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Company number 4421812
Charity number 1094936

LUX

(Limited by Guarantee)

**Report and Financial Statements
for the year ended 31 March 2018**

**Breckman & Company Ltd
Chartered Certified Accountants
49 South Molton Street
London W1K 5LH**

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LUX

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Reference and Administrative Details

Constitution

The company is a private company limited by guarantee registered in EW - England & Wales, company number 4421812, incorporated under the Companies Act, and its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 1094936.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association the trustees are appointed as follows:

The subscribers to the memorandum and such other persons as are admitted to membership in accordance with the articles shall be members of the company. Subject to Article 7, every person who wishes to become a member shall deliver to the company an application for membership in such form as the trustees require signed by him or her.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular trustees meetings.

The trustees during the year and since the year end, were:

Dr Erika Balsom

Jemma Desai Appointed 20 November 2017

Rebecca Emmett

Maria Fusco

Gill Henderson (Chair)

Janu Miah Appointed 19 February 2018

Tessa Norton Appointed 19 February 2018

Jayne Parker Resigned 20 November 2017

Gail Pickering

Rosie Towe Resigned 20 August 2017

Bruno Trisotti Appointed 20 November 2017 / Resigned 17 September 2018

Rehana Zaman Appointed 17 September 2018

Secretary

Adam Werlinger

Chief executive/day to day management

Benjamin Cook

Auditors

Breckman & Company Ltd, Chartered Certified Accountants, 49 South Molton Street, London W1K 5LH.

Bankers

The Co-operative Bank, PO Box 200, Skelmersdale WN8 6GH.

Triodos Bank, Deanery Road, Bristol BS1 5AS.

Cater Allen Private Bank, 2 Triton Square, Regent's Place, London NW1 3AN.

Registered office and operation address

Waterlow Park Centre, Dartmouth Park Hill, London N19 5JF.

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Trustees' Report

The trustees present their annual report together with the financial statements of the charity for the year ended 31 March 2018 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative details set out on page 1 form part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities for the public benefit

The purpose of the charity is:

To promote, maintain, improve and advance education in the arts particularly the arts of film and video making and other moving image arts for the public benefit.

The charity has three main aims in reference to its objectives which are advocacy for moving image arts, providing access to moving image arts and supporting moving image arts. These aims and objectives are achieved through the following strategies:

Advocacy

- Highlight the diversity of film and visual arts and raise awareness of the richness of artists' moving image work in the UK and abroad.
- Influence and educate decision makers in the importance and value of work being produced in this area.
- Educate and inspire artists of the future.
- Sustain and develop new audiences for artists' moving image work.
- Support individuals and other arts organisations to learn about and exhibit artists' moving image work themselves.
- Promote critical and vocational study of artists' moving image work in education.
- Raise and maintain the visibility of artists' moving image work across media including new media forms such as internet and interactive television.

Access

- Develop national and international access to artists' moving image work through the maintenance of a publicly accessible film and video collection, distribution, exhibition and online activities.
- Develop educational access to the collection through special programmes, specialist advice and outreach projects.
- Offer audiences the opportunity to see and hear artists discuss their work in context.
- Build and maintain a comprehensive collection of work to offer historical context to contemporary work.

Support

- Provide a platform for the exhibition and promotion of new work.
- Provide opportunities for artists through commissioning projects and residencies.
- Provide specialist professional development advice for those wishing to work in this area.
- Support artists to allow them to continue producing work.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit : running a charity (PB2)'.

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Trustees' Report

Organisational structure

A board of trustees of up to 12 members, who meet quarterly, administers the charity. Trustees are appointed by the board of trustees. A Chief Executive, Benjamin Cook is appointed by the trustees to manage the day-to-day operations of the charity.

Policies and procedures adopted for the induction and training of trustees

Responsibility for the induction of new trustees rests with the current trustees. The induction procedure consists of an introduction to current trustees, all members of staff, to the charities work and projects and a visit to the charity's offices and selected projects. Ongoing training needs of trustees are monitored and acted upon through a regular, pro-active process of board development.

Pay policy for senior staff

Staff pay/remuneration is reviewed on a yearly basis by the board of trustees through a benchmarking process with a network of other small scale not-for-profit visual arts organisations in London.

