by guarantee)**

**Report and consolidated accounts for the  
year ended 31 March 2013**

**Registered number SC415704**

**Charity number SC043442**

# Fife Cultural Trust

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# Fife Cultural Trust

## Company information

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<b>Directors</b>	KE Brown (appointed 20 September 2012) DH Caldwell (appointed 23 August 2012) SR Cross (Chair) LW Erskine (appointed 24 May 2012) BJ Goodall BE Lawrie (appointed 13 November 2012) DF MacGregor CEM May (appointed 23 August 2012) CS Patrick (appointed 23 August 2012) FC Quinault M Shirkie (appointed 24 May 2012) JK Steele (appointed 23 August 2012) K Taylor (appointed 23 August 2012)
<b>Secretary</b>	FN Chinn
<b>Registered office</b>	16 East Fergus Place Kirkcaldy KY1 1XT
<b>Auditors</b>	Henderson Loggie Royal Exchange Panmure Street Dundee DD1 1DZ
<b>Solicitors</b>	Burness Paull & Williamsons 50 Lothian Road Edinburgh EH2 9WJ
<b>Bankers</b>	Royal Bank of Scotland Glenrothes Branch 3 Falkland Gate Kingdom Centre Glenrothes KY7 5NS
<b>Charity number</b>	SC043442

# Fife Cultural Trust

## Directors' report

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The directors have pleasure in submitting their annual report and accounts for the period ended 31 March 2013. The company information set out on page 1 forms part of this report. The accounts comply with the Memorandum and Articles of Association of the company and the recommendations of the Statement of Recommended Practice - "Accounting and Reporting by Charities" and current statutory requirements.

### 2012/13 Report

This is the first annual report for Fife Cultural Trust following its first six months of trading from 1 October 2012 to 31 March 2013. Fife Cultural Trust (FCT) was established by Fife Council to deliver Libraries, Arts, Museums, Galleries, Theatres, Cultural Partnerships and Archive Services on behalf of Fife Council in order to ensure the long-term sustainability of these services. The new organisation encompasses the functions of the former Arts and Theatres Trust Fife Limited (AttFife) marketed as ON at Fife. AttFife ceased trading on 30<sup>th</sup> September 2012 when its staff and assets transferred to the newly formed Fife Cultural Trust (FCT) along with the staff and assets from the cultural services within Fife Council. The newly established FCT employs 387 staff, the majority from the local area, and will have an annual turnover in excess of £11m.

The original intention had also been to include the Byre Theatre within Fife Cultural Trust's responsibilities from a slightly later date of 1 April 2013, and FCT had been working with the Byre Board and staff to achieve this. During this accounting period the Byre Theatre went into voluntary creditors' liquidation and closed. Discussions are continuing with both Fife Council and Creative Scotland, the national cultural development body, about whether it is possible to put in place a funding package which will lead to the reopening of the theatre under the auspices of Fife Cultural Trust, which both organisations are keen to support.

The initial 6 month period of operation for FCT has been particularly challenging. In the run up to vesting day on 1 October, the focus was necessarily on ensuring that the legal and operational infrastructure was in place and fit for purpose to allow the transfer of services, assets, and staff from AttFife and Fife Council to the new body. A range of transitional issues remained after this vesting date, particularly in relation to property and financial issues, which continue to be pursued. Developing a consolidated baseline budget for the new organisation for this 6 month period and for the longer term has been a particular focus, which has been made more challenging by the need to deliver significant savings within 2013/14, the first full year of operation for the FCT. Financial planning for the longer term sustainability of the organisation, given the scale of the financial challenges facing local government and the public sector more generally, has been and remains a key focus for the Board and senior management team. In parallel, strategic planning for the organisation in the longer term, following its establishment, began during this period and continues apace.

Fife is recognised nationally for its long established and proud tradition of delivering quality cultural services for all. Fife residents recognise the importance that culture plays in enhancing the quality of life, creativity, wealth and health of their communities.

A diverse range of quality events and opportunities is delivered across Fife by FCT within its venues, as well as schools, community halls and within Fife's built and natural environment. FCT also offers a range of opportunities for local people and communities to engage in cultural and heritage activities in addition to lifelong learning opportunities for all designed to be accessible to hard to reach individuals. FCT is responsible for operating and delivering the following facilities and services:

- 47 libraries, 3 mobile libraries and library services to primary schools
- 7 museums, 1 heritage centre, 2 heritage sites and 1 mobile museum
- 4 Theatre and community venues

# Fife Cultural Trust

## Directors' report (continued)

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### 2012/13 Report (continued)

- Fife's historical archives and Fife Council's record management
- Fife's Cultural Strategy, Partnerships and Consortium
- Maintenance and development of library services within Fife Council's 4 integrated customer service facilities
- Stewardship and care for the objects and archives in Fife Council's collections

All of FCT's venues support a thriving local arts and culture scene, working in partnership with a range of agencies, organisations, and many local cultural groups. We use our resources to support arts groups and community organisations to realise their creative ambitions and deliver more than 50 weekly arts based courses.

There are nearly 3 million visitors to Fife's libraries, museums, galleries, and theatres annually, and Fife's museums constitute a key part of the tourism infrastructure accounting for more than 63% of all attractions in Fife. A real contribution to the vibrancy of the area is created in and around FCT's venues and facilities through the range of popular performances and events bringing economic and social benefits to local businesses and communities from increased footfall and spend of those attending and participating in events.

Fife's national reputation for its cultural services also secured £200,000 from Creative Scotland as one of only three local authorities to attract funding through the 'Place' Programme. This has allowed FCT to continue to build on this work, particularly aimed at support for creative individuals and organisations throughout Fife.

FCT continues to lead and support Fife's Cultural Consortium which now has over 270 members and which, over the last two years, has secured over £3m of external funding to enhance cultural and creative activity in Fife. £104,000 has recently been secured specifically for the 'Think Innovation' project, Fife's Cultural Enterprise Challenge, designed to nurture creativity, innovation, and enterprise in Fife for which FCT is working in partnership with Fife Council, Adam Smith College, Fife Contemporary Art and Craft, the ACEs project, and Falkland Centre for Stewardship.

The libraries network continues to provide a lifeline to local people, increasingly so as the implications of welfare reform are felt by individuals.

The libraries' network of more than 240 computers provides access to free internet, email, and online learning, as well as access to advice and support from library staff, who frequently are also giving support with literacy, IT literacy, and other challenges faced by those using these facilities. Increasingly customers are also being supported to use these online facilities to support their lifelong learning and job seeking ambitions. There were 288,000 learning PC uses in 2012/13, an increase of 10% on the previous year, each PC being used on average 1,000 times per year. Library staff continue to provide support on a daily basis for those applying for jobs or benefits, and there is a strong partnership approach being developed with key partners such as Job Centre Plus and Skills Development Scotland to ensure people are getting the support that they need. Adult Basic Education groups continued to meet regularly in Cupar, Cowdenbeath, Inverkeithing, Rosyth, and St Andrews libraries.

Significant work also continued during the year to ensure the successful delivery of the refurbishment project for Kirkcaldy Galleries in partnership with Fife Council, the building having been closed since November 2011. The £2.5m refurbishment is being funded by Fife Council, and throughout the project there has been a strong and effective partnership between the Council and the Trust.

# Fife Cultural Trust

## Directors' report (continued)

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### 2012/13 Report (continued)

The new building will offer visitors and customers an integrated experience of library, museum, and café services from one entrance through to all parts of the Galleries, with many of the building's original features restored. FCT staff continue to develop the first exhibition to be seen in the new gallery, **The People's Pick**, a selection of artworks chosen by the public, and the permanent museum display, **Moments in Time**, which depicts 24 pivotal moments - from 300 million years ago to 2012 which have been selected to showcase the diversity of the town's past and present.

