

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 30 NOVEMBER 2022

Company number: SC046605 Charity number: SC002995



EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

FINANCIAL STATEMENTS

For the year ended 30 November 2022

CONTENTS

Report of the Trustees	1-19
Independent Auditor's Report to the Members	20-22
Consolidated Statement of Financial Activities	23
Statement of Financial Activities	24
Consolidated and Charity Balance Sheet	25
Statement of Cash Flows and Consolidated Statement of Cash Flow	26
Notes to the Financial Statements	27-39

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

Report of the Trustees for the year ended 30 November 2022

1

The Directors, who act as Trustees for charitable law purposes, present their report together with the consolidated financial statements of the charity and its subsidiary for the year ended 30 November 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. For the purpose of this report, the Directors are referred to as Trustees.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, 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).

The Society has a subsidiary undertaking, Festival Fringe Trading Ltd. The respective activities of the Society and the subsidiary are described below, and together are referred to as "The Society".

Chief Executive Officer's Report

What a difference a year makes.

Twelve months ago, we were busy evaluating the first post-covid festival; Fringe 2021 was a much-reduced affair compared to the Fringe in 2019. Of course, the phrase "post-covid" was premature optimism; the omicron variants would gain prominence in early 2022, making the likelihood of the 2022 Fringe feel even more remote. Yet somehow, against what felt like impossible odds, a small miracle took place: a fully formed, physical Fringe actually happened.

It felt joyous and healing to have the Fringe back and live, to see creatives from across Scotland joined by artists from all parts of the UK and around the world. We had no idea if anyone would show up, but they did and it felt more important than ever for catharsis, perspective and collective assembly. This year's festival was miraculous, pulled off by the sheer determination and effort of the Fringe creative community.

The festival's 75th anniversary took place in a radically changed world, and set the context to re-evaluate what the Fringe is, what it was, and what it needs to be. In June we published a new, collective vision for the festival – a rallying cry for the Fringe's many varied participants and supporters to collaborate on reinventing a festival true to our shared values of openness, care for each other and love for the performing arts, rooted in a desire to give anyone a stage and everyone a seat. We are set on delivering this shared vision – but the challenges are unrelenting. If artists can't afford to be part of it – if the availability and cost of accommodation is untenable, on top of the cost-of-living crisis – then it is impossible to be inclusive, open, welcoming to all. The Fringe and our sister festivals are eager and poised to be part of the national recovery that is needed, but miracles are one-offs. We can only keep bringing the magic if we have the belief, support and a collaborative mindset from local and national government.

The Fringe can't happen without the collective passion and effort of a cast of thousands, including artists, audiences, venues, media, staff, crew, sponsors, elected officials and the city of Edinburgh itself. On behalf of myself and the Fringe Society I want to say a massive thank you to everyone who had a hand in making this year's festival possible, in the face of seemingly insurmountable odds. If the last few years (or indeed, the last few months) have taught us anything, it's that nothing should be taken for granted – just because something's happened for three quarters of a century, that doesn't mean it can continue to do so without the sustained effort and support of everyone involved.

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

Report of the Trustees for the year ended 30 November 2022

2

2022 Key Highlights

Topic	Achievements
Artist affordability	<ul style="list-style-type: none">In recognition of the financial strain across the whole Fringe eco-system, the Fringe Society returned £0.5Million to the fringe artist and venue economy through revenue share of income from fees.Maintained frozen registration fees since 2008; real time saving of 27%.
Venue sustainability	<ul style="list-style-type: none">Secured £1.275Mn to support venue producers to deliver against significant operational uncertainty and deliver against key ambitions for Fair Work in Scotland.
Street Events	<ul style="list-style-type: none">Secured funding and sponsorship to ensure this vital, family friendly and free to access activity returned for residents, visitors and performers.
Edinburgh's residents	<ul style="list-style-type: none">Secured funds to deliver Fringe Days Out – our flagship engagement programme for community groups across Edinburgh – and our work in Edinburgh's schools, with over 3,300 Edinburgh residents choosing and enjoying shows at the Fringe through our engagement activities.
Climate Action	<ul style="list-style-type: none">Reduced programme print to 175,000 copies2022 festival successfully implemented e-ticketing across the fringe.

Objectives and Activities

The purpose of the Society is the continual development and improvement of the world's largest performing arts festival, where any person can participate creatively or as an audience member without constraint. We live by our vision "to give anyone a stage, and everyone a seat." We promote the Edinburgh Festival Fringe locally, nationally and internationally.

The Edinburgh Festival Fringe Society does not rely on volunteers to deliver any services to participants and audiences, and all staff employed by the Fringe Society and direct service providers (such as security and cleaning staff) are paid at least the Real Living Wage (as defined by the Living Wage Foundation and the Scottish Poverty Alliance).

The Fringe Society relies on the voluntary contribution of the board of Directors to set policy and ensure the successful delivery of its strategic objectives.

Mission Statement

The Edinburgh Festival Fringe Society is a charity and fundamentally exists to:

- Advise, support and encourage all participants;
- Provide comprehensive information services, and navigational tools including the website, programme, ticketing, to its participants and the public; and
- Promote the entire Fringe, in the context of Edinburgh and its other festivals, in Scotland, around the UK and throughout the rest of the world.

The Fringe is globally recognised as the largest, open-access performing arts festival in the world.

There are many contributors to the Fringe, and when we all come together, we help put the performing arts on the map. To mark our 75th anniversary year and ensure the Fringe can evolve to meet future changes and challenges, we consulted with stakeholders from across the festival from artists to venues, residents to government bodies – to create a shared vision and set of values.

The vision is "to give anyone a stage and everyone a seat". Rooted in equality and inclusiveness, this will inspire us all to pull in the same direction.

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

Report of the Trustees for the year ended 30 November 2022

3

Our three values will guide the behaviours and decisions of everyone involved with the Fringe, giving us a shared focus and enabling the festival to be the best version of itself:

- **Celebrate performing arts**
- **Be open to all**
- **Look out for each other**

This vision is accompanied by six Fringe development goals. Each sets ambitious targets designed to ensure the long-term survival and renewal of the festival.

1. Thriving artists

Be the best place in the world for artists to perform and the best platform for talent to emerge.

EFFS will work to secure and distribute funds for artists, showcase and develop the Fringe marketplace nationally and internationally, ensure artists are valued and the Fringe community, current and alumni, celebrate and champion the Fringe.

2. Fair work

Eradicate any remaining unfair or exploitative work conditions at the Fringe.

EFFS will champion best practise, influencing positive change in wages, working conditions and positive working environments for all, as well as supporting skills development across a range of areas.

3. Climate action

Become a carbon net zero event by 2030.

EFFS will support the collection and analysis of useful data to inform decision making for Fringe venues and companies, as well as reducing the impact of EFFS' own services and activities. We'll also seek to make a positive impact through the planting of 75,000 native trees, working with specialist local providers to ensure this is a genuine contribution towards long term carbon reduction.

4. Equitable Fringe

Ensure that who you are and where you are from is not a barrier to attending or performing at the Edinburgh Fringe.

EFFS will continue to develop new ways to break down barriers for those who want to participate, including improving Access, continuing to develop Fringe Days Out (in collaboration with our partners), challenge the cost of participation and accommodation, and offer targeted services and support for marginalised voices.

5. Good citizenship

The Fringe, a force for good in and for the city of Edinburgh.

EFFS will begin development of a free to access family event, alongside ongoing development of Fringe Days Out and a range of other community engagement programmes. EFFS will also continue to work towards the long-held plan for a new home, which will serve as a community hub for the Fringe alongside offering local artists and citizens space to engage and participate.

6. Digital evolution

Enhance the live Fringe experience by ensuring a world-class digital experience.

EFFS will focus on the development of a world leading access ticketing experience, alongside the continuous improvement of the services and systems provided to a range of participants and audiences. EFFS will continue to grow the year round communication and conversation with artists to ensure support and services can be offered to their fullest.

Over the coming years the Fringe Society will work towards the realisation of these goals in collaboration with the widest range of Fringe stakeholders, to ensure the long-term future and relevance and the Edinburgh Festival Fringe.

Report of the Trustees for the year ended 30 November 2022

Our Activities

While Covid-19 continues to have a significant impact on the Festival and our organisation, the core role of the Fringe Society is unchanged; to provide support and services to those who participate in and those who attend the Edinburgh Festival Fringe. Our focus for 2022 was to plan for the return of the Fringe, prioritising the services core to our mission, and balancing the ongoing risk and uncertainty from the impact of the pandemic and the global economic crisis.

Our services address our three Key Mission Statement priorities and include:

- advice, support and guidance to artists, companies and venues who wish to participate in the Fringe. This includes regular 'how-to' roadshows and one-to-one conversations (in person and through digital channels) - from choosing your venue to marketing your show - with artists and companies, locally, nationally and internationally; In addition to a slate of online tools including our artists network platform Fringe Connect, downloadable resources on every aspect of Fringe participation, Marketplace our industry platform etc.
- professional development and arts industry services, including training, workshops and shared learning opportunities, media and marketing advice and signposting and networking opportunities to onward touring;
- planning and delivery of Made In Scotland, the annual showcase of the best of Scottish music, drama and dance. And support for some 17 international showcases bringing selected works to the Fringe each year.
- introduction and liaison services for media, arts industry and other professional services - the Fringe Society is a central information point for those seeking to produce, buy or develop work presented at the Fringe, and the accreditation services we provide offer an intermediary to ensure artists and arts industry are able to find one another;
- provision of information and ticketing services for all shows at the Fringe, via our website, mobile devices, phone sales and in our box offices at 180 High St and other city locations
- marketing the Fringe to audiences across the globe, including media, PR and above the line marketing materials, through our year round branding, media output and annual Fringe marketing campaign;
- advocacy and lobbying for the wider arts and culture sector in Scotland and the UK, alongside specific activities to ensure local and national governmental support for the Fringe in its own right; and
- fundraising and other income generation to support the delivery of key services and ensure the sustainability of the Fringe and the Fringe Society.
- learning and access programmes to remove barriers to local community groups, schools and those with Access needs.

In 2022 we focused on ensuring a balance between the ongoing uncertainty around live events and the need to retain digital engagement; with the emerging needs of the festival in its live return.

Key Performance Indicators (KPI)

- Secure the future of the Fringe Society and develop new models of income;
- Increased political engagement and lobbying for the future of the Fringe and our stakeholders;
- Develop new ways to engage and support artists and audiences to return to the Fringe;
- Maintain the value of the Edinburgh Festival Fringe to International Arts Industry;
- Delivery of the core services of the Fringe Society, aligned to the strategic priorities established in the Fringe Blueprint and Fringe Development Goals.

The following sections directly reflect on the above KPIs and how we measure and have delivered against the above bullet points.

Report of the Trustees for the year ended 30 November 2022

Achievements and Performance

Relating to KPI: Secure the future of the Fringe Society and develop new models of income**Affordability and giving back**

Through the revised revenue share of fees and the Fringe Venue and Producer Fund (see below), the Fringe Society secured £1.775Mn in additional cash revenue for the Fringe, with 100% of this revenue distributed directly to venues and artists.

We understand and share many of the concerns of artists, venues, media, industry and residents about the cost of participation at the Fringe and the barriers this presents for many people. While many cost factors are outwith our control (such as accommodation, transport, etc) we have used the levers that are available to us and undertaken a number of steps to keep the costs we can control as low as possible. Fringe Registration fees have not changed since 2008, a 15 year freeze, and commission has remained at 4% since 2013. The actual cost of delivering our services to the festival's wide and varied stakeholders has risen steadily over the years, meaning the Fringe Society is now subsidising these direct costs by around 40%. As well as shielding Fringe artists and venues from the increased cost of service, the Fringe Society also rebated 100% of handling fees on a proportion of sales to those for whom we sold a majority of tickets, resulting in £500K being returned to the Fringe economy.