Achievements and Performance 2017/18

LUX is a national arts agency that exists to support and promote artists working with the moving image through distribution, exhibition, publishing, education and research. It has a public programme of exhibitions, screenings and publishing both in the UK and overseas, but the major part of its work is as a service umbrella network for artists and artists' organisations (representing artists' works, providing specialist advice and services to institutions and arts professionals) as well as the care, promotion and development of the UK's only significant collection of artists' film and video.

LUX's distribution service works to promote and support the work of approximately 1,500 artists annually - making artists work available to exhibitors on a national and international basis, providing pastoral care, professional advice and negotiating artists' fees to enable artists to develop a sustainable practice - this has expanded by 8 artists and 58 new works in the past year. We organise and host LUX artists' forum groups around the country which enable artists to explore ideas and professional issues with LUX and their peers as well as connect with other LUX groups around the UK and Ireland, in the past year we started a new group in Newcastle adding to groups in London, Cornwall, Bristol, Glasgow, Dundee, Belfast and Dublin. With improved space facilities at our new building in Waterlow Park we have increased the number of courses and workshops supporting participants to develop knowledge and skills in various aspects of moving image practice, these range from artists' workshops to our educational collaborations. We offer monthly one-on-one advice sessions for artists both in London and around the UK and a rolling series of artists' residencies at LUX.

LUX has a large and diverse international network ranging from artist-run spaces to major museums, we work with these partners to present UK artists work overseas and collaborate on the staging of screenings and exhibitions. LUX also works with international organisations and artists to present and make available their work in the UK both through distribution and public programming. LUX is invited to present its work and UK artists every month throughout the year at international screenings, galleries, festivals and biennials. We regularly work with the British Council and other national cultural agencies in terms of cultural exchange through exhibition exchanges, residencies and co-productions. LUX is part of a number of international networks to extend the reach of our work and access new markets for UK work. In the past year we have hosted a number of residencies for artists supported by international cultural agencies and have been invited to collaborate on exhibitions and festival presentations; highlights have included a screening and workshop series at the Kochi Biennial, India and The National Gallery of the Bahamas and major presentations from MOMA NY to M+ a new museum in Hong Kong.

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Trustees' Report

LUX aims to advocate for and make accessible artists' moving image work to the general public and enable them to have their own creative experiences. As an agency we achieve this by annually supporting a large number of exhibitions, screenings and events on a local, national and international basis through our collection and distribution service with a wide range of partner organisations. We also organise touring projects which provide access to pre-curated selections of work which are presented in context with supporting materials for venues which may not have the capacity to develop projects themselves. We work with a range of partners to develop contextual event and engagement programmes responding to their core programme or special events and themes. We also organise our own public programme at our home bases in London and Glasgow and with host partners which take a range of forms from exhibitions to events to workshops appropriate to the artists and work we are presenting. This has been the first full year of running our new space in London which has enabled a new level of ambition in terms of numbers of events, workshops and exhibitions we have been able to deliver.

LUX aims to increase visitors to the LUX website, events and subscribers by 3% per year, over the past year we have seen a steady increase in these numbers with subscribers increasing by 4%, audiences by more than 3% and website visitors by 2%. The increases are due to the increased activity both within our public programme and distribution activity over the past year, the opening of our new public space in Waterlow Park and a new website. Over the past year we have explored the potentiality of our new space and organised a wide range of activities and outreach to establish it as a new destination venue. While we acknowledge it does take time we have seen an ongoing increase in visitors particularly a general public who may have not accessed LUX's work in the past. Some of our activities such as the project we did with 120 foundation level students who produced a park-wide exhibition supported by LUX attracted up to 500 people per day to the LUX building.

Year on year we have increased the reach and number of our audiences through distribution, partner programming and our own public projects. We work with a diverse range of venues across the country to reach a range of audiences and geographic areas. We place artists' moving image work in contexts beyond the traditional sites of contemporary visual arts and the art engaged audience, including working with mainstream cinemas, music festivals, broadcast television and heritage sites. We produce a wide-ranging interpretive programme to introduce publics to the histories, concepts and works both directly and for other venues - these include courses, workshops and talks. Our new space enables us to have a much more direct access to audiences and as it is based in the public space of the park we are seeing completely new audiences of general public, particularly old people, families and youths who were hard for us to reach in the past. In the past year we have undertaken pilot projects with local youth clubs, with teenagers from a local foundation course, retired gardening club members and LGBT elders groups amongst others.