The Lochgelly Centre became home during 2012/13 to a range of community activity, in particular, the major year long community music initiative – *The Band*, made possible with a £250,000 “First in a Lifetime” grant from Creative Scotland. The project encouraged local people of all ages and abilities to participate, play, and ultimately perform music. The project has established several community bands, with the intention of entertaining, educating, inspiring, and leaving a permanent legacy. Over 120 people have been involved in the project drawn from areas of multiple disadvantage across Central Fife and have enthusiastically taken part. 42% were unwaged, 12% had declared mental health issues, and 14% had special learning needs. The Band has now performed to audiences of up to 4,000 including a performance at the opening of the Festival of Politics at the Scottish Parliament and nearly 5,000 people have been involved in the project across Central Fife.

The book prescription service, operating since 2009, is now complemented by a cultural prescriptions service, in partnership with NHS Fife, delivering cultural opportunities for 270 people during phase 1 this year.

March 2012 saw the successful launch of a year long co-production with the National Theatre of Scotland in partnership with Strathclyde Police, Fife Education Service, and Fife Community Safety Partnership with support from the Young Start Fund. Working in five secondary schools across Fife, JUMP involved nearly 2,000 of the hardest to reach secondary male pupils with significant behavioural issues encouraging their reintegration into schools, families, and communities.

The project engaged these young people in activity based on physical activity, discipline, and athleticism.

Fife's Bookbug programme continues to strengthen. The scheme is aimed at fostering the important first steps to literacy and a love of reading and, working with local health visitors, over 4,000 baby and toddler packs were gifted to Fife children during the last year, and over 6,500 children continue to be attracted to the Bookbug sessions run across Fife's libraries throughout the year. 98% of Fife's schools utilise a range of resources provided by the Trust to support teachers in delivering the curriculum, and in 2012/13 81,000 books were issued as part of these resources, a 5% increase on 2011/12.

There also continues to be high demand for the resources provided directly to schools from the museums service in the form of specially created loan boxes to support and inspire children and young people. 3,000 children also took part in the Summer Reading Challenge. Overall, the Theatres and Arts section of the Trust alone engaged with nearly 26,000 Fife school pupils during 2012/13.

# **Fife Cultural Trust**

## **Directors' report (continued)**

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### **2012/13 Report (continued)**

Fife Cultural Trust continued to lead Fife's Creative Learning Network which increased its membership in 2012/13 to 145. The network is focused on encouraging collaboration across the education, culture, and communities sectors with the ultimate aim of building young peoples' creativity, confidence, and skills for future life and work. Creativity Exchange Fife, in November 2012, was a free event for teachers and creative and cultural practitioners focusing on creativity in learning, its impacts and benefits, and offering a showcase for some of the excellent creative learning work being delivered in Fife in support of the Curriculum for Excellence.

### **Charitable status**

Fife Cultural Trust is a company limited by guarantee (SC415704), governed by its memorandum and articles of association, and does not have a share capital. Membership is open only to Fife Council and the member has undertaken to contribute an amount not exceeding one pound towards any deficit arising in the event of the company being wound up. The company has charitable status under Section 505 of the Income and Corporation Taxes Act 1988 and the Scottish Charity Number is SC043442.

### **Directors**

FCT's Board comprises 13 Directors, composed of 4 elected members of Fife Council, and 9 independent Directors.

The Board of Directors have agreed to establish a trading subsidiary, Fife Cultural Services (Trading) Ltd, whose primary objects are to carry on activities which benefit the community primarily within the area served by Fife Council.

The directors who served during the period on both the main company and the trading subsidiary are noted on page 1. In addition Iain Whitelaw resigned on 13th September 2012.

### **Policies and procedures for induction and training of directors**

An induction process is in place for new directors, which is reviewed and updated on an annual basis. This covers the strategic and operational issues affecting the company. The ongoing training needs of directors are considered by the Board from time to time.

### **Organisation of Business**

The Board of Directors meets quarterly with directors and senior management present. Decisions are taken to set the overall strategy for the business as well as to monitor its activities. Senior management are charged with the task of implementing these decisions.

### **Risk**

The major strategic, business and operational risks that the organisation faces have been identified and are reviewed by the Board periodically. Systems have been established and are regularly reviewed. These are strengthened as required to ensure that the necessary steps are taken to lessen these risks.

# **Fife Cultural Trust**

## **Directors' report (continued)**

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### **Objectives and activities**

#### **Principal activity**

Fife Cultural Trust is a company limited by guarantee whose principal activity is the provision of cultural services for Fife, including Libraries, Museums, Archives, Theatres, and Community development in the creative and cultural fields.

The primary objects of the company as set out in Section 4 of the Memorandum and Articles of Association are:

To advance public participation in Cultural Activities primarily within the Operating Area;

- To provide, or assist in the provision of, Cultural Facilities and to organise Cultural Activities, primarily within the Operating Area, with such facilities and activities being made available to members of the public at large with the object of improving their quality of life;
- To provide accessible and affordable opportunities for all members of the general public in Fife to participate in Cultural Activities and access the Cultural Facilities;
- To advance education and learning, primarily within the Operating Area, particularly as it relates to Cultural Activities;
- To advance citizenship and community development through Cultural Activities, primarily within the Operating Area; through the provision of services (including those entrusted to it by the Council), which contribute to advancing well-being (primarily for the wellbeing of residents of the Operating Area) including:
  - a) the operation, management and development of facilities for the delivery of Cultural Activities (including arrangements to facilitate access to such facilities by those on lower incomes or with special needs and to encourage wider participation in Cultural Activities);
  - b) the development and delivery of Cultural Activities and events directed towards wider participation in such activities;
  - c) the delivery of services focused on social renewal and the needs of young people;

The Board of Directors have also agreed to establish a trading subsidiary, Fife Cultural Services (Trading) Ltd, whose primary objects are to carry on activities which benefit the community primarily within the area served by Fife Council and in particular (but without limitation):

- To carry on any trade, business or other income-generating activities connected, directly or indirectly, with the operations of the Holding Company or the provision of support (financial or otherwise) to those operations.
- To carry on any other trade or business, ancillary to the core activities of the company which the directors may consider appropriate from time to time.
- To make donations (whether by way of gift aid or otherwise), and/or provide other forms of support, to the Holding Company (or if the Holding Company is not a charity, then to some other charitable body or bodies) and that irrespective of whether the provision of such support advances the interests of the company.

# **Fife Cultural Trust**

## **Directors' report (continued)**

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### **Principal activity (continued)**

- To promote the interests of the Holding Company and/or any company which is at the time a subsidiary of the Holding Company, in any manner whatever and in particular by paying or discharging the liabilities of such other company or giving any undertaking to do so, by giving any indemnity or guarantee in respect of such liabilities, by granting any charge in security of any such indemnity or guarantee or in security of the payment of money or performance of obligations by such other company or by transferring any assets to such other company or by making a loan to such other company, and in each case either with or without consideration and whether or not any benefit flows to the company other than the promotion of such interests, to the intent that the promotion of the interests of any such other company shall be an object and not a power of the company.

The trading subsidiary can have up to 6 directors on its Board, and currently 4 of these places are taken up by directors drawn from the Board of the main company, Fife Cultural Trust. The Board is keen to grasp the opportunity which the trading subsidiary represents to look at ways in which the 64 facilities which the Trust operates can be utilised to generate income and strengthen relationships with the business community, and also to maximise the sponsorship, income streams, and revenue generating opportunities which can be created through having the subsidiary in existence.

Consequently, expressions of interest will shortly be sought to fill the vacancies on the Board of the trading subsidiary, and in doing so to seek to attract directors with well-developed business skills and networks within and outwith Fife.

### **Board Business**

The Board has reverted to its quarterly cycle of meetings, now established following a more intensive schedule of meetings during the run up to and immediate period following the establishment of the organisation.