New models of Income

The pandemic and the economic impact that followed continues to impact on the Fringe and the Fringe Society, forcing us to rethink and remodel our charity's financial management and revenue generation. The Fringe Society remains in challenging economic circumstances and is in receipt of little public funding to support its core delivery and services. Without new models of income and financial planning, and new ways to increase investment and income for the Fringe we cannot build the degree of assurance and certainty to the ecosystem of the Fringe that is essential to its long-term viability and relevance. Lobbying at a local, national and UK level continued, making the continued case for ongoing support from funders and agencies who recognise the Fringe as a vital part of the cultural landscape of Scotland and the UK.

We recognise that reliance on funding only is not prudent for an organisation of our nature, so we sought out income generation opportunities alongside ways to distribute this income into the Fringe ecology. Additional revenues were generated through the agency box office service (180 Box Office) who delivered box office services to high profile events, including Van Gogh Alive. Alongside this we reviewed sponsorship opportunities and explored new models for sponsor engagement away from the headline sponsor of Fringe Street Events and into activations centred on improving the audience and artist experience.

Funding and Support

EXPO funding for 2022 secured the delivery of the Made in Scotland showcase, which saw a bumper year of shows, including those who had been unable to present their work in 2020 and 2021. PLACE funding enabled the ongoing delivery of key engagement and learning programmes, and supported the services delivered by our Artist Services team. Both of these programmes support industry, young people, Edinburgh's residents and Scottish and local artists to participate and engage with the Fringe.

Funding for project delivery was secured from British Council, Screen Scotland and DCMS for digital artist and industry engagement, and Baillie Gifford supported the delivery of Fringe Days Out – our flagship community engagement programme - and the ongoing work we do with schools and young people.

Vital to the return of the Fringe was the return of the Fringe Street Events, an iconic and much-loved part of the Fringe that is free for everyone. Funding from Event Scotland, the City of Edinburgh Council and PLACE was supported through partnerships with TikTok, St James Quarter, Nuveen and IRN BRU to ensure the management and delivery of a full range of events across the City, including the High St and the Mound Precinct.

In response to the Omicron wave in late 2021/early 2022, Scottish Government funding was made available through the Pivotal Event Business Fund and additional PLACE funding. Additional PLACE funding supported the Fringe Street Events, festival delivery (including staff) for the Fringe Society, and the Fringe Venue and Producer Resilience Fund (see below). These funds supported the core delivery of the Fringe Society and provided a much-needed lifeline to ensure the success of the Fringe in 2022 and build future resilience.

Save the Fringe Campaign – Give Someone a Stage

In 2021 the Fringe Society launched a fundraising initiative to support the Fringe and the Fringe Society. With an ambition to raise £7.5Mn in five years, the Fringe Society has undertaken extensive groundwork to ensure donors and supporters can engage effectively to maximise donations. The aim is to draw in new funds to the Fringe to support the Fringe itself and the work of the Fringe Society, aligned to the Fringe Development Goals published in 2022. Still suffering from a depleted team and without any in-house fundraising or development function, the team have done well to absorb some of this responsibility to date, put all the foundations in place and 2023 will see the first serious effort in increased philanthropic giving and donors as we now have a Head of Fundraising, a Development Manager, and a small sponsorship team.

Report of the Trustees for the year ended 30 November 2022**Fringe Venue and Producer Resilience Fund**

With additional funding secured by the Fringe Society through the PLACE programme, £1.275Mn was made available to venues and producers to support their 2022 delivery. The fund was open to applications, with four key pillars of delivery central to its criteria design: Programming, Risk Management, Fair Work and Sustainability. The funds were awarded through a panel including experts from Creative Scotland, City of Edinburgh Council, Event Scotland and an independent industry panel member – chaired by the Fringe Society.

Awards included support for ambitious and diverse creative programming, better deals for artists, improved pay and working conditions for staff, removing variability of pay for those under 25, underpinning the rising costs of delivery, and schemes to support artists while in Edinburgh, including subsidised accommodation, meals and venue fees.

Relating to KPI: Increased political engagement and lobbying for the survival of the Fringe and our stakeholders**Advocacy and Lobbying**

The Fringe Society uses its convening role to meet regularly with officials at local and national levels to advocate for the needs of Fringe artists and the festival as a whole. Our development goals set out clearly where investment and collaboration could bring about positive change, and we use evidence-based data to address areas of concern and seek solutions. One of the most pressing issues for artists is the depleted stock and rising cost of accommodation; the Society has prioritised this as a matter of urgency by pulling together local and national agencies and political stakeholders, alongside our sister festivals, to understand the consequences of policy making and activation, as well as engaging providers directly to increase the stock available exclusively for participants. We have pushed every route available to us and are also exploring creative solutions such as tented villages and new transport routes to capacity further afield, but we need a collective approach from national and local agencies with influence/control over accommodation provision.

MP for Edinburgh, East Tommy Sheppard, hosted a Fringe programme launch event in Westminster on 20 July. Guests were welcomed by Sir Lindsay Hoyle, Speaker of the House of Commons, and attracted cross-party representation alongside our cultural stakeholders and supporters; it was also attended by Fringe Society President Phoebe Waller-Bridge and Fringe patron and alumni Eddie Izzard.

We work with strategic partners to bring about positive change and improvements; in 2022, our partners included:

- The Edinburgh Climate Compact – a sustainability initiative comprising businesses and organisations in Edinburgh, of which we are a founding member.
- Creative UK (formerly the Creative Industries Federation) – a campaign body lobbying UK Government to reduce visa restrictions and support the culture sector's recovery over the next three to five years.
- Birds of Paradise – a disabled-led Scottish theatre company advising on accessibility and collaborating on projects and work that engage disabled artists and audiences.
- Something to Aim For – an organisation providing advocacy and capacity building for artists (primarily working in performance) from under-represented and marginalised communities.
- Somewhere – an organisation working to improve the visibility and accessibility of LGBTQ+ Fringe work for artists and audiences.
- Parents in the Performing Arts (PIPA) – an organisation addressing a lack of provision for parents and carers in the performing arts.

The Fringe Society engages regularly with governments and other influential organisations – at local, national and international levels – as part of our core commitments: to support artists, venues and all stakeholders on the Fringe, and champion the Fringe and its vision and values. We continue to ensure that to the best of our ability we represent the voices of those who make up the Fringe and that they are heard loud and clear, by providing evidence to the UK and Scottish Parliament, having direct conversations with political leaders, elected members and funding bodies, and through media engagement. We have worked in partnership with the Creative Industries Federation to build on UK-wide lobbying for support to the sector, as well as ongoing lobbying to ensure performance and live event regulations were in tandem with those of the wider tourism and leisure sector upon reopening.

Resilience Group

In 2022 the Scottish Government set up a resilience group to support the Fringe Society, consisting of Creative Scotland, Scottish Enterprise, Event Scotland and City of Edinburgh Council. This group continued into early 2022 and was integral to the success of securing additional PLACE funding for the Fringe and the Fringe Society.

Report of the Trustees for the year ended 30 November 2022**Fringe President and Patrons**

Writer, actor and Fringe alumna Phoebe Waller-Bridge took up the post of Honorary President in 2020, with a clear brief to champion and promote the Fringe and support our ongoing recovery efforts. Phoebe has been a champion of the Fringe Society and the Fringe, visiting in 2022 to see work, talk to artists and support the Fringe Society in its launch of the Vision and Values.

In July we announced Eddie Izzard as the first alumni Patron of the Edinburgh Festival Fringe Society. Eddie first performed at the Fringe in 1981 and spent more than a decade practising her craft – in sketch comedy, street performance and finally stand-up – before her career took off. She's now recognised around the world, having played in 45 countries, in four languages, and in venues like Madison Square Garden and the Hollywood Bowl, as well as appearing in a slew of Hollywood films and TV shows. Eddie is a global champion for creativity, and a vocal supporter for those starting out – in other words, an ideal ambassador for the Fringe.

Relating to KPI: Develop new ways to engage and support artists and audiences to return to the Fringe**Fringe Buzz**

Our aim in celebrating the Fringe is ultimately to help artists – the more attention we draw to the Fringe, the more people will attend and see shows. To that end, we're delighted that 777 members of the media accredited with our Media Office this year, representing more than 340 individual outlets from 18 countries around the world (including Australia, Israel, Japan, Pakistan and the US). Our Chief Executive and senior staff were interviewed on a variety of topics by the likes of the Times, Telegraph, Guardian, BBC Scotland, STV and Global Radio.

The BBC produced a new feature-length documentary on the history of the Fringe this year. *The Fringe, Fame and Me* told stories from some familiar Fringe faces, including Eddie Izzard, Phoebe Waller-Bridge, Michael Palin, Stephen K Amos and Miriam Margolyes.

Our Fringe Moments project comprised a collection of stories and pictures covering the breadth of the festival's history, sourced from artists, audiences and venues, celebrating 75 years of the Fringe. We asked audience members and artists on social media and our mailing lists to contribute their favourite Fringe memories, and approached some well-known Fringe faces such as Arthur Smith and our Fringe patron Eddie Izzard (see page 25) to share their reminiscences. We collated these submissions before publishing them online on Wednesday 24 August, the anniversary of the first ever Fringe performance.

Alongside all of this we used our reach through marketing, social media and bulletins to shout about the Fringe at every opportunity, sharing shows on Twitter, venue takeovers on Instagram, our TikTok channels, e-bulletins and a vibrant marketing campaign, from programme to digital advertising – we sought to celebrate the Fringe and all it stands for and encourage old and new audiences to join us.

Fringe Central

The return of Fringe Central was vital to the support and services we could offer to artists and participants during Fringe 2022. Fringe Central is where artists and Fringe professionals can access in-person services from the Fringe Society during August. It's where you can find our Arts Industry, Artist Development, Artist Support and Media offices, receive guidance on polishing your press release and network with peers. This year you could book a one-to-one mental health first aid appointment with Space to Breathe, one of our 2022 strategic partners.

Fringe Central hosted a programme of 35 free events and discussions focusing on issues significant to the cultural sector, from representation and sustainability to the practicalities of making and touring work. These events featured provocations from industry figures such as newly announced Fringe patron Eddie Izzard, comedian and poet Rob Auton and Fleabag producer Francesca Moody.

Fringe Central would not have been possible without the support of the St James Centre and TikTok who supported this temporary home for Fringe Central in a challenging year.

TikTok, the 'virtual stage of the Fringe'

In June we announced a partnership with TikTok, recognising its significance as a platform where Fringe artists (whether already Fringe-experienced or destined for future appearances) can create work and reach a burgeoning new audience. Much like the Fringe, TikTok provides an open access platform for artists to showcase their work, find their voice and find their community and fans.

The team at TikTok hosted a series of information sessions, both in person and online, in the weeks leading up to the festival, giving Fringe artists the tools to make the platform work best for them. A jumbo TikTok screen in the Fringe Shop window showed posters for artists' shows, increasing their visibility amid the hustle and bustle of the festival, and the taster stage in St Andrew Square was streamed live on the platform.

Report of the Trustees for the year ended 30 November 2022**Fringe Connect**

Fringe Connect is an online space where Fringe artists and arts industry can exchange ideas and information and create lasting working relationships. Users can also access year-round online events, archived recordings from past events, and resources and information relating to opportunities at the Fringe and in the wider sector (such as funding, performance, development and discount opportunities).

Over the past 12 months Fringe Connect has hosted 47 events for more than 5,000 users (and counting). It's particularly useful for helping prepare artists in the run-up to the Fringe and beyond – some of our most well-attended events this year included:

- How to do a show at the 2022 Fringe (an online session in January that attracted 260 attendees)
- Making the most of the Fringe (June, 178 attendees)
- International touring: Models to take your work abroad (August, 48 attendees)

Most events at Fringe Central this year were recorded so they could be uploaded to Fringe Connect as a resource for artists who were unable to attend in person and to grow the resources and information the Fringe Society can offer to artists year round.