As a small committed organisation with a strong public ethos we pay close attention to these qualitative and experiential aspects of our work. We are an artist-centred organisation which works very closely with numerous artists on a long-term basis throughout their career. From day to day support of distribution artists, close working with commissioning and producing artists projects to our open emergent artist opportunities including one-on-one working with young artists and our peer-led groups we offer a bespoke attentive experience for the artists. In terms of our public programme we are deeply invested in our work and advocacy for artists, works and high-quality presentation are key aims. We work closely on a personal level with all of our programme development - we carefully plan the appropriateness of each event, its staging and presentation, we work closely with the artists and each project is personally mediated by LUX staff. We pay attention to framing and interpretation so all activities include artists/curator talks, opportunities for audiences to discuss, as well as contextual material to explore works and themes in more detail.

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Trustees' Report

LUX aimed to increase our audience by 3% per year which has been achieved and exceeded through an increased range of activities and collaborations. We continue to seek partnerships to extend our audiences to those that are currently not engaged as well as increase audience through high profile initiatives such as our anniversary celebrations presented across a range of partners and contexts. We are developing our new location as a public facing space which provides daily access to exhibitions, events, library and mediatheque making LUX's work much more easily accessible. We have a new website which is much more user friendly and accessible, offering both improved access to programme information as well as primary content in terms of moving image works and commissioned writing. We have expanded our office in Scotland which develops and presents programming both in Scotland and in the North England both directly and in partnership with venues in the region.

Plans for Future Periods

General aims and objectives 2018/19

- Maintain and build on the LUX distribution service while developing and implementing collection development strategy.
- Continue to develop and improve public access to works and information through distribution, exhibition, publishing and online activities.
- Work to ensure that LUX artists, audiences, staff, board and participants reflect the diversity of London's population.
- Increase self-generated income and broaden funding base.
- Continue to develop new LUX space and public programme.
- Contribute to the culture and development of Waterlow Park where LUX is based.
- Develop outreach projects to reach publics currently not engaged with LUX's work.
- Increase profile of LUX through national programme with regional partners.
- Continue to develop the future strategy of the LUX collection and work towards national museum status.
- Continue to develop the new LUX website and online collection viewing services.
- Provide production and exhibition opportunities for artists.
- Support artists through the maintenance and development of LUX professional development activities.
- Continue to develop the LUX education programme to support discourse around artists' moving image practice.
- Support curators and programmers to research, engage with and effectively exhibit artists' moving image work.
- Lead and contribute to the strategic development of artists' moving image and the broader visual arts on a national and international level.
- Promote UK artists and artists' moving image work on a national and international level through the LUX distribution service and public programme.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Financial Review and Reserves Policy

The charity is aiming to maintain a level of free reserves that would sustain its operations over a 6-month period should its revenue grants and income generating activities be temporarily curtailed. This figure is currently £137,222, which includes a designated fund of £31,000. The designated funds are to support new space development, staff training, software upgrades, fundraising consultancy and a reserve for LUX Scotland projects. All designated funds commitments will be completed by end of March 2019. Restricted funds of £63,419 were held at the year-end.

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Trustees' Report

Major Risks

The major strategic, business and operational risks which the charity faces are examined on a yearly basis as part of the forward planning process and systems established to lessen the risks. The major risks to the charity are that its revenue funding from Arts Council England would be withdrawn; as ACE have recently accepted LUX into their next funding portfolio for four years to 2022 the trustees have all confidence that this support will continue. The second risk is that the organisation would not meet its self-generated income targets; all indications are that the income targets will be easily met however the yearly budget also contains a degree of flexibility to allow for fluctuations.

Statement of Trustees Responsibilities

The Trustees (who are also directors of LUX for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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 at the time of approving our trustees' annual report:

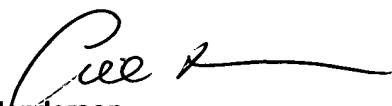
- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the charitable company's auditor that they ought to have individually taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 5 October 2018 and signed on its behalf by:



Gill Henderson
Chair of The Board of Trustees

Independent Auditors' Report to the Members of LUX

We have audited the financial statements of LUX for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6, 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.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018, 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 Practices;
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Independent Auditors' Report to the Members of LUX

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Annual Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Mr Graham Berry (Senior Statutory Auditor)
For and on behalf of Breckman & Company Ltd
Chartered Certified Accountants and
Statutory Auditors