It has also established two committees, which meet regularly to look in more detail at relevant issues and to support the senior management team:

- Finance and Audit Committee
- HR Committee

The Board has also agreed, as required by the Articles of Association, to establish a nominations committee, but this committee has not, as yet, required to meet given its specific remit of progressing recruitment of directors and recommending board membership to the sole member, and for the recruitment and terms and conditions of the Chief Executive.

### **Contractual Relationships**

FCT has a formal contract, lease and funding agreement with Fife Council. The contract obliges Fife Council to provide funding and central support services such as Finance, IT, HR, building repairs and maintenance to the Trust, and in return FCT delivers cultural services to mutually agreed performance specification. As a Company with charitable status FCT attracts rating relief and VAT savings.

The contractual outcomes and outputs FCT is required to deliver to Fife Council are decided by the aspirations and objectives contained in appropriate policies, plans and strategies, for example the Council Plan 2107: Ambitious for Fife and Fife's Cultural Strategy.

# **Fife Cultural Trust**

## **Directors' report (continued)**

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The work of FCT is led by its Vision, Mission, Purpose and Values.

### **Vision**

Fife will be a culturally vibrant and rewarding place to live, work, study and visit.

### **Mission**

Enriching Lives in Fife.

### **Purpose**

Fife Cultural Trust provides creative, entertaining and learning experiences that enhance the quality of life, through our partnerships and in our museums, galleries, libraries and theatres.

### **Values**

Inclusive, creative, trusted, enabling and integrity.

## **Organisational Structure**

The delivery of the work of the Trust currently reflects the two sets of services inherited as at 1 October 2012. Consideration of key principles for a future organisational restructure which will put in place a structure which is fit for the future of the new organisation has begun with the senior management team and the Board. In the interim, a senior management team was put in place comprising:

- Chief Executive (new appointment)
- Service Manager, Theatres and Arts (formerly Chief Executive of ON at Fife)
- Service Manager, Library, Archives, Museums, and Arts (formerly lead officer for these services within Fife Council).

The two senior managers reporting to the Chief Executive continue to lead those services which they led prior to the establishment of the Trust, as well as supporting the Chief Executive in leading the new organisation.

## **Financial review**

As this was the first operating period of the Trust there were a number of non-recurring transitional transactions included in the consolidated net movement in funds of £406,131 including the funds transferred from Arts & Theatres Trust Fife and LAMA of £227,593 and £29,214 respectively. In addition as it was only a six month period the results were not totally representative of a full year's operation.

The directors and senior management team are acutely aware that the current financial environment for the Trust will require careful cost control and management.

## **Performance and Achievements**

### **Theatre and Arts**

From October to April Theatres and Arts section of FCT delivered a very busy programme of performances and events covering commercial receiving and developmental work. Below are some of the highlights.

## Fife Cultural Trust

### Directors' report (continued)

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#### Performance and Achievements (continued)

November saw the third year of our *Totfest festival* and tour programme in 'Totfest goes Wild'. Part of this year's programme saw the commissioning of *Twitt Twoo*, a collaboration piece between Grinagog Theatre Company and Sokobauno. This piece aimed at 0 – 4yrs took place in a 1968 Cheltenham Caravan with 25 performances in the grounds of our theatres. We also welcomed back *Babychill*, an immersive theatre arts experience for babies, which was created with us as part of our Starcatchers residency in 2010.

*"The babies and toddlers were mesmerised and it was such a fun experience in the caravan"*

Pop duo *Hue and Cry* appeared at Carnegie Hall on Friday 19<sup>th</sup> October having not appeared in Fife for many years. Brothers Pat and Greg Kane have followed different paths over the years. Both returned to their first love music for this album tour much appreciated by a solid fan base in Dunfermline.

*"Great show, from the doors opening at 7 o'clock, we had the chance to sample the beautifully extended Tiffany Lounge at the Carnegie Hall before the gig got underway... Their biggest hits, including Labour Of Love and Strength To Strength, were powerfully delivered, with Pat Kane's vocals as good as they've ever been."*

The Adam Smith Theatre was welcomed aboard as a partner for the **20th French Film Festival UK**. Films ran from November 11<sup>th</sup>- 17th November. Five new films never shown in the UK before were screened in Kirkcaldy to an appreciative audience.

*"The French film festival was very interesting and we would really like to see film events like this continue - more than the occasional foreign language film throughout the year!"*

Stand Up comedian **Daniel Sloss** - a graduate of the Adam Smith Youth Theatre returned to play a sell out show on Saturday 17th November - a highlight for both the venue and his local fans.

*"A very funny show indeed. Good support and hilarious encore!"* Audience feedback

#### **Re:Move – Dance Residency**

Phase 4 of the residency culminated in a site-specific dance performance at Dunfermline Abbey called the Glass Castle on 24th October 2012. Performance pieces were created by the participants and their tutors from the previous 3 phases.

**The Glass Castle** celebrated Scottish history with the tutors consulting with Historic Scotland and Fife Council Archaeology Department to discover more about the archaeological significance of the building as inspiration in the creative process.

Tapping into the Abbey's eerie, dark history, The Glass Castle exploited participants' fears of what could happen in the dark. Through dance, animation and sound an immersive and suspenseful atmosphere was created with audience members promenading around the Abbey grounds and inside the Abbey.

The Glass Castle was performed by SPK dancers alongside a cast of 60 community performers from the previous 3 phases. There were 2 performances attended by 200 audience members.

## **Fife Cultural Trust**

### **Directors' report (continued)**

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#### **Performance and Achievements (continued)**

*"I loved it. It was so good how you put children and adults together. A big well done! I would love to do something like it."* – *"Loved the great use of the Abbey ruins. The lighting should stay as a tourist attraction. Great dance."* – Audience feedback

#### ***Jump***

A year long co-produced project with the National Theatre of Scotland culminated in a run of sell out performances of *Jump* at Rothes Halls in November 2012. The project was run in partnership with Strathclyde and Fife Police, Fife Education Service, and Fife Community Safety Partnership with support from the Young Start Fund. It worked in five secondary schools across Fife with hard to reach and disengaged young men in meaningful arts activity based on physical activity, discipline, and athleticism, benefiting not only the participants, but also the communities in which they live.

The show was devised, written and performed by a company of young men drawn from across Fife and in total the project worked with 1,956 S2 to S6 pupils.

The performance explored the lives, memories, hopes and fears of young men in their mid-teens.

The performance received National recognition for Fife with a 4 star review in the Scotsman from respected theatre critic Joyce McMillan. She described the show as "...raw, powerful and moving".

The show created by the Fife boys was so well received that it has been invited to be the opening performance of the National Festival of Youth Theatre in summer 2013. The project and performances also received positive feedback from educationalists and parents.

*"Priceless, absolutely priceless to these lads from Kirkcaldy. I think it might just change their lives."*  
Head Teacher Kirkcaldy High School.

*"...it was truly inspirational to see them tell their story."* Head of Education, Aberlour Childcare Trust.

*"The boys are much more confident"*

*"They have been praised – in some cases for the first time"*

*"They see the value of working as a team"*

#### ***Christmas***

Hansel and Gretel - Carnegie Hall - 30<sup>th</sup> November – 24<sup>th</sup> December 2012

The classic fairytale was reinvented in a new Christmas show by writer and Director Jonathan Stone and our in-house production team. This year the addition of live music, more audience participation and a beautiful set as well as magical storytelling suitable for young ages, ensured an audience hit.

With funding from sponsor Wiseman Dairies, we were able to produce, for the first time, an educational behind the scenes film which was made available to all Fife Schools on the Glow network as well as our website. There was also an online activities pack for schools and groups as well as 10 in-school music and drama workshops in advance of the schools attending a performance.