Access for Artists

Ensuring the Fringe is as accessible as possible is important for both artists and audiences, and we continue to work with a range of partners to identify areas where we can improve. We strive to make the Fringe the world's most inclusive festival, and while there is still much to do, we're proud of the steps we've taken to make the festival more accessible this year.

Working with Drake Music Scotland – the country's leading organisation creating music-making opportunities for children and adults with disabilities and additional support needs – we supported disabled artists to take over the St Andrew Square taster stage, alongside other schools and community groups over three days during the Fringe. We were delighted to support Deaf Action to stage its inaugural Edinburgh Deaf Festival during August.

We created opportunities for artists to work with a range of Edinburgh schools and community groups throughout the year, ensuring the application process was as accessible as possible by creating supporting materials in large print, captioned video and BSL video.

Fringe Street Events

The Fringe street events are an essential and iconic part of the festival. This year we expanded them beyond the traditional Royal Mile and Mound sites and introduced taster stages to St Andrew Square and Cathedral Square where Fringe artists could perform a snippet of their show. The street events programme featured more than 3,200 street performances during August 2022, including 650 on the taster stages. To ensure that our hometown is represented at the festival, we invited Edinburgh community groups and schools to take over these stages for the final weekend of the Fringe.

Our street events plans were underpinned by a newly established Charter, created in collaboration between the Fringe Society and a representative Street Performing Council. Find out more: bit.ly/StreetEventsCharter. The street events would not be possible without the support of EventScotland and the City of Edinburgh Council. We would also like to thank TikTok, St James Quarter and Nuveen for their support.

Voices from the South - Digital Engagement

As part of their Edinburgh 75 programme, the British Council supported the pilot delivery of an international digital showcase to support artist and industry engagement and test new ways of collaborating internationally, following a period of research and development in 2021. The cross-continental initiative is working to stage 16 artistic projects, from nations that would typically struggle to attend the Fringe, digitally at Fringe 2023. Participants are from South Africa, India, Mexico, Argentina, Brazil and Scotland. Further funding is being sought to develop the second phase of the project and bring a new international cohort onboard.

FringeMakers

Grants were awarded in early 2021 to distribute funds raised in 2020 through our FringeMakers crowdfunding initiative. Grants were to support artists to make work for the Fringe and venues to showcase this work, with most presenting their work during the 2022 Fringe. The Australian platform, Smartygrants, partnered with the Fringe Society to pilot their system with us. They provided the service, set up and training free of charge and helped us understand potential models of small fund distribution for the Fringe Society.

Report of the Trustees for the year ended 30 November 2022

Relating to KPI: Maintain the value of the Edinburgh Festival Fringe to International Arts Industry

Marketplace

Fringe Marketplace is an online service that was conceived against a backdrop of lockdowns and travel restrictions that has evolved and developed into a useful tool for the arts industry. It's aimed at creative sector professionals such as promoters, agents and programmers at arts festivals and venues around the world, providing them with essential information and contact details for tour-ready work at the Fringe.

This year we presented an upgraded version of Marketplace, with a curated selection of works nominated by their host venues sitting alongside a comprehensive directory of shows from artists with an expressed interest in further touring. 194 shows from this year's Fringe will remain on Marketplace until June next year, giving industry members the chance to refresh their memory or catch up with shows they missed.

Thank you to the vital support of DCMS for the development of Marketplace in 2021 and 2022.

Screen Fringe

Among the many career pathways the Fringe offers for creatives, it provides a vital step for many writers, actors, comics and others looking to break into TV and film. Screen Fringe is a collaborative project with Screen Scotland, which aims to help Fringe artists engage with the national and international TV and film industry.

Screen Fringe was a great success in 2022, with engagement from high-profile TV, digital content and film industry figures from the likes of Film4, Netflix, Universal and Big Talk. This would not have been possible without the support of Screen Scotland.

Screen Fringe has been an excellent addition to our slate of services to the Fringe community and will develop and grow in the coming years.

Emerging Producers' Development Programme

Our Emerging Producers' Development Programme is designed to help early-career producers get started at the Fringe. Places were prioritised for producers who identified as disabled, working class and / or part of the global majority; with the help of Something to Aim For, we selected 15 participants who received a tailored programme of professional development events that catered to their needs and interests.

International Showcases

This year's festival was the first full-scale Fringe since the UK exited the European Union, and as such we found ourselves providing a much greater level of support for international artists from EU countries. Many visiting companies, for example, required welcome letters to enter the UK. The Fringe Society will continue to advocate for ongoing support of the festival's permit-free status, making it easier and cheaper for international artists to perform in the UK.

Fringe Society staff shared ideas with cultural organisations from around the world this year, including:

- the 2022 Fringe World Congress in Orlando, Florida (USA)
- arts markets in New Zealand and Australia
- the Yokohama International Performing Arts Meeting (YPAM, Japan)
- Chingay Parade Singapore
- Mičinský Pitvor (Slovakia)
- Polish Cultural Institute
- Brussels Major Events (Belgium).

Belgium (Wallonia), Denmark, England, Finland, France, Ireland, Korea, Northern Ireland, Québec, Taiwan, Scotland, Switzerland and Wales all presented showcases at the 2022 Fringe, while organisations from Australia, Brazil, Canada, Italy and Japan supported work from their respective nations. Our Arts Industry team also engaged with international delegations from Brazil, Canada, Finland, Germany, Japan, New Zealand, Québec and Creative Europe during the Fringe.

Report of the Trustees for the year ended 30 November 2022**Relating to KPI: Delivery of the core services of the Fringe Society, aligned to the strategic priorities established in the Fringe Blueprint and Fringe Development Goals.****Helping Audiences**

One of the Fringe Society's key objectives is to help audiences navigate the Fringe with comprehensive and up-to-date information and ticketing. This work is all an extension of our commitment to supporting artists – it's about ensuring they and their audiences can find each other.

We provide a centralised website and box office where audiences can browse, find information and book tickets for every show on the Fringe. This year, between June and August alone, edfringe.com received more than 36 million pageviews from 2.5 million visitors. While we were not able to secure the funds to bring the Fringe App back in 2022, we invested heavily in our digital infrastructure, making payments more secure and helping people navigate the myriad shows on offer, including Nearby Now and a ticket wallet in your online account. We will be investing revenue generated in 2022 to bring a new Fringe App to the market for 2023.

Following a successful pilot at Fringe 2021, we rolled out e-ticketing across the entire festival, with physical tickets still available to anyone for whom e-tickets presented an access barrier. The Half Price Hut returned in August at a new location at 180 High Street, enabling audiences to take a chance on new discoveries by buying half-price tickets for participating shows taking place that day or the following morning.

The Fringe printed programme returned this year for the first time since 2019, with a new section listing enhanced performances that featured BSL interpretation, captioning, audio description and relaxed performances. The programme was available to pre-order for home delivery from the end of March, and to collect in person – from 800 outlets across the UK – from early July.

Following the Fringe, we conducted a survey with more than 9,000 ticket buyers to better understand our customers' experiences and to identify ways we can refine and improve our services. This was part of a broader effort to gather feedback from across the Fringe landscape – including from artists, venues and workers – that will form the basis for our preparations for Fringe 2023 and beyond.

We would like to thank Johnnie Walker Princes Street for their support of e-ticketing this year.

Access for Audiences

While there remains much to do, we have continued to see progress in breaking down barriers for d/Deaf and Disabled artists and audiences. Our access bookings service is our primary point of contact for anyone with an access requirement who's interested in coming to the festival. It's available by phone, via text message, in person and by email, and can assist with booking tickets (including free tickets for personal assistants), finding out venue access information and booking specific accessibility services, for example a hearing loop, audio description headsets, captioning units or seating in relation to the location of the BSL interpreter. We've put considerable development work into our ticketing system to enhance and streamline these services and will be able to start rolling these out on edfringe.com over the coming years.

We lent audio description and captioning equipment to companies to enable them to offer more accessible performances, with equipment also shared by Zoo Venues and fundraised income from a Fringe supporter.

Every year we ensure Fringe Society staff have the necessary training to provide excellent service to all customers, including those with access requirements; we also provide this training as an online resource for staff across the Fringe, so the whole festival can be as welcoming as possible to all.

Since 2018 we've been providing free sensory backpacks for people who find the festival environment overwhelming, such as autistic children and adults. In partnership with venues across the city centre (including Assembly George Square, the Scottish Storytelling Centre and Greenside Infirmary Street), we were able to provide 150 sensory backpacks to Fringe attendees this year. A special thanks to Lothian Trams and Transport for Edinburgh for their donation of squashy tram stress toys that were included in the backpacks.

We worked with Deaf Action to provide BSL interpretation of the street events at West Parliament Square across five dates in August, our most yet. We ensure all Fringe Society events have BSL interpretation. We used our convening role and advocacy to support Deaf Action to establish the first ever Deaf Festival within the Fringe, including the first Deaf rave at the underground carpark at St. Jame's Centre. The festival was a huge success and is set to continue and grow in coming years.

We once again provided a dedicated Changing Places toilet beside George Square for the duration of the festival. Changing Places are accessible toilets with an adult-sized changing bench and hoist, for people who are unable to use a standard accessible toilet – we'd like to thank Assembly Festival and University of Edinburgh for their help with Changing Places this year.

Report of the Trustees for the year ended 30 November 2022

Following the interruption of the past few years, we brought back the Venue Access Award in 2022, which highlights those Fringe venues with the strongest approach to meeting access requirements. Thirty-four venues continued in the scheme, with three more achieving the maximum rating. We also distributed Fringe vouchers to Euan's Guide, an outlet publishing disabled access reviews, so that their reviewers could report back independently on Fringe venues' accessibility.

Community and education engagement – Fringe Days Out

Fringe Days Out provides Edinburgh-based charities, schools and community groups with Fringe ticket vouchers and bus day tickets, allowing them to experience the Fringe and make the most of the festival that takes place on their doorstep each year. The project is specifically for people who are at risk of social exclusion – we work with a broad range of people, including refugees and asylum seekers, single parents, isolated elderly people, disabled people, ethnic minority communities, young people identifying as lesbian, gay, bisexual or transgender and people from areas of multiple deprivation. This year we added another school as part of Fringe Days Out; we now work with 30 community groups and three schools across Edinburgh.

More than 3,300 people took part in Fringe Days Out in 2022. This brings the total number of attendees to over 12,500 since it launched in 2017, many of whom have visited the festival for the first time thanks to the project. The number of vouchers redeemed this year was over 80%, one of the highest rates in the project's history. We believe this is a testament to the hard work of our Community Engagement team in building and strengthening relationships with partner organisations. The project's long-term nature gives participants the chance to build up confidence in visiting the festival year on year.

We were able to provide additional support this year by:

- providing opportunities for community groups to perform on our street events stage in St Andrew Square
- arranging for Fringe performers to perform 20 pop-up shows in community spaces outside the city centre in summer, giving locals a Fringe experience in their own area
- hosting a Fringe taster day in Wester Hailes.

We would like to thank Baillie Gifford for their generous support of Fringe Days Out.

Teachers Theatre Club

Teachers Theatre Club (run in partnership with Imagine) continued to meet online and were able to attend live work at points throughout the year, including during the Fringe. We continue to include the year one and two cohorts to help support this, and as a result have seen high levels of engagement and collaboration with teachers. The group are a valuable peer support network, as well as continuing to grow engagement and knowledge of live performance in our City's teachers.

Sustainability

The Fringe Society is committed to reducing the festival's carbon footprint and championing initiatives that limit our impact on the environment and those of the wider Fringe landscape. The Fringe Society signed the Edinburgh Climate Compact in 2020, supporting the City's carbon zero plans for 2030.