49 South Molton Street
London W1K 5LH

5 October 2018

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**Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2018**

	Notes	Unrestricted funds £	Restricted funds £	2018 Total £	Unrestricted funds £	Restricted funds £	2017 Total £
Income and endowments from:	2						
Donations and legacies - page 10		202,949	-	202,949	203,024	-	203,024
Charitable activities							
Artistic income - page 10 - 11		229,714	147,694	377,408	238,329	222,431	460,760
Investments		544	-	544	1,074	-	1,074
Total		<u>433,207</u>	<u>147,694</u>	<u>580,901</u>	<u>442,427</u>	<u>222,431</u>	<u>664,858</u>
Expenditure on:							
Charitable activities:							
Artistic programme - page 12 - 13		439,924	170,259	610,183	473,678	207,895	681,573
Total		<u>439,924</u>	<u>170,259</u>	<u>610,183</u>	<u>473,678</u>	<u>207,895</u>	<u>681,573</u>
Net income / (expenditure)		<u>(6,717)</u>	<u>(22,565)</u>	<u>(29,282)</u>	<u>(31,251)</u>	<u>14,536</u>	<u>(16,715)</u>
Transfers between funds	15, 16	5,237	(5,237)	-	(865)	865	-
Net movement in funds:		<u>(1,480)</u>	<u>(27,802)</u>	<u>(29,282)</u>	<u>(32,116)</u>	<u>15,401</u>	<u>(16,715)</u>
Reconciliation of funds:							
Total funds brought forward		<u>138,702</u>	<u>91,221</u>	<u>229,923</u>	<u>170,818</u>	<u>75,820</u>	<u>246,638</u>
Total funds carried forward	15, 16	<u><u>137,222</u></u>	<u><u>63,419</u></u>	<u><u>200,641</u></u>	<u><u>138,702</u></u>	<u><u>91,221</u></u>	<u><u>229,923</u></u>

The notes on pages 18 to 29 form an integral part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

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Year ended 31 March 2018

	2018		2017
	£		£
Income from donations and legacies			
Grants			
Arts Council England (ACE)			
NPO Funding	<u>202,122</u>	<u>202,122</u>	
	202,122		202,122
Donations			
Sundry	827		902
	<u>202,949</u>		<u>203,024</u>
Income from charitable activities			
Artistic income			
Distribution hires	135,422		149,990
Edition sales	1,171		1,010
Publication sales	6,277		6,237
Distribution charges	25,912		29,310
Production services	22,158		16,261
Screenings	5,256		3,629
Project income	6,851		-
Educational partnerships	15,350		8,898
Space hire	200		3,100
Publishing sales	9,501		15,764
Publishing production income	-		3,792
Other income	1,616		338
	<u>229,714</u>		<u>238,329</u>

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Year ended 31 March 2018

	2018	2017
	£	£
Project specific funding		
Grants/project income		
Alchemy Film	-	250
Art Fund	1,000	-
Auguste Orts vzw	1,900	-
AVEK	4,137	-
Cinenova	-	75,000
Counterflows	-	161
Creative Scotland	113,000	75,877
Edinburgh College of Art	-	2,500
Esmee Fairbairn Charitable Trust	-	15,000
Glasgow Film Theatre	-	1,000
Glasgow Life	-	2,000
Outset	1,011	-
Sasakawa Foundation	-	1,600
The British Film Institute	26,646	42,845
Touring income/royalty split	-	2,098
Tramway	-	3,900
Watershed Arts Trust	-	200
	<u>147,694</u>	<u>222,431</u>

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Year ended 31 March 2018

	2018	2017
	£	£
Expenditure on charitable activities		
Artistic programme		
Artistic salaries	79,199	49,164
Project salaries	64,562	32,677
Social security costs	12,802	6,250
Staff pension costs	4,263	3,829
Rent and services	2,504	4,344
Artistic projects	10,180	16,304
Print publicity/catalogue	8,059	10,057
Website	2,643	1,781
Staging costs	9,592	14,182
Artists fees/consultancy	10,634	34,200
Educational mentor/facilitator/speaker	6,564	4,963
Editing/transfer fees	35,163	27,924
Project administration	6,332	1,701
New premises building development	-	53,606
Balance carried forward	<u>252,497</u>	<u>260,982</u>