*"This is the best decision I have made coming to Carnegie Hall to See Hansel and Gretel. Usually I would take the lower school to The Lyceum and the older school to the Kings but this year we have all came together and have seen one of the best children's shows we have ever seen...Thank you"* - The Head Teacher at St Margaret Primary School

## **Fife Cultural Trust**

### **Directors' report (continued)**

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#### **Performance and Achievements (continued)**

*"With a smattering of well-known songs, including I'm A Believer and a version of Madness' Our House, dancing gingerbread men, jokes, hissing and booing, there really is something for everyone and the Carnegie Hall is worth a visit for anyone wanting to get into the Christmas spirit."* The Courier - 07/12/12:

#### ***Sleeping Beauty, Adam Smith Theatre - 7<sup>th</sup> December – 14<sup>th</sup> January 2013***

Sleeping Beauty at Adam Smith Theatre was the best selling pantomime to date with over 19,000 visitors at 46 performances. The French themed retelling of Sleeping Beauty was another FCT own production directed by Jonathan Stone and written by Alan McHugh and starring the popular Billy Mack.

*"When asked what she liked about the show, my very well behaved five year old companion for the evening said: "Everything - except the dragon". I'd call that a job well done. So get yourself into the Christmas spirit and head along to the Adam Smith Theatre for a fun-filled night."* Fife Free Press - 13.12.12:

*"I come every year and it was the best one yet. Billy Mac was hilarious"* - Customer Comment

#### ***A Christmas Carol, National Theatre of Scotland***

The National Theatre of Scotland and FCT co-production of A Christmas Carol was performed at The Old Kirk, Kirkcaldy. In this sold out run of 27 performances throughout December, audiences were carried back in time to Dickensian London in an immersive setting that transformed the Old Kirk to the dust filled offices of Ebenezer Scrooge. The show brought Fife significant national profile drawing 50% of its audience from out-with Fife.

*"Fife Free Press' 'Show of 2012' Visually stunning, funny, captivating, powerful, and brilliantly executed - it is arguably the very best piece of theatre to come to Fife this year."* - Fife Free Press

#### ***Little Ulla - Lochgelly Centre – 13<sup>th</sup>-15<sup>th</sup> December***

As part of our overall Christmas package we brought the Scottish Opera and Grinagog Theatre Company piece Little Ulla to Lochgelly Centre. There were 3 sold out performances of this show which was created especially for 3-6 year olds.

*"This utterly charming and heart-warming piece is a sweetly fluffy tear-jerker, working its magic on young and old."* - The Herald

#### ***Dunedin Consort - Rothes Halls 21st December***

The internationally acclaimed orchestra led by recent OBE for services to music in Scotland John Butt brought a world-class performance of Hansel's Messiah to Rothes Halls. The Dunedin Consort are known for using instruments of the Baroque period.

*"The Dunedin Consort's celebrated Messiah seems to get better every year. Not more honed or polished, necessarily, but more daring, more theatrical and even more sensual."* Kate Molleson - The Guardian

# Fife Cultural Trust

## Directors' report (continued)

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### Performance and Achievements (continued)

#### *The Band – Community Music Hub*

The final phase of the Creative Scotland funded 'The Band' got underway in September, and saw participant numbers rise to 120 across the Tuesday evening groups. For the Autumn Programme, The Band formed into three groups in preparation for the concert programme – The Samba Drumming group, the choir and the 'Big Band'.

The focus for the Big Band and choir was to learn a number of jazz/swing pieces for November concerts, collaborations with Fife Jazz Orchestra and Fife Youth Jazz Orchestra.

The *Samba Drumming* group's focus for the autumn was "Brazilian Samba Party" – An event held in the Lochgelly Centre on 11th December, with an audience of just under 250. This concert was delivered in collaboration with The Edinburgh Samba School and Tullis Russell Brass Band.

A *Community Musical Theatre Commission* project also ran from September to create a brand new musical with people from the local community. Workshops were held throughout September in Cowdenbeath, Cardenden, Kelty and Lochore, where local people came together to create script, lyrics and music for a musical based around the story of the Lochgelly Tawse (The School Belt). The final piece was performed on 29th and 30th November by a mixed group of local performers and Youth Music Theatre Scotland performers.

*"I go to a lot of concerts but can't remember when I have had a better time than tonight, the atmosphere is amazing"* – Audience member at The Band/Fife Jazz Orchestra concert

As part of the Autumn Programme, *Swing Dances* were held in our target KY4/5 Areas on 2nd, 3rd, 9th and 10th November with the Scottish Swing Orchestra visiting Cowdenbeath, Lochore, Bowhill and Kelty where over 200 local people took to the floor to learn to foxtrot, tango and swing.

In December at the conclusion of the project we saw the birth of *The Band Community Group*. From January-March of 2013, FCT continued supporting the committee in their development into a fully functioning independent organisation, raising funds and managing the transition. We will continue to support the group through our operations and creative team at Lochgelly throughout 2013/14.

*"Due to illness I am unfit for work. The Band this year has given me a sense of purpose and belonging to something because when you don't work you become very detached and isolated from society. I don't know what I will do if it doesn't continue – my life has changed dramatically since I joined The Band. At last I have something to talk about and feel that I belong more to society than I did before"* – Band Participant

5,656 people enjoyed The Band over the year of the project.

In January we were delighted to start our programme with The Royal Scottish National Orchestra with their *Viennese programme at Carnegie Hall* and as a key partner of the Fife Jazz Festival we again hosted the Festival across our venues and other community settings in early February.

*Manipulate – Visual Theatre Festival 2nd -16th February*, we were delighted to bring this high profile event to Fife, further extending our strong partnership with Puppet Animation Scotland with Lochgelly Centre becoming a key Scottish venue for this work. We welcomed International work from Los Angeles and Finland.

Our *NT Live programme* continued to gather a new audiences with live 'broadcasts' from the national Theatre, London of The Magistrate and Alan Bennett's People and we also presented a live broadcast of La Bayedere from The Bolshoi in Moscow.

## **Fife Cultural Trust**

### **Directors' report (continued)**

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#### **Performance and Achievements (continued)**

##### **Visual Arts**

Our exhibition programme 'FifeSpace' expanded from our main gallery at Rothes Halls to Lochgelly Centre.

*"I just drifted off into sheer wonderment and pleasure on encountering this amazing work!"* – gallery visitor

##### **Libraries, Museums, Archives, and Arts**

###### ***Big Books Brains Quiz – March 2013***

The initial 3 year project was extended due to demand from schools who see it as key to their literacy strategy. Around 3,000 children took part with 97 schools signed up. 397 children formed 129 teams to take part in the final at Rothes Halls. Another 1,825 children from 43 schools joined in via the GLOW network. One grandparent said, *"It's been amazing – every time I look at my grandson he's reading a book! He's never shown any interest in reading before."*

###### ***Book Week Scotland***

Book Week Scotland is a Scottish Government supported initiative administered by Scottish Book Trust. In 2012, funding was made available to deliver 3 free events in every authority in the week leading up to St Andrews Day. In Fife, the opportunity was taken to expand on this to deliver an adults and children's book festival on similar lines to successful festivals produced in the past by the Libraries' service. **40** events were delivered in both Trust and non-Trust venues with 60% of events delivered in libraries. These included Fife's 8<sup>th</sup> annual Readers' Day, author-led talks, creative writing, crafts, theatrical storytellers, a Poet on a Bus and a Fife-wide Reading Hour. **4,221** adults and children attended, which was incredible considering the total Scottish attendance was 20,000.

###### ***Scottish Week***

Celebrating Scotland and the Scots has become a firm part of the new Schools' Curriculum for Excellence. In response to school requests for activities to enrich this work, the Libraries' Young People's Team offered a small selection of Scottish themed events in the week approaching Robert Burns's birthday in January 2013. This proved very successful as almost every event attracted a capacity audience.

The programme included film screenings of the Disney animation 'Brave', popular with all ages, James Robertson's 'Gruffalo' in Scots, and we even had Allan Burnett as Rabbe himself telling the story of the bard's life and achievements. With 3,405 attendances, many supported by transport seed-corn funding from the Cultural Partnerships' Creative Learning programme, this project reached across Fife and was enjoyed by children from Tayport to Kincardine.