Building on consultations with our stakeholders, our sustainability priorities remain:

- to continue to provide Fringe participants with tools that help them consider the environmental impact of the work they produce at the Fringe
- to work with our partners and stakeholders to communicate our sustainable agenda both externally and internally
- to embed environmental, economic and social sustainability across our core business.

As part of the Fringe Development Goals we aimed to plant 75,000 native and ecologically beneficial trees across Scotland over the next five years. The first 75 of these were planted in our home city of Edinburgh in February 2023, working with local community organisations, in this first instance, the Friends of Inverleith Park. We are working with Forth Resource Management/Caledonian Horticulture who are experts in sustainability, circular resource management, environmental restoration and other sustainable services across the region. We are planning a visit in March 23 to our next tree-planting location with a more ambitious number to be planted at Balerno Farm.

Diversity in the Fringe Board and membership

We are committed to ensuring our members and potential members can help us build a more representative board, including people of different ethnicities, young people, Edinburgh residents, working-class people and D/deaf and disabled people. We will continue to reach out to a range of organisations and community groups to spread the word and encourage candidates within their networks to apply, including Black and Ethnic Minority Infrastructure in Scotland (BEMIS), the Council of Ethnic Minority Voluntary Sector Organisations (CEMVO), The Sick of the Fringe, Equity, Scottish Refugee Council, Euan's Guide and Parents and Carers in the Performing Arts, to support a diverse range of nominees to the board of the Fringe Society.

To help ensure as diverse a range of voices as possible and that cost is not a barrier to becoming a member of the Fringe Society we have maintained annual membership at £5 in 2022.

Report of the Trustees for the year ended 30 November 2022**Sponsors, supporters and partners****Cirrus Logic**

Cirrus Logic were a new partner in 2022, supporting the core delivery of the Fringe Society alongside celebrating and sharing the Fringe with their employees in their Edinburgh Office. Cirrus Logic provided employment for Fringe artists through their weekly in-house event, supported Fringe Friends events, and were integral to the success of e-ticketing thanks to their networks in mobile technology. We're grateful for Cirrus Logic's ongoing support and engagement with the Fringe and the Fringe Society.

Edinburgh Gin

Edinburgh Gin joined us in 2021 as a founding supporter of our Save the Fringe campaign, pledging up to £150,000 in profit from the sales of an exclusive gin bottle designed by Phoebe Waller-Bridge. Funds continue to be received to the fundraising campaign and Edinburgh Gin are exploring new ways to support the Fringe.

Johnnie Walker Princes St

Johnnie Walker supported the Fringe Society during the pandemic, and we are grateful to them for their donations during this challenging time. Johnnie Walker Princes St opened in September 2021, and our partnership evolved to focus on this incredible new visitor attraction and its role in the offer to visitors during the Fringe. Alongside support of the e-ticketing journey, Johnnie Walker Princes St also hosted events for the Fringe Society in their iconic space on Princes St and supported Fringe artists through direct employment at their own events in their newly launched Label Studio. We are grateful to Johnnie Walker Princes St for their continued and ongoing support.

TikTok

New in 2022, TikTok's partnership with the Fringe Society was centred around supporting and nurturing artistic talent, skills development and finding your audience. TikTok supported Fringe Central, basing themselves onsite to train and support artists who were keen to explore how TikTok could help them find their voice in a digital world and their fanbase. TikTok also supported activities within the Fringe Street Events, including a pop-up activation on the Mound to engage audiences, a secret gig to build conversation around the Fringe on TikTok and the support of a digital agency to launch and grow the @edfringe channel on TikTok and support the wider Fringe to engage with the millions of users on their platform.

Fringe Friends, Fringe Patrons and Fringe Angels

The Fringe Friends are huge fans of the Fringe and showcase their support by attending huge volumes of shows, often seeking out the lesser known and emerging Fringe acts. They're bold and risk taking in their approach and are loyal advocates of the Fringe throughout the year. Our 4,000 Friends purchased over £1Mn of tickets and saw hundreds of performances, ticketed and free, with less than 10% of those included in the Friends discount scheme – they truly are the core of the Fringe fanbase.

We made some changes in 2022 to address feedback from producers, artists and venues, with an off-peak only offer and not including the logo on eligible shows in the programme (which supported the later planning cycle for artists due to ongoing uncertainty due to covid-19) – feedback in response to this from Friends will be factored into delivery for 2023 and we will continue to review and iterate on this programme design to ensure it remains an effective way for audiences to find new shows without undermining the ticketing revenue that artists and venues rely on for delivery and future success.

We'd like to thank all of our Friends, Patrons and Angels for their ongoing support and commitment to the Fringe and applaud their approach to discovering new work at the Fringe each year.

Partners and Collaborations**IRN BRU**

IRN BRU presented *Canned Laughter* on the Mound Precinct in the final week of the Fringe. They installed a six-seater mini-cinema, shaped like a can of their iconic Scottish juice! A focal point for media and audience engagement, it also presented Scottish comedians to new audiences, commissioning new and exclusive content for TikTok and their activation.

St James Quarter

We worked with the St James Quarter to find a temporary home for Fringe Central and to test new sites for Street Events and other performances in new and surprising places. We'd like to thank the St James Quarter for their practical support, commitment to the Fringe and their investment in Fringe Street Events for 2022.

Report of the Trustees for the year ended 30 November 2022**Working Together****City of Edinburgh Council**

The Fringe Society continues to maintain a strong relationship with the City of Edinburgh Council and places great importance on the strategic, logistical and financial support it provides and its vital role in the continued success of the Edinburgh Festival Fringe, now more than ever. The City of Edinburgh Council provided vital support for the Street Events to return in 2022. This relationship will be increasingly important as we face the challenges of post-Covid affordability of Edinburgh for artists, and in particular the depletion of affordable accommodation stock.

Event Scotland

With funding for the Street Events, Event Scotland supported the return of this iconic piece of the Fringe landscape. We'd like to thank Event Scotland for their support and commitment to the Fringe Street Events.

Festivals Edinburgh

Established in 2007, Festivals Edinburgh provides a platform for Edinburgh's major festivals to work together to sustain and develop Edinburgh's position as the world's leading festival destination. Throughout 2022 Festivals Edinburgh have continued to provide support, lobbying and collective representation, as well as engaging more widely in the Scottish events sector through the Events Industry Advisory Group established by Event Scotland.

Scottish Enterprise

Alongside their engagement with the resilience group, Scottish Enterprise have provided expert advice and support on a range of subjects, including Intellectual Property, financial modelling and commercial development of the box office.

Department for Digital, Culture, Media and Sport

Through Arts Council England and Festivals Edinburgh, DCMS supported the development of the Marketplace platform and an upgrade and enhancement of the services offered to Arts Industry focusing on the sustained opportunity for tour ready work to be booked, bought, toured regionally and exported overseas, completed in 2022. Funding included pilot programmes with other sector development festivals in the city to understand the wider value of industry engagement within different and/or more niche cultural sectors; Jazz and Blues and Performance for Children.

British Council

British Council funded the research and development of Voices from the South, and invested in its pilot delivery year in 2022. British Council continue to support the Fringe Society to grow and develop relationships with international partners and to help realise collaboration opportunities.

Other activities

Made in Scotland is a showcase of Scotland's brightest dance, music and theatrical talent that takes place every year at the Fringe. A partnership between the Fringe Society, Creative Scotland, the Federation of Scottish Theatre and Scottish Music Centre, this year's Made in Scotland featured 27 shows, the biggest programme in its 14-year history.

New for 2022 was the Made in Scotland delegate programme, developed to foster deeper connections between arts industry professionals and Made in Scotland artists. Our Artist Development team also held regular online meetings and one-to-ones with the artists, plus a series of in-person events during August, to help develop their tour ambitions and build a sense of community among those included in the programme. This work to bring together artists and industry provides robust opportunities for shows to tour internationally.

Festival Fringe Trading Limited

Festival Fringe Trading Limited is a wholly owned subsidiary of Edinburgh Festival Fringe Society. The core activities of the company are the sale of merchandise relating to the Edinburgh Festival Fringe and the provision of information regarding the Edinburgh festivals and tourism. The Festival Fringe Trading Company also manages income from sponsorship and contracts for Fringe Box Office (see below) for the Edinburgh Festival Fringe Society.

180 Box Office

The development of the agency Box Office – rebranded as 180 Box Office – has been significant in 2022. 180 Box Office has a new brand and web presence, as well as some new clients in the events sector. 180 Box Office is a priority for the Fringe Society in our recovery. We are developing a box office service for the arts and community sector that is ethical, fairly-priced, transparent, and focused on building and retaining jobs and income in Scotland. We are grateful to Scottish Government and Scottish Enterprise for their support in developing this work during 2021, which has contributed to the successes in 2022.

Report of the Trustees for the year ended 30 November 2022**Financial Review**

Our core priority as we entered 2022 was to ensure we could deliver the core services and systems required by the Fringe community and stakeholder base to deliver a safe and successful festival. With funds depleted from 2020 and little recovery in 2021, our focus was to maintain key services and the ability to build resilience for the Fringe for 2022 and future years.

Consolidated income in 2022 was £6,904,501. Income saw a return to a model similar to pre-pandemic but with notable losses in earned revenue from the festival delivery (fees and commission) and the loss of key recurring supporters for activities, including Street Events. Income was received from covid-19 recovery grants, which will not be available to the Society or the Fringe in future years.

Consolidated expenditure of £6,887,229 was incurred and overall in 2022, there was a surplus of £17,272.

Included in both income and expenditure are funds which are in effect redistributed by the Fringe Society. Firstly, through the Venue Resilience Fund (funded by PLaCE), a total of £1.275Mn was received and then distributed in Spring 2022 to support venue resilience. Secondly, in the current year a significant element of the handling fees were redistributed to artists and venues (£463,518). Therefore on an underlying basis, the consolidated income for the Fringe Society was £5,165,983 and the associated expenditure was £5,148,711.

Reduced earned income, alongside ongoing uncertainty over the Fringe 2022 delivery scale and costs, meant efforts were required to reduce expenditure at the start of the financial years and to focus on the critical and universal services paid for by the festival revenue. As a service organisation the core costs included staffing, technology, in-person services during the Fringe, and marketing and audience development to promote shows and sell tickets.

At the end of 2021 we recognised the Fringe and the Fringe Society would need three to five years to recover, and evolve to changing times and circumstances. At the end of November 2022 the final position of the Fringe Society was more stable, with increased revenue (both earned and donated) contributing to a better cash position than projected at November 2021. While this is positive, it requires the board and Executive of the Fringe Society to balance the need to invest for recovery and the prudence required to weather ongoing uncertainty.

Fringe 2023 planning assumptions

2023 will provide an ongoing challenge for the Fringe and the Fringe Society, with limited contingency and a tight balance between revenue and cost of service delivery, against a backdrop of rising costs and uncertainty, both nationally and globally. As in previous years, the board of the Fringe Society will have to make choices and prioritise key delivery and investment in both the short and medium term.

Survival for many in the sector, and many in the Fringe, was dependent on emergency funds made available as a direct result of the pandemic; it is highly unlikely any funds of this nature will be available in 2023, and there is an ongoing cost of living crisis impacting many of our key stakeholders, notably Fringe artists, most of whom take the financial risk to bring their work to the Fringe. The Fringe Society has sought to reduce its core cost base whilst operating at an annual loss, but this is not sustainable and there are significant demands from the sector for a full suite of service delivery without an increase in charges. While the Fringe Society enters 2023 with a view to long-term recovery and planning, there remain significant short-term challenges ahead for income and investment to deliver the wide range of services required from our stakeholder base.

As a charity, the Society can access fund and grant revenue to support key areas of delivery (in line with fund criteria) which frees up budget to deliver core services. We have also been successful in leveraging much needed resources, through sponsorship and in-kind contributions to ensure we could still deliver for the Fringe and will continue to do this through 2023 to ensure new revenue can be brought into the Fringe ecology. This requires human resources and capacity to focus on delivery for both the Fringe and the Fringe Society and will help secure the long-term stability and service delivery of the charity.