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Year ended 31 March 2018

	2018	2017
	£	£
Balance brought forward	252,497	260,982
Distribution costs		
Opening stock	2,759	2,972
Closing stock	(1,847)	(2,759)
Salaries	67,738	85,081
Social security costs	5,970	6,279
Staff pension costs	2,032	3,142
Royalties	60,780	82,951
Collection	6,832	10,027
Books/DVDs purchased for resale	(912)	2,133
Distribution expenses	13,129	10,877
Production services	21,292	8,366
Screening events/educational workshops	12,835	9,247
Publishing	256	15,904
Festival visits	1,801	1,632
Sundry	1,432	895
	<hr/> 194,097	<hr/> 236,747
Support costs - page 14	155,976	175,768
Governance costs - page 15	7,613	8,076
	<hr/> <hr/> 610,183	<hr/> <hr/> 681,573

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Year ended 31 March 2018

	2018		2017	
	£	£	£	£
Support and governance costs				
Support costs				
Office overheads				
Office relocation costs	362		22,480	
Rent/rates/services	34,731		32,914	
Telephone/fax/internet	3,217		2,049	
Insurance	5,458		6,048	
Equipment repairs/maintenance	-		1,932	
Cleaning/recycling	1,813		1,588	
Amortisation of short leasehold	2,263		941	
Depreciation of equipment	4,006		1,659	
Depreciation of website	5,369		684	
		57,219		70,295
Administration costs				
Salaries	54,638		58,181	
Social security costs	1,316		4,096	
Staff pension costs	1,360		2,295	
Staff training	8,129		11,256	
Staff welfare	1,030		3,198	
Placement expenses	802		1,024	
Hospitality	1,939		1,308	
Office supplies	1,192		2,280	
Courier/duty	1,555		1,101	
IT	13,060		2,780	
Website	2,843		6,116	
Publicity	3,080		2,062	
Sundry	1,571		1,137	
		92,515		96,834
Professional/financial				
Consultancy fees	6,555		2,275	
Bank charges	478		80	
Write-offs	-		6,284	
		7,033		8,639
Surplus on disposal of tangible fixed assets		(791)		-
Balance carried forward		155,976		175,768

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Year ended 31 March 2018

	2018		2017	
	£	£	£	£
Balance brought forward		155,976		175,768
Governance costs				
Legal/professional	913		1,500	
Accountancy/consultancy	2,500		2,500	
Audit	3,750		3,500	
Charity SORP/FRS 102 amendments	-		250	
Board meetings	450		326	
		7,613		8,076
		<u>163,589</u>		<u>183,844</u>

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**Balance Sheet
31 March 2018**

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		35,868		30,286
Current assets					
Stocks	10	1,847		2,759	
Debtors	11	59,814		60,349	
Cash at bank and in hand		215,290		270,544	
		<u>276,951</u>		<u>333,652</u>	
Liabilities					
Creditors: amounts falling due within one year	12	(112,178)		(134,015)	
Net current assets			<u>164,773</u>		<u>199,637</u>
Total assets less current liabilities			<u>200,641</u>		<u>229,923</u>
The funds of the charity:					
Unrestricted funds	15				
- General fund			106,222		107,627
- Designated funds			31,000		31,075
			<u>137,222</u>		<u>138,702</u>
Restricted funds	16		63,419		91,221
Total charity funds			<u>200,641</u>		<u>229,923</u>

The trustees have prepared these accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The accounts were approved by the Board of Trustees on 5 October 2018 and signed on its behalf by


Gill Henderson (Chair)
Trustee


Gail Pickering
Trustee

The notes on pages 18 to 29 form an integral part of these financial statements.

LUX

(Limited by Guarantee)

**Cash Flow Statement
for the year ended 31 March 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities	22	<u>(40,160)</u>	<u>5,419</u>
Cash flows from investing activities:	21		
Dividends, interest and rents from investments		544	1,074
Proceeds from the sale of property, plant and equipment		791	-
Purchase of property, plant and equipment		<u>(16,429)</u>	<u>(22,845)</u>
Net cash provided by investment activities		<u>(15,094)</u>	<u>(21,771)</u>
 Change in cash and cash equivalents in the reporting period		 (55,254)	 (16,352)
Cash and cash equivalents at the beginning of the reporting period		<u>270,544</u>	<u>286,896</u>
Cash and cash equivalents at the end of the reporting period		<u><u>215,290</u></u>	<u><u>270,544</u></u>

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Notes to the Financial Statements for the year ended 31 March 2018

1. Accounting policies

1.1. Basis of preparing the financial statements

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity is dependent on the continued support of grant aiding bodies. The trustees believe that the charity will continue to receive this support and accordingly consider that it is appropriate to prepare the financial statements on the going concern basis.