###### ***Literacy Award***

In October 2012, we submitted the partnership work between Fife's Libraries and Adult Basic Education services for consideration in the COSLA Excellence Awards, in the *Achieving Better Outcomes* category. The Fife Library & Literacy *Book and Film* events are designed to encourage local adults not currently engaged with adult learning or library services to explore the benefits of reading and learning. While book and film events are held throughout Scotland, Fife is unique in using this tool to target those with literacy needs. People who lack confidence in their reading skills, either because they have literacy learning needs, have suffered from mental health difficulties leading to concentration issues, or people who have just lost the reading habit have reported increased confidence in their reading skills as a direct result of this project. The submission was awarded a bronze category award.

#### Performance and Achievements (continued)

##### *Digital Participation*

Public access computer use increased by almost 14,500 hours, with an additional 868 users, over 2011/12. The role of libraries to help minimise the number of people who are digitally excluded and low-skilled looks set to increase further over the coming years as the Government targets full implementation of Universal Credit and Universal Job Match. The increased usage demonstrates that the impact is already being seen in libraries and staff have reported queues at certain times of the day as well as more demand for immediate assistance with completing the online forms. The library service continues to be an important part of Fife's Digital Participation Working Group and Welfare Reform Support Group, aiming to ensure that the support network, both in terms of equipment and staff assistance, is in place to meet the challenges raised by welfare reform.

##### *Author events 2012-13*

A wide range of authors visited Fife to talk to our readers. Ian Rankin attracted a sell-out audience of 400 at the Lochgelly Centre, a venue which also hosted the late Iain Banks and Tam Dalyell in conversation with Dennis Canavan. Authors visited Dunfermline, St Andrews, Dalgety Bay, Leven, Newport and Rothes Halls libraries as well as events in St Bryce Kirk and the Adam Smith Theatre. There was something for all tastes, including Christopher Brookmyre talking about his latest science fiction novel, Alex Scratchman revisiting his colonial childhood India, crime writer Catriona McPherson as part of the "Ladykillers" promotion, a Brewing Heritage evening, and another cupcake event featuring Scottish *Chick-Lit* author Carmen Reid and her popular books about Annie Valentine, Personal Shopper.

##### *Reading Groups*

2013 saw the 10<sup>th</sup> anniversary of the two Dalgety Bay Library Reading Groups, and to mark the special occasion, novelist and radio dramatist Beatrice Colin was invited to give a talk and answer questions about her work. Fife Cultural Trust supports a growing number of reading groups across Fife, either by supplying multiple copies of books to groups that are self-run, or by hosting and leading groups in our venues.

##### *Exhibitions*

##### **Gifted – The Edinburgh Book Sculptures on Tour 2012**

A set of beautiful and mysterious literary sculptures, which became a media sensation, went on display at Dunfermline Carnegie Library for three weeks in November 2012, one of only six venues chosen to host this touring exhibition.

The ten anonymous sculptures had been discovered at various institutions in Edinburgh, including the Scottish Poetry Library and the National Library of Scotland. Each intricate piece, crafted out of books, came with a unique message that included the line 'in support of libraries, books, words, ideas....'

Organised by the Scottish Poetry Library and supported by Creative Scotland, this well attended exhibition generated extremely positive feedback –

*"Had heard about these sculptures and absolutely delighted to view them when here on a visit from London. What a joy for a book lover!"*

*"Amazing. So great that they have come to Dunfermline."*

## Fife Cultural Trust

### Directors' report (continued)

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#### *The Fun Rug*

While Kirkcaldy Galleries were closed one group of loyal volunteers, The Sewing Circle, continued to work away behind the scenes at fortnightly meetings. Fuelled only by tea and biscuits they produced The Fun Rug, a fantastic new storytelling carpet for use at the Galleries.

The quilted patchwork rug features some wonderful images from the collections in Fife Cultural Trust's care, transformed into textile works of art. To be shown first in the Art Lab exhibition, the rug will start work in the autumn, when it can be laid out during storytelling and other sessions, to provide comfortable floor seating for young children.

#### *Inspirations – Community engagement with heritage and museums*

We continue to work with community groups to stage exhibitions within our venues – giving them a fantastic opportunity to showcase their work and encouraging others to take up new activities. One that proved particularly popular with visitors was the Christmas Show by Dundee and East of Fife Embroiderers' Guild at St Andrews Museum. The show created a real buzz at the Museum at a traditionally quiet time, with group members often on hand to answer questions, and running textile workshops. In just over a month there were over 1,500 visitors, one commenting "*Exciting & inspirational – a local ladies group of national importance!!*"

#### **MAC – art & sustainability**

Fife's unique-in-Scotland touring Museum opened a new show in autumn 2012. The theme of the new exhibition, *The Kingdom of if*, produced by Fife Contemporary Art & Craft, is art & sustainability in Fife, as seen through the eyes of 8 artists. Since opening, there have been 3,929 visitors.

#### **Capital Projects**

The **Dunfermline Museum & Art Gallery** team had a major boost for this prestigious project in January 2013, when Heritage Lottery Fund announced their commitment of £2.8m. Now taking the project into the detailed production and contract phases, the new build, adjoining and integrating with the world's first Carnegie Library in Dunfermline's Heritage Quarter, is expected to be completing in 2016.

Kirkcaldy's Area Committee approved a new name for the town's Library, Museum and Art Gallery, now to be known as the **Kirkcaldy Galleries**. The temporary library premises in the High Street are due to close late April 2013, with the Galleries opening in June, and a special programme of events is being planned for the launch

On 8<sup>th</sup> October - exactly a week after Fife Cultural Trust launched – **Benarty Library** opened in the new Community Centre. The library has a striking bird mural, designed to link with the nearby Lochore Meadows and Benarty Hill, and a programme of special thematically linked events for children was organised for the October school holidays. These included a display of magical classic books echoing the Opening Ceremony of the Olympic Games; an RSPB talk with bird-feeder activities; an art workshop; a bird-modelling magician and a performance by Scottish Youth Theatre. Themed story-telling and bird mask-making craft sessions led on to Hallowe'en and the celebrations for the 25<sup>th</sup> anniversary of *Winnie the Witch*.

The Rt Hon Gordon Brown MP and Councillor Willie Clarke officially opened the Benarty Centre on a cold sleety St Andrew's Night when the Lochgelly High School Pipe Band welcomed invited guests into the attractive new multi-purpose facility

Plans are also progressing for modernisation work at **Auchtermuchty Library**, in 2013-14, and consultations continue on potential co-location projects for Burntisland and Kelty.

# **Fife Cultural Trust**

## **Directors' report (continued)**

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### **Reserves policy**

Given the nature of the company's funding and its stage of development it is not realistic to set a categorical reserves policy. The directors will continue to ensure that expenditure is only incurred bearing in mind funding available such that reserves and cash are available to meet ongoing obligations.

### **Plans for future periods**

In April we will again host the Puppet Animation Festival bringing the best international work to family audiences.

After the tremendous response to our screenings of the film 'The Queen' starring Helen Mirren we are delighted to offer our audiences the chance to see Helen in 'The Audience' as part of NT Live in June.

The Bothy – following a successful Public Engagement Application to Creative Scotland we will be creating a new project for Fife with visual and digital artists, Andrew Lenni, Alan Grieve and Claire Lammond. The Bothy will visit KY4/5 communities throughout the summer, gathering stories which will then form a touring exhibition throughout 2014.

We will also be welcoming Vision Mechanics to the garden of Carnegie Hall for The Greenhouse project. FCT are one of 4 national partners who will host the project which will result in a sculptural organic greenhouse with sculptures and furnishings created by community groups from the West Fife area. The sculptures will be rammed with earth and seeds, gradually crumbling and growing to produce flowers, fruits and vegetables. The project will culminate with a community meal in September using the 'harvest'.