Even with new investment the Fringe Society board and executive will need to ensure ongoing prudent management of income, realistic projections, prioritisation of spend and ongoing recovery management. This means difficult choices on investment and service delivery may be required to ensure the viability of our organisation.

Investment powers and policy

The trustees, having regard to cashflow requirements, have kept available funds in an interest bearing deposit account rather than longer term investments. Returns have therefore been low in line with bank interest rates, although these have increased in the later part of the year due to changes in interest rates.

Report of the Trustees for the year ended 30 November 2022**Reserves Policy**

The consolidated unrestricted reserves of the Fringe Society includes all Tangible Assets and Investment Property, as well as Revaluation and Designated Reserves (where required - see note 21 for more information).

The Finance, Audit and Risk Committee reviewed the Society's reserves policy in 2022. The reserves policy was as below:

The Fringe Society Board of Trustees has established that, in order to deal with any contingent liabilities should there be a shortfall in funding between grants received, income generated by the Society and the Society's expenditure, a level of reserves should be held. These reserves were depleted in 2020 as a result of the Covid-19 pandemic and have not been recovered due to the ongoing economic impacts. Under normal circumstances this modelling indicated that 5 months expenditure cover would be a prudent provisioning level. At expenditure levels in 2022 (excluding non-Fringe Society income) this would equate to around £2.3 Million. As a result of the significant deficits experienced in 2020, 2021 and limited profit in 2022, at the year end the Society held £765,431 of consolidated unrestricted reserves. Free unrestricted reserves – being the unrestricted reserves without the value of fixed assets and removing long term liabilities as these are not repayable until after 2026 - would be £760,829.

As a result of Covid-19 and the ongoing economic impact the Trustees have had to assess the risks relating to the ongoing pandemic and the impact on the reserves of the Fringe Society. Alongside the immediate recovery of the Fringe Society, the Trustees and executive have developed plans to grow the cash reserves of the charity to support any future challenges, in line with the Fringe Development Goals launched in 2022. However, as outlined further on pages 14 and 28, the Trustees consider that current reserve levels, combined with future scenario modelling, are sufficient to warrant a going concern basis for the accounts.

Cyber Attack

In January 2022 the Fringe Society was subjected to a ransomware cyber attack. Many of our systems continued unaffected or unexposed but access to some information was lost and operational data was unable to be recovered. No ransom was paid however, and no ticketing or customer data was ever at risk. Our financial systems had been migrated as of 01 December 2021 onto new software which was not impacted and many historic reports had been collated for our 30 November 2021 year end so we were able to complete these accounts in a robust manner consistent with prior years.

The Fringe Society reported the attack to OSCR, The Information Commissioners Office, Police Scotland and the National Cybercrime Security Centre and are grateful to these agencies and our insurance provider for the support and expertise in restoring operations at the Fringe Society and helping us prevent future attacks. This is now fully resolved, with ICO and OSCR issuing 'no fault' notices. The Fringe Society's IT team built a new resilient architecture to both prevent future attacks and reduce the impact where attacks are not avoidable.

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of Edinburgh Festival Fringe Society Limited for the purposes of company law) are responsible for preparing the Trustees' Annual 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and the charitable company for that period. 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- 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 and the Charities and Trustee Investment (Scotland) Act 2005 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

Report of the Trustees for the year ended 30 November 2022

Reference and Administration

16

Company number: SC046605

Charity number: SC002995

Registered Office

180 High Street
EDINBURGH, EH1 1QS

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

BF Higgins (Chair)
FL Davis (Vice Chair)
JC Adams
HA Anderson
M Bronnikova
AC Campbell-Baga
G Harkness-Mckinlay
K Koren
T Lang
PA Lowey (from 25 Aug 22)
JS Mackenzie
L Meredith Williams
TBB Mitchell (to 25 Aug 22)
MZ Panesh
TLM Stapleton
PM Utton
NR Weir
SL Young (from 25 Aug 22)

Key Management Personnel: The Edinburgh Festival Fringe Society

Chief Executive Officer: Shona McCarthy

Senior Management Team: Rachel Sanger (Head of Participant Services – Joint) – until 31 December 2021
Kevin Kimber (Head of Participant Services – Joint) – until 31 May 2022
Chris Snow (Head of Artist Services) – from 08 September 2022
Rebecca Monks (Head of Communications) – on maternity leave from 30 May 2022
Susan Russell (Head of Communications) – maternity cover from 30 May 2022
Lyndsey Jackson (Deputy Chief Executive)
Anne Diack (Head of External Affairs)

Secretary

Shona McCarthy

Bankers

Royal Bank of Scotland Plc
142/144 Princes Street
Edinburgh, EH2 4EQ

Auditors

Henderson Loggie LLP
Ground Floor, 11-15 Thistle St EDINBURGH
EH2 1DF

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

Report of the Trustees for the year ended 30 November 2022 (continued)

17

Structure, Governance and Management

Governing Document

The Edinburgh Festival Fringe Society is limited by guarantee and does not have any share capital. It is a registered charity in Scotland. It is governed by its Memorandum and Articles of Association dated 09 May 1969, and adopted on 21 November 2010, and amended last on 22 Aug 2017. The members of the Society, two at minimum, are those individuals who elect the elected Trustees.

The management of the Society is the responsibility of the Trustees who are appointed or elected under the terms of the Memorandum and Articles of Association.

Appointment of Trustees

Under the constitution anyone can join the Society as a Member, the Board will consist of between 12 and 17 Trustees and is made up of up to 12 elected Members, up to 4 appointed by the Elected Directors (Trustees) and 1 appointed Chair.

The Elected Directors (Trustees) shall be drawn from the following categories: 'show participants' who either perform, or take part in, or are connected in any way to a show or performance which is registered with the Society in the Society's festival programme for the year in which they stand for election; 'registered venues' nominated by a venue which is registered with the Society in the Society's festival programme for the year; and any other Member who has an interest in the furtherance of the charitable objects of the Society.

A Member may stand for election as a Trustee in one category only.

Elected and Appointed Directors (Trustees) shall be elected or appointed for a term of four years and shall be eligible for re-election or re-appointment for one further term of four years thereafter. They shall then stand down for a period of at least one year but then may be re-elected or re-appointed as a Trustee.

Trustee Induction and Training

New Trustees are appraised of the Society, its structure, its governance, the content of its Memorandum and Articles of Association, the Committee decision making process, the Business Plan and recent financial performance of the Society. New Trustees undertake charity trustee training provided by an external party, and are also given a copy of the most recent Annual Report.

Organisation

The Board of Trustees, which administers the Society has met at least quarterly in 2022. The chair is appointed on a four year term, as per the Articles of Association. The Board appoints a Chief Executive to manage the day to day operations of the Society. To facilitate effective operations, the Chief Executive has delegated authority within the terms of delegation approved by the Trustees, for operational matters including finance and employment. The Chief Executive is Shona McCarthy, who was appointed on 14 March 2016.

The following sub-committees are in place: Finance, Audit and Risk Committee, Fundraising Working Group, Commercial Development Group, Fair Employment and Volunteering Working Group, Appointments Committee and Remuneration Committee. Following a review, the board are working to develop a more flexible approach to committees to ensure the right skills and resources are in place to support the executive on changing and emerging challenges.

Related Parties and co-operation with other organisations

The Society has a close relationship with the City of Edinburgh Council, which acts as the Society's landlord under a lease agreement. The Society's wholly owned subsidiary, Festival Fringe Trading Limited, was established to promote the sale of merchandise relating to the Fringe. The subsidiary gift aids the majority of its taxable profits to the Society. This year gift aid amounted to £249,422 including £61,357 from 2021 (2021: £nil as paid after year end and including in 2022).

Key Management Personnel

The Fringe Society has a stated remuneration policy. Salaries for Senior Managers and the Chief Executive are benchmarked against industry levels (with the Chief Executive Salary benchmarked by an external agency) and agreed by the Remuneration Committee prior to annual budget setting.

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

Report of the Trustees for the year ended 30 November 2022 (continued)

18

Key Risks

The Finance, Audit and Risk Committee, on behalf of the Board of Trustees, has conducted a review of the major risks to which the Society is exposed, and systems have been established to mitigate these risks.

Risks are considered in terms of their likelihood and their consequences and the Committee consider both the mitigating factors and the assurances that may be in place (such as insurances) as well as the timescales for review and any resource requirements. Key risks are outlined below. The Society seeks to maintain a level of reserves which acts as a generic mitigant to risks to ensure smooth running in such eventualities albeit that reserves are currently significantly lower than target following the pandemic. Edinburgh Festival Fringe Society Limited is referred to as EFFS below.

Risk	Impact	Risk To	Mitigation	Assurance
Failure of strategic planning, in line with EFFS constitution and open access principle	Society objectives not being met	EFFS	SMT reporting to the board of trustees through the business planning committee - all activity considered through framework of the mission statement to ensure fit to strategic aims. Audit process also considers appropriateness of activity and fit to strategic aims.	Annual reporting and meeting cycle for Business Planning. Annual Audit. Comprehensive annual review
Failure of relationships with venues/ participants/ landlords/City of Edinburgh Council	Breakdown of communication, breakaway venues/groups, loss of income, damage to reputation, loss of cohesive Fringe, loss of audience confidence	EFFS, Fringe Constituents, public	Open and regular communication and relationship management with Venues, companies and landlords. Regular Venue Manager meetings. Regular mechanism to connect with producers. Regular mechanism to connect with artists. Ongoing engagement with CEC, University Of Edinburgh and other landlords.	Public AGM. Venue and participant representation at board
Competitor service providers (box office, app, registration, support, information, festivals in other cities)	Loss of income, loss of registrations, closure of service delivery. Audience dissatisfaction, negative publicity, damage to reputation, EFFS no longer seen as key to participation, Edinburgh no longer the focus of arts industry and not seen as the best platform for artists.	EFFS, Fringe constituents, audiences	EFFS investment in staff, services, technology, services, innovation and research. Open data protected by ring- fenced ticketing - EFFS only place to buy tickets for all shows at the Fringe, and Digital and IT strategy focuses on ensuring that remains (including investment to ensure fit for purpose and future proof). Promotion and marketing of the Fringe services to participants and audiences.	Scale of EFFS and relationships with venues etc.
Terrorist Event/activity - one off	loss of life, loss of asset and building, cancellation of event(s)	EFFS, Public, Fringe Constituents	Serious Incident Management Planning, annual training on managing terrorist activity, membership of Council EPOG, communication with Terrorist Police. EFFS to consider wider Festival Training and support	Limited - dependent on Police advice

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED
Report of the Trustees for the year ended 30 November 2022 (continued)

19

Failure of major supplier (box office, website, app, edfringeware)	loss of key service provision to EFFS, loss of income generated through channel, damage to reputation	EFFS	All code and software held in Escrow, Box office license in perpetuity, EFFS retain admin rights on all software, contract includes EFFS IP rights, due diligence on all suppliers	Professional indemnity insurances
Failure to secure sufficient funds for programme and service delivery	Loss of services, reduction of value of services, damage to reputation, emergence of competitor services	EFFS, Fringe Constituents, audiences	Core service delivery budgeted in line with realistic and prudent income projections; additional services delivered on a 'funded' basis to ensure EFFS remains a Going Concern and does not commit funds for delivery where revenue may be uncertain	Fundraising and income generation
Natural disaster/loss of key utility	Loss of buildings or other assets due to fire, flood, storm etc. injury or loss of life. Interruption/closure of service delivery	EFFS, Fringe customers, audiences	Limited - secure and long standing buildings will offer some protection. Precautions in place where possible (fire detection systems, extinguishers etc.). Serious incident management plan details specific plans based on circumstances. Communication with relevant suppliers and partners and where possible, failover and disaster recover plans in place.	Insurances

Statement as to disclosure to our auditors

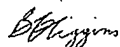
In accordance with company law, as the company's directors, the Trustees have confirmed that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the Trustees of the company they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

A resolution to re-appoint Henderson Loggie LLP as auditors will be put to the AGM.