1.2. Incoming resources

All incoming resources are included in the Statement of Financial Activities when:

- the charity is legally entitled to the funds
- any performance conditions attached to the income have been met or are fully within the control of the charity
- there is sufficient certainty that receipt of the income is considered probable
- the amount can be reliably measured

- Donations and legacies

Grants/donations are recognised in incoming resources in the year in which they are receivable, except as follows:

- when donors specify that grants/donations given to the charity must be used in future accounting periods, the income is deferred until those periods
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use are met.

- Charitable activities

Artistic income - income from hires, screenings, projects and sundry other artistic income is included in incoming resources in the period in which the relevant activity takes place.

Project specific funding - when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

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(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2018

- Donated services and facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

- Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.3. Expenditure

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when:

- there is a legal or constructive obligation to make a payment
- it is probable that settlement will be required
- the amount of the obligation can be measured reliably

- Charitable activities

Costs incurred in the touring and presentation of events, exhibitions and the production and distribution of artists film and video.

- Support costs

The administrative and overhead costs associated with running the office from which the company operates as well as governance costs. Support costs are wholly attributable to the artistic programme.

- Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

1.4. Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised as expenditure when due.

1.5. Tangible fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Equipment	-	25% on cost
Website	-	25% on cost

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Notes to the Financial Statements for the year ended 31 March 2018

1.6. Fund accounting

Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Designated funds - these are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.
- Restricted funds - these are funds that 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.

1.7. Stock

Stock is valued at the lower of cost and net realisable value.

1.8. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

1.9. Cash at bank and in hand

Cash at bank and 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.

1.10. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.11. Leasing

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

1.12. 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.

1.13. Significant Accounting Estimates and Judgements

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually.

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(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2018

2. Incoming resources

The total incoming resources for the year has been derived from the principal activity. The proportion of incoming resources derived from outside the UK amounted to 20% (2017 - 21%).

3. Net income/(expenditure) for the year is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	11,638	3,284
Operating lease rentals		
- land/buildings	30,000	22,480
Auditors' remuneration		
- external audit	3,750	3,500
- other services	2,500	2,750
	<u> </u>	<u> </u>
and after crediting:		
Profit on disposal of tangible fixed assets	791	-
	<u> </u>	<u> </u>

4. Trustees' emoluments and reimbursed expenses

The trustees received no remuneration during the year (2017 - £nil).

The aggregated amount reimbursed to trustees during the year was £290 (2017 - £246). This related to travel expenses for one trustee.

5. Transactions with trustees

Royalty payments of £nil (2017 - £165) were paid in the year to trustee Jayne Parker.

Royalty payments of £20 (2017 - £25) were paid in the year to trustee Gail Pickering.

Royalty payments and seminar fees of £550 (2017 - £nil) were paid in the year to trustee Jemma Desai.

Artists talks and seminar fees of £nil (2017 - £819) were paid in the year to trustee Erika Balsom.

Royalty payments of £nil (2017 - £2,550) were paid in the year to Smoking Dog Films Limited, of which former trustee David Lawson is a director. David resigned from the Board of Trustees on 17 January 2017.

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(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2018

6. Staff costs and numbers

	2018 £	2017 £
Staff costs		
Salaries and wages	266,137	225,103
Social security costs	20,088	16,625
Pension costs	7,655	9,266
	<u>293,880</u>	<u>250,994</u>

No employee earned £60,000 or more during the year (2017 - nil).

The key management personnel of the charity comprise the Trustees and the Senior Management team. The total employee benefits of the key management personnel of the charity were £50,452 (2017 - £50,423).

Staff numbers

The average numbers of full-time equivalent employees (including casual and part time staff) during the year was made up as follows:

	2018 Number	2017 Number
Artistic	3	2
Distribution	3	4
Administration	2	3
Projects	4	2
	<u>12</u>	<u>11</u>

7. Pension costs

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £7,655 (2017 - £9,266).

8. Corporation taxation

The charity 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.