In July our Youth Music Theatre will take on their most ambitious challenge to date with a production of Phantom of the Opera. Performances from the 25th-27th of July AST. Phantom is part of full programme of ON Creative activity that we will be delivering in partnership with Youth Music Theatre Scotland based in Adam Smith Theatre and shop units in Kirkcaldy Town centre.

In October our next co-production with the National Theatre of Scotland will see FCT bringing to Fife the world premier of a new site specific re-imagining of Fife writer Joe Corrie's classic theatre piece 'In Time O' Strife'.

In March 2014 we will bring to Fife the first part of RE:LOCATION an international site specific youth theatre project which will culminate with performances in August 2014.

Kirkcaldy Galleries Launch Event and Opening Week – from 7 June 2013.

Planned Closure and progression of redevelopment of Dunfermline Library, Museum, and Art Gallery Book Week Scotland – November 2013.

Edinburgh International Book Festival Outreach – August 2013.

### **Employees**

The company maintains a policy of regularly providing all employees and, where represented, trade unions with information on the company's performance. The company operates an Equal Opportunities policy and applies this policy to all employees and job applicants. The policy seeks to ensure that everyone receives equality of opportunity, regardless of age, carer responsibility, colour, disability, ethnic origin, gender, marital status, nationality, politics, race, religion, sexuality, social/economic status, trade union membership/activity or any other unjustifiable grounds. All persons employed by the company have the opportunity for training, development and career progression.

## **Fife Cultural Trust**

### **Directors' report (continued)**

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#### **Employees (continued)**

Third party indemnity insurance was paid by the company during the period for the benefit of the directors of the company.

#### **Auditors**

So far as each director is aware, there is no relevant audit information of which the auditors are unaware.

Each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the auditors are aware of it.

By order of the board

**SR Cross**  
Chairman  
28 August 2013

# Fife Cultural Trust

## Statement of directors' responsibilities

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The directors (who are the trustees of the charity for the purposes of charity law) are responsible for preparing the annual report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the group incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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 accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Fife Cultural Trust**

## **Independent Auditor's Report to the Members and Directors of Fife Cultural Trust**

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We have audited the accounts of Fife Cultural Trust for the year ended 31 March 2013, which comprise the group and parent charitable company statement of financial activities, the group and parent charitable company balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made exclusively to the members, as a body, in accordance with Section 495 of the Companies Act 2006, and to the charity's directors, 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 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 18, the directors' (who are also the trustees of the charity for the purposes of charity law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APBs) Ethical Standard for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Director's Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

# **Fife Cultural Trust**

## **Independent Auditor's Report to the Members and Directors of Fife Cultural Trust (continued)**

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### **Opinion on financial statements**

In our opinion the accounts:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2013 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent charitable company's 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### **Opinion on other matter prescribed by the Companies Act 2006**

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

### **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 parent 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 parent charitable company's accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**George M Hay** (Senior Statutory Auditor)

For and on behalf of Henderson Loggie, Statutory Auditor

Dundee

Henderson Loggie is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

28 August 2013

## Fife Cultural Trust

### Group and parent charitable company income and expenditure account for the year ended 31 March 2013

	Note	2013		2012	
		Group £	Company £	Group £	Company £
<b>Turnover</b>		<b>6,372,346</b>	<b>6,047,516</b>	-	-
<b>Administrative costs</b>		<b>(6,135,909)</b>	<b>(5,985,868)</b>	-	-
<b>Operating surplus</b>	9	<b>236,437</b>	<b>61,648</b>	-	-
Other finance costs		(948)	(948)	-	-
<b>Net surplus for the year before Gift Aid</b>		<b>235,489</b>	<b>60,700</b>	-	-
Gift Aid Received		-	174,789	-	-
<b>Net income for the year</b>		<b>235,489</b>	<b>235,489</b>	-	-
<b>Statement of total recognised gains and losses</b>					
Net income for the year		235,489	235,489	-	-
Pension deficit transferred in		(1,497,000)	(1,497,000)	-	-
Actuarial loss on retirement benefit scheme		(146,000)	(146,000)	-	-
<b>Total recognised losses relating to the financial year</b>		<b>(1,407,511)</b>	<b>(1,407,511)</b>	-	-

The accounts have been prepared on the basis that all activities are continuing.

The notes on pages 25 to 36 form part of these accounts.

# Fife Cultural Trust

## Company balance sheet at 31 March 2013

	Note	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	11		122,878		-
Investments	12		100		-
			<u>122,978</u>		<u>-</u>
<b>Current assets</b>					
Stock	13	51,320		-	
Debtors	14	1,240,698		-	
Cash in hand		236,089		-	
		<u>1,528,107</u>		<u>-</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due in one year	15	1,265,954		-	
		<u>1,265,954</u>		<u>-</u>	
<b>Net current assets</b>			<u>262,153</u>		<u>-</u>
<b>Net assets excluding pension deficit</b>			<u>385,131</u>		<u>-</u>
Pension deficit	17		(1,622,000)		-
			<u>(1,622,000)</u>		<u>-</u>
<b>Net liabilities including pension deficit</b>			<u>(1,236,869)</u>		<u>-</u>
			=====		=====
<b>Funds</b>					
Unrestricted funds		245,941		-	
Pension reserve		(1,622,000)		-	
		<u>(1,622,000)</u>		<u>-</u>	
<b>Total unrestricted funds</b>			<u>(1,376,059)</u>		<u>-</u>
Restricted funds	19		139,190		-
			<u>139,190</u>		<u>-</u>
<b>Total deficit</b>			<u>(1,236,869)</u>		<u>-</u>
			=====		=====

The financial statements were approved and authorised for issue by the Board on 28 August 2013 and signed on its behalf by:

**SR Cross**  
Chairman

# Fife Cultural Trust

## Consolidated balance sheet at 31 March 2013

	Note	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	11		122,878		-
<b>Current assets</b>					
Stock	13	51,320		-	
Debtors	14	1,240,698		-	
Cash in hand		236,089		-	
			<u>1,528,107</u>		-
<b>Current liabilities</b>					
Creditors: amounts falling due in one year	15	1,265,854		-	
				<u></u>	
<b>Net current assets</b>			<u>262,253</u>		-
<b>Net assets excluding pension deficit</b>			<u>385,131</u>		-
Pension deficit	17		(1,622,000)		-
			<u></u>		
<b>Net liabilities including pension deficit</b>			<u>(1,236,869)</u>		-
			=====		=====
<b>Funds</b>					
Unrestricted funds		245,941		-	
Pension reserve		(1,622,000)		-	
			<u></u>		
<b>Total unrestricted funds</b>			<u>(1,376,059)</u>		-
Restricted funds	19		139,190		-
			<u></u>		
<b>Total deficit</b>			<u>(1,236,869)</u>		-
			=====		=====

The financial statements were approved and authorised for issue by the Board on 28 August 2013 and signed on its behalf by:

**SR Cross**  
Chairman

# Fife Cultural Trust

## Consolidated statement of financial activities for the year ended 31 March 2013

	Note	Unrestricted fund £	Restricted fund £	Total 2013 £	Total 2012 £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds:</b>					
Grants and donations	4	164,638	273,764	<b>438,402</b>	-
		<u>164,638</u>	<u>273,764</u>	<u><b>438,402</b></u>	<u>-</u>
<b>Incoming resources from charitable activities:</b>					
Provision of cultural facilities	5	1,407,691	28,857	<b>1,436,548</b>	-
Contract with Fife Council		4,668,038	-	<b>4,668,038</b>	-
		<u>6,075,729</u>	<u>28,857</u>	<u><b>6,104,586</b></u>	<u>-</u>
<b>Total incoming resources</b>		<u>6,240,367</u>	<u>302,621</u>	<u><b>6,542,988</b></u>	<u>-</u>
<b>Resources Expended</b>					
<b>Charitable activities</b>					
Provision of cultural facilities	6	5,776,526	227,333	<b>6,003,859</b>	-
Governance	7	132,998	-	<b>132,998</b>	-
		<u>5,909,524</u>	<u>227,333</u>	<u><b>6,136,857</b></u>	<u>-</u>
<b>Total resources expended</b>		<u>5,909,524</u>	<u>227,333</u>	<u><b>6,136,857</b></u>	<u>-</u>
Net movement in funds and net income for the year before transfers		330,843	75,288	<b>406,131</b>	-
Transfers	19	(63,902)	63,902	-	-
Actuarial loss on Fife Council Pension Fund	17	(146,000)	-	<b>(146,000)</b>	-
Other resources expended	8	(1,497,000)	-	<b>(1,497,000)</b>	-
		<u>(1,376,059)</u>	<u>139,190</u>	<u><b>(1,236,869)</b></u>	<u>-</u>
<b>Net movement in funds (after transfers and actuarial loss on pension scheme)</b>		<u>(1,376,059)</u>	<u>139,190</u>	<u><b>(1,236,869)</b></u>	<u>-</u>
<b>Fund balances at 1 April 2012</b>		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances carried forward at 31 March 2013</b>		<u>(1,376,059)</u>	<u>139,190</u>	<u><b>(1,236,869)</b></u>	<u>-</u>
		<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

# Fife Cultural Trust

## Notes to the consolidated accounts

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### 1 Accounting policies

#### **Basis of accounting**

The accounts have been prepared under the historical cost basis of accounting and in accordance with applicable accounting standards. The accounts are set out so as to comply with the Statement of Recommended Practice: Accounting and Reporting by Charities approved by the Accounting Standards Board in April 2005. The charity has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

#### **Cash flow statement**

The group has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that the group's figures are included in the consolidated accounts of Fife Council.

#### **Group accounts**

Thee accounts consolidated the results of the charitable company and its wholly owned subsidiary Fife Cultural Services Trading Limited, on a line by line basis.

#### **Funds**

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

**Restricted funds** are funds subject to specific trusts, which may be declared by the donor or with their authority. Some are restricted income funds expendable at the discretion of the Board in furtherance of a particular activity, such as government grants for a specific centre, and funds raised for particular client groups or activities. Others are capital funds where the assets are required to be invested for long term use.

**Unrestricted funds** are expendable at the discretion of the Board in furtherance of the objectives of the group. If part of the unrestricted funds is earmarked at the discretion of the Board for a particular project it is designated as a separate fund. This designation has an administrative purpose only, and does not legally restrict the Board's discretion to apply the fund.

A transfer is made from unrestricted funds to restricted funds to compensate fully all restricted funds which would otherwise be in deficit at the accounting date unless it is only a short term deficit and that subsequent funds are received to remove the deficit.

#### **Incoming resources**

**Activities for generating income** is accounted for on an accruals basis.

**Income from the Fife Council** is accounted for on an accruals basis and is agreed in advance based on the level of service provided.

#### **Resources Expended**

All expenditure is accounted for on an accruals basis. Where costs cannot be directly attributed to a cost heading, they have been allocated on a basis consistent with use of the resources.

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

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### 1 Accounting policies (continued)

#### Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life as follows:

Fixtures and fittings - over 3 or 4 years

#### Pension

The Authority participates in the Fife Council Pension Fund by virtue of its status as an “admitted body”. This is a defined benefit scheme, and the assets are invested in external funds.

The costs of providing pensions are charged to the profit and loss account on a consistent basis over the working life-time of the members. These costs are determined by a qualified actuary and any variations from the regular costs are spread over the remaining working life-time of the current members.

#### Leases

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease.

#### Stocks

Stocks of materials and consumables are stated at the lower of cost and net realisable value in the ordinary course of operating.

#### Taxation

The charitable company is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### Related party transactions

The charity has taken advantage of the exemption in Financial Reporting Statement No 8 from disclosing transactions with other group companies on the grounds that consolidated accounts are produced.

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

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### 2 Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, Fife Cultural Services Trading Limited.

The summary of the financial activities undertaken by the charity is set out below:

	<b>2013</b>	2012
	<b>£</b>	£
Gross incoming resources	<b>6,392,947</b>	-
Total expenditure on charitable activities	<b>(7,497,818)</b>	-
Governance costs	<b>(131,998)</b>	-
	<hr/>	<hr/>
<b>Net outgoing resources</b>	<b>(1,236,869)</b>	-
Total funds brought forward	-	-
	<hr/>	<hr/>
<b>Total funds carried forward</b>	<b>(1,236,869)</b>	-
	<hr/> <hr/>	<hr/> <hr/>
<b>Represented by</b>		
Unrestricted funds	<b>(1,376,059)</b>	-
Restricted funds	<b>139,190</b>	-
	<hr/>	<hr/>
	<b>(1,236,869)</b>	-
	<hr/> <hr/>	<hr/> <hr/>

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

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### 3 Commercial trading operations and investment in trading subsidiary

The wholly owned trading subsidiary, Fife Cultural Services Trading Limited, which is incorporated in Scotland, pays all its profits to the charity by Gift Aid. The Charity owns the entire issued share capital of 100 ordinary shares of £1. A summary of the trading results is shown below:

	2013 £	2012 £
<b>Summary profit and loss account</b>		
Turnover	324,830	-
Administrative expenses	(150,041)	-
	-----	-----
<b>Net profit before Gift Aid</b>	<b>174,789</b>	-
<b>Amount gifted to the charity</b>	<b>(174,789)</b>	-
	-----	-----
<b>Net profit after Gift Aid</b>	<b>-</b>	-
	=====	=====
<b>The assets and liabilities of the subsidiary were:</b>		
<b>Current assets</b>	<b>1,100</b>	-
<b>Creditors</b>		
Amounts falling due within one year	(1,000)	-
	-----	-----
	<b>100</b>	-
	=====	=====
Aggregate share capital and reserves	<b>100</b>	-
	=====	=====

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

<b>4 Grants and donations</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2013 £</b>	<b>Total 2012 £</b>
Income from Arts and Theatres Trust Fife Limited	86,165	141,428	<b>227,593</b>	-
Income from libraries and museums	-	29,214	<b>29,214</b>	-
Other grants and donations	78,473	103,122	<b>181,595</b>	-
	<u>164,638</u>	<u>273,764</u>	<u><b>438,402</b></u>	<u>-</u>
	=====	=====	=====	=====
 <b>5 Incoming resources</b>				
Arts programme	37,939	-	<b>37,939</b>	-
Theatre production	874,125	3,857	<b>877,982</b>	-
Catering and bar facilities	82,870	-	<b>82,870</b>	-
Libraries and museums	91,958	-	<b>91,958</b>	-
Hire and let income	158,786	-	<b>158,786</b>	-
Course fees	3,981	-	<b>3,981</b>	-
Other income	158,032	25,000	<b>183,032</b>	-
	<u>1,407,691</u>	<u>28,857</u>	<u><b>1,436,548</b></u>	<u>-</u>
	=====	=====	=====	=====
 <b>6 Costs of providing service</b>				
Arts programme	172,658	18,184	<b>190,842</b>	-
Theatre production	660,504	108,088	<b>768,592</b>	-
Catering and bar facilities	74,594	-	<b>74,594</b>	-
Libraries and museums	414,512	-	<b>414,512</b>	-
Employee costs	3,231,623	53,281	<b>3,284,904</b>	-
Pension costs	572,491	-	<b>572,491</b>	-
Property costs	54,139	-	<b>54,139</b>	-
Supplies and services	530,725	33,694	<b>564,419</b>	-
Transport costs	44,986	-	<b>44,986</b>	-
Depreciation	20,294	14,086	<b>34,380</b>	-
	<u>5,776,526</u>	<u>227,333</u>	<u><b>6,003,859</b></u>	<u>-</u>
	=====	=====	=====	=====

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

7	<b>Governance</b>	2013 £	2012 £
	Audit Fees	14,000	-
	Legal fees	118,998	-
		<u>132,998</u>	<u>-</u>
		=====	=====

## 8 Other resources expended

The £1,497,000 relates to the pension deficit attributed to the employees transferred at 1 October 2012 from Fife Council under the TUPE regulations.