By Order of the Board



Benny Higgins (Chair)

Date 2023-07-26

Opinion

We have audited the financial statements of Edinburgh Festival Fringe Society Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 30 November 2022 which comprise the Consolidated and Parent Charitable Company Statements of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated and Parent Charitable Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 30 November 2022 and of the group's and parent charitable company's incoming resources and application of resources, including the group's and 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 requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' (who are also the directors of the charitable company for the purpose of company law) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 35, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

As part of our planning process:

- We enquired of management the systems and controls the group and parent charitable company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. Management informed us that there were no instances of known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the group and parent charitable company. We determined that the following were most relevant: Health and safety legislation, employment law, and compliance with the UK Companies Act, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts Regulations 2006
- We considered the incentives and opportunities that exist in the group and parent charitable company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and
- Using our knowledge of the group and parent charitable company, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

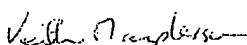
- Inquiry of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of relevant board and other trustee or management meetings;
- Review of correspondence with the regulator, where applicable;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Owing to the inherent limitations of an audit, there is unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

.....

Keith Macpherson (Senior Statutory Auditor) For and on behalf of Henderson Loggie LLP

Chartered Accountants and Statutory Auditor

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

GROUND FLOOR, 11-15 THISTLE ST EDINBURGH
EH2 1DF

Date 2023-07-26

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including consolidated income and expenditure account)
for the year ended 30 November 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	331,975	-	331,975	214,048
<i>Charitable activities</i>					
Operation of festival activities	4	3,628,234	1,980,051	5,608,285	2,267,333
Other trading activities	5	945,650	-	945,650	229,200
Investments	6	18,591	-	18,591	20,266
Total	21	4,924,450	1,980,051	6,904,501	2,730,847
EXPENDITURE ON:					
<i>Raising funds</i>					
Fundraising costs of grants and donations	7	8,396	-	8,396	2,078
Sponsorship and trading costs	7	461,560	-	461,560	143,097
		469,956	-	469,956	145,175
<i>Charitable activities</i>					
Operation of festival activities	8	3,985,619	2,431,654	6,417,273	2,532,619
Total		4,455,575	2,431,654	6,887,229	2,677,794
Net income/(expenditure)		468,875	(451,603)	17,272	53,053
Transfers between funds		(1,872)	1,872	-	-
Other recognised gains/(losses):					
	14/21				
Gains on revaluation of fixed assets	/22	-	-	-	20,000
Net movement in funds	21/22	467,003	(449,731)	17,272	73,053
Reconciliation of funds					
Total funds brought forward		298,428	550,495	848,923	775,870
Total funds carried forward	21/23	765,431	100,764	866,195	848,923

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended were derived from continuing activities.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
for the year ended 30 November 2022

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	331,975	-	331,975	214,048
<i>Charitable activities</i>					
Operation of festival activities	4	3,628,234	1,980,051	5,608,285	2,267,333
Other trading activities	5	269,863	-	269,863	24,795
Investments	6	268,013	-	268,013	20,266
Total		4,498,085	1,980,051	6,478,136	2,526,442
EXPENDITURE ON:					
<i>Raising funds</i>					
Fundraising costs of grants and donations	7	8,396	-	8,396	2,078
Sponsorship and trading costs	7	-	-	-	49
		8,396	-	8,396	2,127
<i>Charitable activities</i>					
Operation of festival activities	8	3,985,619	2,431,654	6,417,273	2,532,619
Total		3,994,015	2,431,654	6,425,669	2,534,746
Net income/(expenditure)		504,070	(451,603)	52,467	(8,304)
Transfers between funds		(1,872)	1,872	-	-
Other recognised gains/(losses):					
Gains on revaluation of fixed assets	14	-	-	-	20,000
Net movement in funds		502,198	(449,731)	52,467	11,696
Reconciliation of funds					
Total funds brought forward		219,636	550,495	770,131	758,435
Total funds carried forward		721,834	100,764	822,598	770,131

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended were derived from continuing activities.

CONSOLIDATED AND CHARITY BALANCE SHEET
as at 30 November 2022

	Note	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed Assets					
Tangible Assets	14	549,602	660,386	549,602	660,386
Investment Property	14	455,000	455,000	455,000	455,000
Investments	15	-	-	100	100
Total Fixed Assets		1,004,602	1,115,386	1,004,702	1,115,486
Current Assets					
Stock	16	14,116	14,886	-	-
Debtors	17	731,464	399,736	989,048	335,352
Cash at Bank and in Hand		1,296,137	950,977	1,004,509	949,759
Total Current Assets		2,041,717	1,365,599	1,993,557	1,285,111
Current Liabilities					
Creditors falling due within one year	18	(1,180,124)	(591,466)	(1,175,661)	(589,870)
Net Current Assets		861,593	774,133	817,896	695,241
Total Assets less Current Liabilities		1,866,195	1,889,519	1,822,598	1,810,727
Creditors falling due after more than one year	20	(1,000,000)	(1,040,596)	(1,000,000)	(1,040,596)
Net Assets		866,195	848,923	822,598	770,131
The Funds of the Charity:					
Restricted Funds	21/22	100,764	550,495	100,764	550,495
Unrestricted Funds:					
General	21/22	388,431	(78,572)	344,834	(157,364)
Revaluation Reserve	21/22	377,000	377,000	377,000	377,000
Total Charity Funds	23/24	866,195	848,923	822,598	770,131

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 notes on pages 27 to 39 form part of these accounts.

These financial statements were approved and authorised for issue by the Trustees on 2023-07-26 and are signed on their behalf by:

Fiona Davis
Fiona Davis - 2023-07-26, 22:29:33 UTC
Fiona Davis
Trustee

Company No: SC046605

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ending 30 November 2022

		Group 2022	Group 2021	Charity 2022	Charity 2021
	Note	£	£	£	£
Net cash provided by (used in) operating activities					
	25	410,719	(198,457)	(129,113)	(199,061)
Cash flows from investing activities					
Interest and rental income		18,591	20,266	18,591	(20,266)
Income from distributions from trading subsidiary		0	0	249,422	0
Purchase of tangible fixed assets		(7,429)	(2,980)	(7,429)	(2,980)
Cash provided by (used in) investing activities		11,162	17,286	260,584	17,286
Cash flows from financing activities					
Interest paid		(5,084)	(10,343)	(5,084)	(10,343)
Borrowing/(Repayment of borrowing)		(71,637)	(33,209)	(71,637)	(33,209)
Cash used in financial activities		(76,721)	(43,552)	(76,721)	(43,552)
Increase (decrease) in cash and cash equivalents in the year		345,160	224,723	54,750	(225,327)
Cash and cash equivalents at the beginning of the year		950,977	1,175,700	949,759	1,175,086
Total cash and cash equivalents at the end of the year		1,296,137	950,977	1,004,509	949,759

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

1 Accounting Policies**Legal status of the Company**

Edinburgh Festival Fringe Society Limited is a company limited by guarantee registered in Scotland and has no share capital. The liability of each member in the event of winding up is limited to £1.

The registered address of the company is 180 High Street, Edinburgh, EH1 1QS

The principal activities and nature of the charity's operating are detailed in the objectives and activities section of the Trustees report on page 1.

a) Basis of accounting

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) (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Society 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).

These financial statements are presented in £ Sterling.

b) Judgements in applying accounting policies and key sources of estimation uncertainty

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

In preparing these financial statements, the directors have made the following judgements:

- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.
- Determine whether leases entered into by the group as a lessor are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

The following are the Groups key sources of estimation uncertainty:

- The value of the investment properties are valued by Chartered Surveyors using market information of similar properties but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

NOTES ON THE FINANCIAL STATEMENTS

30 November 2022

c) Going Concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual and long-term budget, forecast future cash flows and the impact of subsequent events in making their assessment. The impact of the pandemic on the long-term recovery (of both the Fringe and the Fringe Society) has informed forecasting and revenue plans to ensure these are reasonable and achievable, including reduced dependency on festival revenue to cover the cost of service.

In making these assessments the key scenarios and assumptions include: careful and considered management of spend and growth, diversification of unrestricted income streams, and the focus on growing audiences across the festival in the context of a changing sector.

In the event that income growth plans do not materialise, the Society has mitigants it can put in place which include cost reduction and/or additional borrowing facilities which are in place if needed.

The Trustees have concluded that these circumstances give rise to some uncertainty. However, given the result of these assessments, including the measures that could be undertaken to mitigate the current adverse impacts and the current resources available, the Trustees are of the opinion that they can continue to adopt the going concern basis in preparing the annual report and accounts.

The financial statements do not include any adjustment that may arise in the event that the charitable company is unable to realise its assets and discharge its liabilities in the normal course of business.

d) Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary Festival Fringe Trading Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure account are presented for the charity itself as required by the Charities Accounts (Scotland) Regulations 2006 (as amended).

e) Operating Leases

The Society classifies the lease of photocopiers as operating leases. Annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

f) Stock

Stock is included at the lower of cost or net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal. Provision is made for obsolete and slow moving items.

g) Income

Donations and legacies including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods;
or
- the donor has imposed conditions which must be met and are outwith the charity's control before the charity has unconditional entitlement.

Income from other trading activities is recognised as it is earned.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific conditions and is recognised as earned. Grant funding included in this category provides funding to support activities and is recognised where there is entitlement, probability of receipt, and the amount can be measured with sufficient reliability.

h) Expenditure

Expenditure is recognised when a liability arises.

Expenditure on raising funds are those costs incurred in attracting donations and legacies, and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the festival activities and includes both the direct costs and support costs of these activities. Governance costs are external audit fees, accounting and taxation fees including the costs of the portfolio accountant, Trustees' expenses, AGM expenses, stakeholder engagement, certain conference and event costs and a proportion of legal expenses.

Support costs include central functions and have been allocated to activity cost categories on the same basis as staffing costs. Staffing costs are allocated based on the underlying activities of the roles involved and where appropriate on a proportional basis.

i) Pensions

Pension contributions are made to an approved defined contribution pension scheme. These are charged to the Statement of Financial Activities in the year in which they are incurred.

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

j) Tangible fixed assets

Tangible fixed assets are held at cost and depreciated on a straight line basis over their estimated useful life as follows:

Investment Property	No charge
Freehold/leasehold property	4%
Computer/box office equipment	20%
Fixtures and fittings	20% & 25%

No capitalisation limit is in place, assets will be capitalised at cost and depreciated based on estimated useful life of the asset.

k) Investment properties

Investment properties are held at fair value and revalued at each reporting date through the Statement of Financial Activities.

l) Reserves

The summarised movements of funds analysed by category are shown on the Statement of Financial Activities.

Restricted Funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are set against the specific fund. The aim and use of restricted funds is set out in note 22 of the financial statements.

Unrestricted Funds

Unrestricted funds are general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity which have not been designated for any other purpose.

Designated Funds

Designated funds are general funds which have been identified for use in particular future projects by the Trustees but are still available for use at the discretion of the Trustees, where transfers are made from the unrestricted to the designated fund. The aim and use of designated funds is set out in note 22 of the financial statements.

m) Financial Instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments. Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

n) Financial Assets

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Financial Liabilities

Trade and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled. Where the arrangement with a trade or other creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument. Where concessionary loans received the charity has decided to not discount these inline with PBE34.87 of FRS102.

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

2 Related party transactions

The company owns 100 ordinary £1 shares in Festival Fringe Trading Limited (Trading Company). Transactions between the two parties in the year were as follows:

- The Society charged management fees of £26,713 (2021: £26,713) to the Trading Company.
- The Trading Company made Gift Aid payments of £249,422 (2021: £nil) to the Society. The payment of gift aid for 2021 profits was made in 2022.
- At the balance sheet date, there was a balance of £571,447 due from the Trading Company to the Society. (2021: £114,306 due to the Society).