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(Limited by Guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2018**

9. Fixed assets - tangible assets	Short leasehold property £	Equipment £	Website £	Total £
Cost				
1 April 2017	7,529	173,895	16,400	197,824
Additions	5,480	6,665	5,075	17,220
Disposals	-	(10,612)	-	(10,612)
31 March 2018	<u>13,009</u>	<u>169,948</u>	<u>21,475</u>	<u>204,432</u>
Depreciation				
1 April 2017	941	165,914	683	167,538
Disposals	-	(10,612)	-	(10,612)
Charge for year	2,263	4,006	5,369	11,638
31 March 2018	<u>3,204</u>	<u>159,308</u>	<u>6,052</u>	<u>168,564</u>
Net book values				
31 March 2018	<u>9,805</u>	<u>10,640</u>	<u>15,423</u>	<u>35,868</u>
31 March 2017	<u>6,588</u>	<u>7,981</u>	<u>15,717</u>	<u>30,286</u>

10. Stocks	2018 £	2017 £
Stocks	<u>1,847</u>	<u>2,759</u>

11. Debtors	2018 £	2017 £
Trade debtors	24,787	22,102
Other debtors	11,277	11,953
Prepayments and accrued income	23,750	26,294
	<u>59,814</u>	<u>60,349</u>

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(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2018

12. Creditors: amounts falling due within one year	2018 £	2017 £
Trade creditors	5,352	4,916
Royalties payable	83,874	106,860
Other taxation/social security	-	7,051
Other creditors	1,664	789
Accruals	6,850	8,250
Deferred income (note 13)	14,438	6,149
	<u>112,178</u>	<u>134,015</u>

13. Deferred income	£
Balance at 1 April 2017	6,149
Amount released to incoming resources	(6,149)
Amount deferred in the year	<u>14,438</u>
Balance at 31 March 2018	<u>14,438</u>

Deferred income relates to hire income received in advance.

14. Limited by guarantee

The company is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31 March 2018 there were 9 members.

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(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2018

15. Unrestricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	102,627	433,207	(429,849)	237	106,222
Designated funds:					
New space development	5,000	-	-	-	5,000
Staff fund	11,000	-	-	-	11,000
Systems software upgrade	5,000	-	(5,000)	5,000	5,000
New website	5,075	-	(5,075)	-	-
Fundraising consultancy	5,000	-	-	-	5,000
LUX Scotland reserve fund	5,000	-	-	-	5,000
	138,702	433,207	(439,924)	5,237	137,222

New space development

This fund was set up for new space development.

Staff fund

Training allowance and staff handover.

Systems software upgrade

This represents funding for the cost of internal system upgrades.

New website

This fund is for the cost of the new LUX website.

Fundraising consultancy

Consultants hired to develop a new fundraising strategy for the development of the new LUX space.

LUX Scotland reserve fund

Reserve of LUX Scotland projects for transitional period and contingency.

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Notes to the Financial Statements for the year ended 31 March 2018

16. Restricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
Auguste Orts vzw "On & For Production"	-	1,900	-	(1,900)	-
ESMEE Development collection fund	197	-	(197)	-	-
Esmee Fairbairn Foundation for LUX Scotland	13,722	-	(13,722)	-	-
KOCHI	590	-	(590)	-	-
Jonathan Ruffer Curatorial Grants Programme	-	1,000	(1,000)	-	-
Associated Artists Programme Yrs 2 - 6 (AAP2 - AAP6)	3,864	-	(3,864)	-	-
BFI Archive Funding "UFH"	27,129	18,946	(46,075)	-	-
BFI Diversity Fund "BFIDF"	425	-	(425)	-	-
British Council: PONT Bridge	1,029	-	(1,029)	-	-
Common Practice	4,576	-	-	-	4,576
Kate Davis VIP Breakfast	-	1,011	(1,011)	-	-
BFI funding for 'This is Now'	4,498	7,700	(374)	-	11,824
Film Hub Scotland	814	-	(814)	-	-
Taanila Retrospective	-	4,137	(4,137)	-	-
LUX Scotland	12,903	113,000	(91,732)	-	34,171
New premises capital expenditure fund	21,474	-	(5,289)	(3,337)	12,848
	<u>91,221</u>	<u>147,694</u>	<u>(170,259)</u>	<u>(5,237)</u>	<u>63,419</u>

Auguste Orts vzw "On & For Production"

Funding received after project was closed in Financial Year ending 31 March 2016; at the time the project was funded out of unrestricted funds. Consequently the restricted funding received in the year has been transferred to unrestricted funds.