## 9 Operating surplus

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
<b>This is stated after charging/(crediting):</b>				
Depreciation	34,380	-	34,380	-
Auditor's remuneration	14,000	-	13,000	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

## 10 Staff numbers and costs

	2013 £	2012 £
Wages and salaries	3,108,802	-
Social security costs	176,102	-
Pension costs	572,491	-
	<u>3,857,395</u>	<u>-</u>
	=====	=====

No member of the Board received remuneration or any expenses from Fife Cultural Trust other than Directors indemnity insurance.

The average monthly full-time equivalent number of employees of the company during the period was:

	2013 Number	2012 Number
Employees	451	-
	=====	=====

The number of employees whose emoluments as defined for taxation purposes amounted to £30,000 or more (equivalent to £60,000 annually as only 6 months of trading this year, a requirement of the Charity SORP) in the year were as follows:

	2013 Number	2012 Number
£35,000 - £40,000	1	-
	=====	=====

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

<b>11</b>	<b>Fixed assets</b>	<b>Fixtures &amp; fittings £</b>
	<b>Cost</b>	
	At 1 April 2012	-
	Additions	157,258
	<b>At 31 March 2013</b>	<b>157,258</b>
	<b>Depreciation</b>	
	At 1 April 2012	-
	Charge for year	34,380
	<b>At 31 March 2013</b>	<b>34,380</b>
	<b>Net book value</b>	
	<b>At 31 March 2013</b>	<b>122,878</b>
	At 31 March 2012	-

<b>12</b>	<b>Investments</b>	<b>Group</b>		<b>Company</b>	
		<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
		£	£	£	£
		-	-	<b>100</b>	-
		=====	=====	=====	=====

Fife Cultural Services Trading Limited is a wholly owned subsidiary, incorporated in Scotland. The profit for the year in Fife Cultural Services Trading Limited is £Nil (2012 – Nil) and closing shareholders' funds are £100 (2012 – Nil).

<b>13</b>	<b>Stock</b>	<b>Group</b>		<b>Company</b>	
		<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
		£	£	£	£
	Stock	<b>51,320</b>	-	<b>51,320</b>	-
		=====	=====	=====	=====

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

### 14 Debtors

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Trade debtors	75,622	-	75,622	-
Prepayments and accrued income	437,720	-	437,720	-
Fife Council	673,116	-	673,116	-
VAT	54,240	-	54,240	-
	<u>1,240,698</u>	<u>-</u>	<u>1,240,698</u>	<u>-</u>
	=====	=====	=====	=====

### 15 Creditors

Amounts falling due within one year:

Trade creditors	355,997	-	355,997	-
Fife Council	223,972	-	223,972	-
Accruals and deferred income	685,885	-	684,885	-
Amounts due to subsidiary	-	-	1,100	-
	<u>1,265,854</u>	<u>-</u>	<u>1,265,954</u>	<u>-</u>
	=====	=====	=====	=====

### 16 Commitments

	Land and buildings £	Other £	2013 Total £	2012 Total £
<i>Annual commitments under non-cancellable operating leases are as follows:</i>				
Operating leases which expire:				
Within one year	-	-	-	-
Over five years	66	-	66	-
	<u>66</u>	<u>-</u>	<u>66</u>	<u>-</u>
	=====	=====	=====	=====

The £66 included under land and buildings is the peppercorn rent paid to Fife Council for the use of the premises for the provision of the services on behalf of the Council.

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

### 17 Retirement benefit scheme

#### FRS17 disclosures

The valuation of the final salary scheme was carried out as at 31 March 2011 and has been updated on an approximate basis to 31 March 2013 by a qualified independent actuary.

The principal assumptions used by the actuary were as follows:

	<b>31 March 2013</b>
Price increases	2.8%
Salary increases	5.1%
Expected return on assets	5.2%
Discount rate	4.5%
	=====
<b>Life expectancy from age 65</b>	<b>Years</b>
Current pensioners:	
Males	23.0
Females	25.8
Future pensioners:	
Males	24.9
Females	27.7
	=====
The assets of the scheme were:	<b>2013</b>
	%
<b>Asset category</b>	
Equities	71%
Bonds	16%
Property	8%
Cash	5%
	-----
	<b>100%</b>
	=====
	<b>2013</b>
	<b>£'000</b>
Amounts included in the fair value of assets are:	
Equities	17,056
Bonds	3,844
Property	1,922
Cash	1,201
	-----
Total market value of assets	<b>24,023</b>
	=====

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

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17 Retirement benefit scheme (continued)	2013 £'000
<b>Change in benefit obligation</b>	
Benefit obligation at beginning of the period	22,343
Current service cost	575
Interest cost	490
Actuarial (gains)/loss	2,074
Contributions – employee	163
Benefits paid	-
Past service gains	-
	<hr/>
<b>Benefit obligations at end of the period</b>	<b>25,645</b> <hr/>
<b>Change in scheme assets</b>	
Fair value of scheme assets at beginning of the period	20,846
Expected return on scheme assets	523
Actuarial (loss)/gains	1,928
Contributions – employee	163
Contributions - employer	563
Benefits paid	-
	<hr/>
<b>Fair value of scheme assets at end of the period</b>	<b>24,023</b> <hr/>
<b>Retirement benefit deficit</b>	<b>1,622</b> =====
<b>History</b>	
Benefit obligation at end of the period	25,645
Fair value of scheme assets at end of the period	24,023
	<hr/>
<b>Deficit</b>	<b>1,622</b> =====

# Fife Cultural Trust

## Notes to the consolidated accounts (continued)

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<b>17</b>	<b>Retirement benefit scheme (continued)</b>	<b>2013</b>
		<b>£</b>
	<b>History of experience gains and losses</b>	
	<b>Difference between actuarial and expected returns on assets</b>	
	Amount (£)	<b>1,928</b>
	As a percentage of assets (%)	<b>8%</b>
	<b>Experience of gains and losses on scheme liabilities</b>	
	Amount (£)	-
	As a percentage on scheme liabilities (%)	-
	<b>Total amount recognised in statement of financial activities</b>	
	Amount (£)	<b>(146)</b>
	As a percentage of liabilities (%)	<b>(9%)</b>

## **18** Control

The sole member of Fife Cultural Trust is Fife Council.

The trustees are appointed by the members and 4 of the 13 trustees of Fife Cultural Trust are appointed from the Council (30.77%).

## Fife Cultural Trust

### Notes to the consolidated accounts (continued)

#### 19 Restricted funds - group and company

Fund	Balance at 31 March 2012 £	Income in period £	Expenditure in period £	Transfer from unrestricted funds £	Balance at 31 March 2013 £
Patronbase system	-	17,713	(2,530)	-	<b>15,183</b>
Fife Art Exhibition	-	4,778	(6,299)	1,521	-
SPK	-	5,000	(5,994)	994	-
Mobile Staging	-	22,886	(7,629)	-	<b>15,257</b>
The Band Project	-	136,067	(140,554)	4,487	-
Creative Scotland Project – Re:move - Residency	-	27,529	(3,927)	-	<b>23,602</b>
Creative Scotland - Visual Arts & Crafts	-	18,000	-	-	<b>18,000</b>
Janet Brown Bequest	-	29,215	-	-	<b>29,215</b>
Childrens Concert	-	1,000	(2,000)	1,000	-
A Christmas Carol	-	2,500	(58,400)	55,900	-
Side Entrance Improvement Project	-	37,933	-	-	<b>37,933</b>
	-----	-----	-----	-----	-----
	-	302,621	(227,333)	63,902	<b>139,190</b>
	=====	=====	=====	=====	=====

#### Purposes of restricted funds

The Restricted funds at 31 March 2013 relate to funds received from other bodies as contributions to specific arts and museum projects.