3 Donations and Legacies - Group and Charity

	2022	2021
	£	£
Company Membership	2,070	1,650
Donations	254,905	137,398
Grants - City of Edinburgh Council	75,000	75,000
Unrestricted	<u>331,975</u>	<u>214,048</u>

4 Incoming resources from charitable activities - Group and Charity

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Box Office Commission and Handling Fees	1,511,800	-	1,511,800	324,775	-	324,775
Fringe Registration Fees	766,201	-	766,201	142,528	-	142,528
Advertising Income	351,283	-	351,283	22,736	-	22,736
Friends Registrations	152,116	-	152,116	99,774	-	99,774
Other Fringe Related Income	90,756	-	90,756	19,471	-	19,471
Grant Income	292,560	705,051	997,611	379,665	1,278,384	1,658,049
Sub Total	<u>3,164,716</u>	<u>705,051</u>	<u>3,869,767</u>	<u>988,949</u>	<u>1,278,384</u>	<u>2,267,333</u>
PLoCE Venue Fund	-	1,275,000	1,275,000	-	-	-
Handling Fee Rebate	463,518	-	463,518	-	-	-
Sub total	<u>463,518</u>	<u>1,275,000</u>	<u>1,738,518</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>3,628,234</u>	<u>1,980,051</u>	<u>5,608,285</u>	<u>988,949</u>	<u>1,278,384</u>	<u>2,267,333</u>

Handling Fee income of £463,518 was given back to participating organisations as part of the Handling Fee Rebate Scheme.

5 Income from other trading activities

	Group Unrestricted 2022 £	Group Unrestricted 2021 £	Charity Unrestricted 2022 £	Charity Unrestricted 2021 £
Sponsorship Income	622,709	183,422	17,000	(1,918)
Trading income (Retail Shop and Non Fringe Box Office)	322,941	45,778	226,150	-
Management Charge	-	-	26,713	26,713
Total	<u>945,650</u>	<u>229,200</u>	<u>269,863</u>	<u>24,795</u>

6 Investment income

	Group Unrestricted 2022 £	Group Unrestricted 2021 £	Charity Unrestricted 2022 £	Charity Unrestricted 2021 £
Rental Income	15,164	20,112	15,164	20,112
Bank Interest	3,427	154	3,427	154
Gift aid from Subsidiary	-	-	249,422	-
Total	<u>18,591</u>	<u>20,266</u>	<u>268,013</u>	<u>20,266</u>

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

7 Allocation of support and governance

The Society allocates its support costs as shown in the table below.

	Costs of Festival Operations Unrestricted	Expenditure on Raising Funds	Sponsorship and Trading Costs	2022 Total	2021 Total
	£	£	£	£	£
General administration	57,177	-	-	57,177	29,342
Premises	137,553	-	-	137,553	61,983
Society IT and communications	152,909	-	-	152,909	71,910
Training, recruitment and travel	41,934	-	-	41,934	30,433
Depreciation/gain/loss on sale	118,213	-	-	118,213	120,669
Other expenses	371	8,396	-	8,767	2,989
Non governance legal expenses	31,210	-	-	31,210	7,365
Governance costs	95,482	-	-	95,482	42,394
Total Charity	634,849	8,396	0	643,245	367,085
Subsidiary trading costs	-	-	461,560	461,560	140,023
Subsidiary external audit	-	-	-	-	3,025
Subsidiary taxation charge	-	-	-	-	-
Total Group	634,849	8,396	461,560	1,104,805	510,133

All support costs are allocated 100% to Festival Operations except certain costs which are allocated directly. This percentage is based on staff usage. Legal and professional is allocated specifically if appropriate and otherwise under the same policy.

All costs of raising funds are unrestricted in 2022 (2021 - all unrestricted).

Governance costs includes external audit fees for the society, non-audit accountancy and taxation fees and the costs of the portfolio accountant, Trustees' and AGM expenses and costs for stakeholder engagement, certain conference and event costs and a proportion of legal expenses.

8 Analysis of charitable expenditure

	Unrestricted Festival Operations 2022	Restricted Festival Operations 2022	Total 2022	Total 2021
	£	£	£	£
Support and gov costs (note 7)	634,849	-	634,849	364,958
Staff costs	1,115,513	326,498	1,442,011	1,145,951
Publication costs	251,947	-	251,947	-
Marketing costs	221,694	-	221,694	133,563
Projects and events	8,718	771,280	779,998	484,102
Box Office Costs	1,135,394	58,876	1,194,270	427,116
Digital and Online	153,986	-	153,986	82,448
Sub Total Charitable Expenditure	3,522,101	1,156,654	4,678,755	2,532,619
PLaCE Venue Fund	-	1,275,000	1,275,000	-
Handling Fee Rebate	463,518	-	463,518	-
Sub Total External Expenditure	463,518	1,275,000	1,738,518	-
Total	3,985,619	2,431,654	6,417,273	2,532,619

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

8 Analysis of charitable expenditure (continued)**Grants**

During the year as part of the PLACE [Platforms for Creative Excellence] programme grants were made to institutions in the arts sector as follows (this fund is explained in note 21):

	2022
	£
Underbelly Ltd	138,758
The Space UK	130,000
Pleasance Theatre Trust	156,900
Gilded Balloon	148,669
Just the Tonic	148,000
Greenside Venues	133,779
ZOO Venues	75,000
Monkey Barrel Comedy	75,000
Assembly Festival Ltd	125,000
Summerhall Management Ltd	82,510
Other	61,384
	<u>1,275,000</u>

Total charitable expenditure was £6,417,273 (2021 - £2,532,619) of which £3,985,619 was unrestricted (2021 - £1,732,602) and £2,431,654 was restricted (2021 - £800,017).

9 Analysis of staff costs (including key management personnel)

	2022	2021
	£	£
Wages and salaries	1,430,512	1,010,701
Social security costs	133,858	93,559
Other pension costs	53,897	41,691
	<u>1,618,267</u>	<u>1,145,951</u>

The key management personnel of the parent charity and of the group, comprise the trustees, the Chief Executive Officer and the Senior Management Team. The total employee benefits of the key management personnel of the charity and the group were £372,036 (2021: £341,748).

No remuneration was paid to the directors for their services as Trustees to the Society. 18 trustees received aggregate expenses of £4,414 (2021: £2,979) during the year.

One employee was paid between £70,000 - £80,000 (2021: nil) during the year and one employee was paid between £120,000 - £130,000 (2021: nil) during the year.

Grant income from the job retention scheme was received of £nil (2021 -£108,753). This is shown within income but was used against staff costs.

10 Staff numbers (Group and Charity)

The average head count (no of staff) during the year was as follows:

	2022	2021
	No.	No.
Administration	12	11
Marketing, press and publications	8	9
Digital and IT	2	2
Box Office	14	0
Access	3	3
Participant services	14	8
	<u>53</u>	<u>33</u>

Note that above increase in total headcount relates mostly to box office activities which are staffed internally this year and were previously subcontracted.

The permanent team averaged at 29 staff (2021 - 30). The above numbers include the seasonal temporary staff also.

NOTES ON THE FINANCIAL STATEMENTS

30 November 2022

11 Net Incoming resources

	2022	2021
	£	£
This is stated after charging:		
Operating leases	5,040	5,658
Depreciation	118,213	120,669
Auditors remuneration-Audit (Group)	11,840	11,465
Auditor fee for non-audit services (Group)	800	800
Loan interest	5,084	10,343

12 Lease Commitments

At 30 November 2020, the company had total commitments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Expiring in less than one year	5,040	5,658
Expiring between one and five years	8,820	13,860

Operating lease costs in the year were £5,040 (2020 £5,658).

13 Taxation

	2021	2021
	£	£
Taxation payable	-	-

The trading subsidiary annually gift aids the majority of its surplus to the Society, 2022 : £249,422 (2021 : £nil).

14 Tangible fixed assets - group and charity

	Investment property	Freehold/ Leasehold Property	Computer Equipment	Fixtures & fittings	Total
	£	£	£	£	£
Cost/Valuation					
As at 1.12.21	455,000	1,177,557	177,107	357,287	2,166,951
Additions	-	-	4,800	2,629	7,429
As at 30.11.22	455,000	1,177,557	181,907	359,916	2,174,380
Depreciation					
As at 1.12.21	-	631,507	147,863	272,195	1,051,565
Charge for year	-	46,995	13,974	57,244	118,213
As at 30.11.22	-	678,502	161,837	329,439	1,169,778
Net book value					
As at 30.11.22	455,000	499,055	20,070	30,477	1,004,602
As at 1.12.21	455,000	546,050	29,244	85,092	1,115,386

The company's flats are treated as investment properties and have therefore not been depreciated in accordance with FRS102. The properties are stated at Fair Value and revalued periodically. The flats were valued with vacant possession at £455,000 on 19 January 2022 by DM Hall Chartered Surveyors LLP. The Trustees are satisfied that this reflects the value as at 30 November 2022. Full title to the leasehold property will pass to the Society on the repayment of the loan from the City of Edinburgh Council (note 21).

The original cost of the investment properties was £78,000.

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

15 Fixed asset investments

Cost and net book amount	Charity £
At 1 December 2021 and 30 November 2022	<u>100</u>

The Society holds a 100% investment in the £1 ordinary share capital of Festival Fringe Trading Limited, a company limited by shares and registered in Scotland (SC130813).

Financial activities of the trading subsidiary

The financial results shown in the consolidated statement of financial activities include those of the charity's wholly

	2022 £	2021 £
Turnover	928,650	231,118
Cost of sales and administrative expenses	(714,423)	(169,761)
Interest receivable	0	0
Net profit	<u>214,227</u>	<u>61,357</u>
Taxation charge	0	0
Distributions paid to the charity	(249,422)	0
Accumulated Profit	<u>(35,195)</u>	<u>61,357</u>
The assets and liabilities of the subsidiary were:		
Current assets	619,611	194,795
Current liabilities	(575,911)	(115,900)
	<u>43,700</u>	<u>78,895</u>
Represented by:		
Share capital	100	100
Retained profits	43,600	78,795
	<u>43,700</u>	<u>78,895</u>

Incoming resources from commercial trading activities and commercial trading operations included in the Consolidated Statement of Financial Activities represent the incoming and outgoing funds from the wholly owned trading subsidiary, the Trading Company, which is incorporated in the United Kingdom and which pays a significant proportion of its taxable profits to the charity by way of gift aid, 2022: £249,422 (2021: £nil but gift aid of all available profits (£61,357) was paid after the year end). There is a £26,713 (2020: £26,713) Management Charge from the Society to the Trading Company. The charity owns the entire share capital of 100 ordinary shares of £1 each.

16 Stock

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Stocks	<u>14,116</u>	<u>14,886</u>	<u>-</u>	<u>-</u>

17 Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due within one year				
Trade debtors	322,202	215,412	27,047	36,722
Amounts owed by group undertakings	-	-	571,448	114,306
VAT debtor	87,159	34,689	87,159	34,689
Other debtors	169,242	-	169,242	-
Prepayments and accrued income	152,861	149,635	134,152	149,635
Total debtors	<u>731,464</u>	<u>399,736</u>	<u>989,048</u>	<u>335,352</u>

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

18 Creditors: amounts falling due within one year

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
Trade Creditors	245,579	111,103	245,297	110,938
Tax and social security costs	28,967	24,316	28,967	24,316
Loans (note 21)	79,205	110,246	79,205	110,246
Accruals and deferred income	826,373	345,801	822,192	344,370
	<u>1,180,124</u>	<u>591,466</u>	<u>1,175,661</u>	<u>589,870</u>

Included within accruals and deferred income is an amount of £180,703 (2021: £140,973) relating to cash held by the society on behalf of a 3rd party for box office funds received for various events.