ESMEE Development collection fund

Supporting funding for a feasibility study for the stabilisation and provision of public access to the LUX archive collection.

Esmee Fairbairn Foundation for LUX Scotland

A grant to support a professional development programme for artists working with the moving image in Scotland.

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Notes to the Financial Statements for the year ended 31 March 2018

KOCHI

British Council grant to support the development and delivery of a video workshop and screening programme at the 3rd edition of the "Kochi-Muzins Biennale 2016-2017".

Jonathan Ruffer Curatorial Grants Programme

Art Fund grant to fund trip to New Orleans to attend Association of Moving Image Archivists conference.

Associated Artists Programme Yrs 2 - 6 (AAP2 - AAP6)

12 month professional development courses for artists working with the moving image, supported by The Leverhulme Trust. All years completed but surplus funds to be held for future development of the AAP programme.

BFI Archive Funding "UFH"

A digitalisation fund agreement between BFI and LUX 'Unlocking Film Heritage' to enable digitalisation of selected films from the LUX archive collection for distribution purposes and public engagement that were previously inaccessible.

BFI Diversity Fund "BFIDF"

Development programme for independent artists filmmakers/curators in Cornwall designed to increase support structure and network within the region.

British Council: PONT Bridge

To support the curating of exhibitions and video programme of recent works by British and Quebec artists in collaboration with Dazibao (Montreal).

Common Practice

To support a Visual Arts Advocacy group, funds to be held by LUX.

Kate Davis VIP Breakfast

Outset funding towards the LUX VIP Breakfast in honour of Kate Davis during Frieze Week 2017.

BFI funding for 'This is Now'

A programme development fund between the BFI and LUX - Touring programme, funded by the National Lottery.

Film Hub Scotland

Grants towards film programme: 'Where I am Towards a Scottish Artists Cinema to Film Hub Scotland's Open Programme'.

Taanila Retrospective

Grant in support of the Mika Taanila London Retrospective from AVEK Audiovisuaalisen Kulttuurin Edistämiskeskus.

LUX Scotland

Grant from Creative Scotland to support initiative for a LUX base in Scotland: exploring ideas around artists moving image practice through exhibition, distribution, publishing, education and research.

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Notes to the Financial Statements for the year ended 31 March 2018

New premises capital expenditure fund

Funding from Cinenova to support the fit out of LUX and Cinenova's new premises in Waterlow Park

The balance at 31 March 2018 is attributable to:

Tangible fixed assets

£

12,848

17. Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:				
Tangible fixed assets	23,020	-	12,848	35,868
Net current assets	83,202	31,000	50,571	164,773
	<u>106,222</u>	<u>31,000</u>	<u>63,419</u>	<u>200,641</u>

18. Financial commitments

At 31 March 2018 the company had future minimum lease payments under non-cancellable operating leases, with payments falling due as follows:

	Land/buildings	
	2018 £	2017 £
Due:		
Within one year	30,000	30,000
Between one and five years	112,500	120,000
In over five years	-	22,500
	<u>142,500</u>	<u>172,500</u>

19. Capital commitments

Details of capital commitments at the accounting date are as follows:

Contracted for but not provided in
the financial statements

	2018 £	2017 £
	-	3,600

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**Notes to the Financial Statements
for the year ended 31 March 2018**

20. Related party transactions

The company had no related party transactions that required disclosure during the year other than those included in note 5.

21. Gross Cash Flows

	2018	2017
	£	£
Returns on investments and servicing of finance		
Interest received	544	1,074
	<u>544</u>	<u>1,074</u>
Capital expenditure		
Payments to acquire tangible assets	(17,220)	(22,845)
Receipts from sales of tangible assets	791	-
	<u>(16,429)</u>	<u>(22,845)</u>

22. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	2018	2017
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(29,282)	(16,715)
Depreciation	10,847	3,284
Dividends, interest and rents from investments	(544)	(1,074)
Surplus on the sale of fixed assets	(791)	-
Decrease in stocks	912	213
Decrease in debtors	535	2,119
Increase/(decrease) in creditors	(21,837)	17,592
Net cash outflow from operating activities	<u>(40,160)</u>	<u>5,419</u>