19 Deferred income

Included within accruals and deferred income is deferred income which relates to income received by the charity, but for which the conditions are not met.

Movement in deferred income account

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
Balance as start of year	253,183	253,183	253,183	253,183
Amounts added in current year	423,480	112,500	423,480	112,500
Amounts released to income from	(253,183)	(253,183)	(253,183)	(253,183)
Balance at end of year	<u>423,480</u>	<u>112,500</u>	<u>423,480</u>	<u>112,500</u>

20 Creditors: amounts falling due after more than one year

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
Loans	<u>1,000,000</u>	<u>1,040,596</u>	<u>1,000,000</u>	<u>1,040,596</u>

The City of Edinburgh Council has provided a loan to finance the purchase of the investment property. Full title to this property will pass to the Society on repayment of the loan. Interest is payable at 5.15% per annum, the loan is repayable over 20 years, and £79,205 was outstanding at 30 November 2022.

The Scottish Government provided a loan to the organisation to secure the future of the Fringe Society after the withdrawal of the physical Fringe in 2020. The loan is interest free and over a term of 10 years with repayments starting from November 2026 and being paid over the 5 year period to 30 November 2030.

	Group 2022	Group 2021
	£	£
Amounts payable within 1 year	<u>79,205</u>	<u>110,246</u>
Amounts payable between 2 and 5 years	400,000	740,596
Amounts payable after more than 5 years	600,000	300,000
Total falling due after more than one year	<u>1,000,000</u>	<u>1,040,596</u>
Total loan	<u>1,079,205</u>	<u>1,150,842</u>

The Royal Bank of Scotland holds a floating charge over the assets of the Society.

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

21 Analysis of charitable funds - Group and charity**Analysis of restricted fund movement group and charity**

	Fund at 1.12.21	Incoming resources	Resources expended	Transfers	Fund at 30.11.22
	£	£	£	£	£
Made in Scotland Grant	-	119,520	(119,520)	-	-
PLACE funding	-	1,691,739	(1,691,739)	-	-
British Council	65,000	-	(65,000)	-	-
Digital Capabilities and Expo Accelerator	317,150	63,850	(381,000)	-	-
Creative Scotland - Scotland Screen	-	17,900	(17,900)	-	-
Fringe Schools project	15,000	19,337	(34,337)	-	-
Save the Fringe	85,594	15,170	-	-	100,764
Covid resilience funding	28,123	-	(28,123)	-	-
Artist and Venue Recovery	39,628	-	(41,500)	1,872	-
Digital Boost	-	16,385	(16,385)	-	-
Agency Box Office Digital Project	-	36,150	(36,150)	-	-
Total restricted funds	550,495	1,980,051	(2,431,654)	1,872	100,764

The following restricted income was received in the financial year:-

- The Made In Scotland Grant relates to grant funding from the Scottish Government Edinburgh Festivals Expo Fund project. The project, managed through Creative Scotland, allows the Fringe to support and promote Scottish companies in their aim to perform internationally, with production funds for showcasing managed directly by Creative Scotland.

- The PLACE [Platforms for Creative Excellence] programme is funded by the Scottish Government - through Creative Scotland - the City of Edinburgh Council, and Festivals Edinburgh. Funding supports the development of Scottish talent, engagement with schools and community in Edinburgh and developing new initiatives to support the Fringe's long term future. Additional PLACE funds were secured in 2022 to support Fringe venues (£1.275Mn), Fringe Street Events and Fringe Society core costs. Venue funds were distributed as part of a competitive process, in collaboration with the funders and stakeholders.

- The British Council funding was given for research and development work into a Digital Fringe Showcase and the £65000 carried forward was for the pilot of a digital showcase and ongoing development in 2022.

- Screen Scotland funding supported the development of a focussed programme to engage screen industry to the Fringe marketplace, aligned to existing Arts Industry services, with screen specific expertise and focus.

- Digital capability funds supported the development and delivery of online resources and services, including Fringe Marketplace, Fringe Connect and the Digital Fringe Showcase. Funds were also to support pilot digital engagement programmes for the Edinburgh Jazz and Blues Festival and the Edinburgh International Children's Festival.

- The Fringe Schools project - funds were given to continue to develop our relations with schools and support our Fringe in Schools programme.

- Save the Fringe funds were donated to EFFS as a result of the launch of a fundraising campaign. These funds are for the wider Fringe ecosystem and do not form part of the Fringe Society's annual budget or spend. In 2022 the Fringe Society will finalise the process for spending these funds on activities and programmes that benefit the Fringe, in line with the Fringe Development Goals.

- Covid resilience funding - funding to assist the Fringe be more resilient to the impact of COVID, through the Pivotal Events Business Fund.

- The Creative Scotland Artist Fund was to support Made in Scotland artists to develop digital assets for their work during 2021 and 2022.

- The Street Events funding from City of Edinburgh Council and Event Scotland was to support the safe delivery of the Fringe Street Events in 2022.

- The Fringe Artist and Venue Recovery Fund was created through crowdfunding and contributions from corporate donors and was used to make small grants in 2021 and 2022.

- Digital Boost funding supported the development and enhancement of core Fringe Society digital tools, including search design on tickets.edfringe.com and the payout process in our registration software, edfringeware.

- Agency Box Office Digital Project supported the development of branding and digital assets for the agency box office, 180Box Office. 180Box Office pays all profits to the Fringe Society to support its charitable aims, as well as offering affordable box office services to a range of festivals and events across the UK.

A transfer from unrestricted reserves was made to top up the artist and venue fund to the amount agreed to be spent.

NOTES ON THE FINANCIAL STATEMENTS

30 November 2022

21 Analysis of charitable funds - Group and charity (continued)

Analysis of unrestricted fund movement - group

	Fund at 1.12.21 £	Incoming resources £	Resources expended £	Transfers/ Revaluation	Fund at 30.11.22 £
General fund	(78,572)	4,924,450	(4,455,575)	(1,872)	388,431
Revaluation reserve	377,000	-	-	-	377,000
	<u>298,428</u>	<u>4,924,450</u>	<u>(4,455,575)</u>	<u>(1,872)</u>	<u>765,431</u>
Total Funds	848,923	6,904,501	(6,887,229)	-	866,195

Analysis of unrestricted fund movement - charity only

	Fund at £	Incoming £	Resources £	Transfers/ £	Fund at £
General fund	(157,364)	4,498,085	(3,994,015)	(1,872)	344,834
Revaluation reserve	377,000	-	-	-	377,000
	<u>219,636</u>	<u>4,498,085</u>	<u>(3,994,015)</u>	<u>(1,872)</u>	<u>721,834</u>
Total Funds	770,131	6,478,136	(6,425,669)	-	822,598

22 Analysis of charitable funds - Group and charity - previous year (2021)

Analysis of restricted fund movement - group and charity

	Fund at 1.12.20	Incoming resources	Resources expended	Transfers	Fund at 30.11.21
Made in Scotland Grant	-	-	-	-	-
Made in Scotland Grant	-	165,000	(165,000)	-	-
PLACE funding	-	166,667	(166,667)	-	-
British Council	-	77,000	(12,000)	-	65,000
Foyle Foundation	-	40,000	(40,000)	-	-
Adapt and Thrive	-	75,000	(75,000)	-	-
Digital Capabilities and Expo	-	369,000	(51,850)	-	317,150
Creative Scotland - Artist Fund	-	57,000	(57,000)	-	-
Street Events	-	200,000	(200,000)	-	-
Fringe Schools project	-	15,000	-	-	15,000
Save the Fringe	-	85,594	-	-	85,594
Covid resilience funding	-	28,123	-	-	28,123
Artist and Venue Recovery	72,128	-	(32,500)	-	39,628
Total restricted funds	72,128	1,278,384	(800,017)	-	550,495

Analysis of unrestricted fund movement - group

	Fund at 1.12.20 £	Incoming resources £	Resources expended £	Transfers/ Revaluation	Fund at 30.11.21 £
General fund	346,742	1,452,463	(1,877,777)	-	(78,572)
Revaluation reserve	357,000	-	-	20,000	377,000
	<u>703,742</u>	<u>1,452,463</u>	<u>(1,877,777)</u>	<u>20,000</u>	<u>298,428</u>
Total Funds	775,870	2,730,847	(2,677,794)	20,000	848,923

Analysis of unrestricted fund movement - charity

	Fund at 1.12.20 £	Incoming resources £	Resources expended £	Transfers/ Revaluation	Fund at 30.11.21 £
General fund	32,307	1,248,058	(1,734,729)	-	(157,364)
Revaluation reserve	357,000	-	-	20,000	377,000
	<u>686,307</u>	<u>1,248,058</u>	<u>(1,734,729)</u>	<u>20,000</u>	<u>219,636</u>
Total Funds	758,435	2,526,442	(2,534,746)	20,000	770,131

NOTES ON THE FINANCIAL STATEMENTS
30 November 2022

23 Analysis of net assets between funds - Group

	Unrestricted 2022	Restricted 2022	Total 2022	Unrestricted 2021	Restricted 2021	Total 2021
	£	£	£	£	£	£
Tangible fixed assets	1,004,602	-	1,004,602	1,115,386	-	1,115,386
Net current assets	760,829	100,764	861,593	223,638	550,495	774,133
Long term liabilities	(1,000,000)	-	(1,000,000)	(1,040,596)	-	(1,040,596)
	<u>765,431</u>	<u>100,764</u>	<u>866,195</u>	<u>288,428</u>	<u>550,495</u>	<u>848,923</u>

24 Analysis of net assets between funds - Charity

	Unrestricted 2022	Restricted 2022	Total 2022	Unrestricted 2021	Restricted 2021	Total 2021
	£	£	£	£	£	£
Tangible fixed assets	1,004,702	-	1,004,702	1,115,486	-	1,115,486
Net current assets	717,132	100,764	817,896	144,746	550,495	695,241
Long term liabilities	(1,000,000)	-	(1,000,000)	(1,040,596)	-	(1,040,596)
	<u>721,834</u>	<u>100,764</u>	<u>822,598</u>	<u>219,636</u>	<u>550,495</u>	<u>770,131</u>

25 Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
Net movement in funds	17,272	53,053	52,467	(8,304)
Add back depreciation charge	118,213	120,669	118,213	120,669
Deduct income from distributions from	-	-	(249,422)	-
Deduct interest income and rental	(18,591)	(20,266)	(18,591)	(20,266)
Add back interest paid	5,084	10,343	5,084	10,343
Decrease (increase) in stock	770	16,541	-	-
Decrease (increase) in debtors	(331,728)	(216,871)	(653,696)	(147,418)
Increase (decrease) in creditors	619,699	(154,405)	616,832	(154,085)
Net cash provided by (used in) operating activities	<u>410,719</u>	<u>(198,457)</u>	<u>(129,113)</u>	<u>(199,061)</u>

26 Analysis of changes in net debt - group

	Fund at 1.12.20	Cashflows	As at 30 Nov 2021	Cashflows	As at 30 Nov 2022
	£	£	£	£	£
Cash in hand	1,175,700	(224,723)	950,977	345,160	1,296,137
Loans	(1,184,051)	33,209	(1,150,842)	71,637	(1,079,205)
	<u>(8,351)</u>	<u>(191,514)</u>	<u>(199,865)</u>	<u>416,797</u>	<u>216,932</u>

Analysis of changes in net debt - charity

	Fund at 1.12.20	Cashflows	As at 30 Nov 2021	Cashflows	As at 30 Nov 2022
	£	£	£	£	£
Cash in hand	1,175,086	(225,327)	949,759	54,750	1,004,509
Loans	(1,184,051)	33,209	(1,150,842)	71,637	(1,079,205)
	<u>(8,965)</u>	<u>(192,118)</u>	<u>(201,083)</u>	<u>126,387</u>	<u>(74,696)</u>