

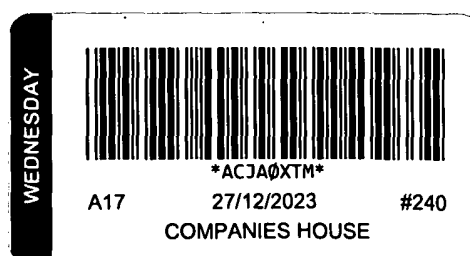
NORTH EDINBURGH ARTS
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Charity Registration No: SC027700

Company Registration No: SC184477



NORTH EDINBURGH ARTS

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NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2023 which are also prepared to meet the requirements for a trustees' report and accounts for Charity Law purposes.

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, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Chairperson's Summary

It has been another challenging year for North Edinburgh Arts. Delivering a programme from our temporary premises at West Pilton Neighbourhood Centre and raising funding for our extended NEA at Mcmillan Hub. Thanks go to West Pilton Neighbourhood Centre, and the many other community spaces who have been welcoming hosts for NEA during our time out of our venue.

Despite the many internal and external changes the NEA team have worked hard to connect and support our community and have delivered a wide range of creative and community projects leaving positive and long lasting impacts.

We have been successful in raising both revenue and capital funds in year, for our ongoing programme and to lead on our build programme, a key component of the wider MacMillan Hub which will bring much needed services to the area. Thanks to all the funders who have supported NEA over the past year. Their continued support is invaluable.

Thanks to our Director, Kate Wimpres, her team, and my fellow Board members for all their support, contributions and advice during this year.

We are all looking forward to the return to the new, extended, and community owned NEA in 2024.

Lesley, Hinds, Chair

Objectives and Activities

Purposes

The Company's Articles of Association sets out the following:-

The company has been formed to benefit principally the community of North Edinburgh which comprises the areas of Muirhouse, Pilton, Granton and Drylaw (the "Community") with the following objects:

- The advancement of education through promotion of the arts, particularly among the residents of the Community; and
- The provision of recreational facilities within the Community, in particular with a view to improving the conditions of life for the residents of the Community.

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Objectives and Activities (cont.)

Core aims and activities

Established in 1998 North Edinburgh Arts:-

- engages performing and visual artists to run projects and activities for personal and group development through, or in, the arts;
- works with city, national and international cultural organisations to make sure residents of the Forth Ward have access to their services;
- works with local partners to encourage cultural approaches to engaging young people, healthy living and well-being, and regeneration and the environment; and
- works with statutory and voluntary community planning partners to ensure regeneration plans reflect and respond to the cultural identity and life of the area and its residents.

Venue & Community Asset Transfer

North Edinburgh Arts (NEA) runs a purpose built venue, opened in 2002, in the heart of Muirhouse, serving the Forth, Almond and Inverleith Wards. Pre-covid the venue was open for 52 hours per week with the award winning building incorporates two arts studios, a 96 seat theatre, recording studio, gallery, offices and a café with children's play area leading onto a large garden, with a craft/making space beyond, primarily used by residents of the Forth, Almond and Inverleith Council Wards.

In 2021 City of Edinburgh Council agreed a Community Asset Transfer of the land the NEA building and garden sit on, previously on a lease agreement to 2031, plus a contiguous plot of just over 300m². This was made possible by the successful bid made to the Scottish Land Fund for the £150,000 purchase price with the transfer completed in August 2022.

Capital Programme

In April 2022 a partnership with the City of Edinburgh Council was formalised and site preparations started for the MacMillan Hub building. Work continued across the year to March 2023 with the build to be completed in the early Spring of 2024. The MacMillan Hub will join the refurbished and expanded NEA venue with new Council facilities.

The redesigned and rebuilt venue will be a welcome space for all, offering local residents high quality culture, arts, enterprise and meeting spaces. In addition, our venue will link, on site, to the City of Edinburgh Council's new Library, new Learning and Skills Hub, new Early Years Centre and social housing. NEA was a well-loved and well-used venue but had outgrown demand. To meet the needs of current and future generations of North Edinburgh residents the NEA capital programme will:

- Increase the footprint of the NEA venue to 2096m² by adding 380m² of studios and workspaces across four floors
- Extend the café to look into MacMillan Square, and offer enhanced community facilities
- Provide bespoke workshop space for the Community Shed project
- Reduce the carbon footprint through better insulation, lighting and environmental design & construction

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Objectives and Activities (cont.)

The innovative partnership project between NEA and the Council will provide key Council services whilst keeping NEA at the centre of a creative, connected and inspired community, with our building expanded and fit for purpose for the next generation of North Edinburgh residents.

To maintain continuity and offer much needed services to our community post-covid, NEA has run activities across 2022/2023 in pop up spaces across North Edinburgh, with the bulk of our programme taking place at West Pilton Neighbourhood Centre, the Old Co-op Building on Pennywell Road and, from January 2023, in Drylaw Neighbourhood Centre. Many thanks to all local organisations and partners who have assisted us in doing so.

Governance & Membership

In 2021 the organisation updated their Articles of Association aligning them with current good practice as set out by the Office of Scottish Charity Regulator. The Director and Board also took this opportunity to work with Burness Paull to ensure the Articles of Association were fit for the purposes of completing the Community Asset Transfer from the City of Edinburgh Council.

The updated Articles specified the geographic membership area as the community of North Edinburgh which comprises the areas of Muirhouse, Pilton, Granton and Drylaw. Membership includes three membership types: (i) Ordinary Members, who have the right to attend the annual general meeting and any other general meeting and have important powers under the articles of association and the Act; in particular, the Ordinary Members elect people to serve as directors and take decisions in relation to changes to the articles themselves, (ii) the Associate Members and (iii) the Junior Members. Ordinary Members are over 16 and reside in the geographic membership areas noted. Membership opened in February 2022 and stands at 116 at time of writing.

To assist with the Membership process the North Edinburgh Arts team and Board have developed a bespoke cloud based customer management system, Donorfy Customer Management System. This system will be further developed over the coming year to streamline all matters relating to membership, to complement other digital systems in place for ticketing and room hires.

Engagement & Partnerships

Across the year to March 2023 we engaged with local and city partners via the following:

- lively social media presence and monthly newsletters, sharing stories of creativity across our community
- Active creative programme in pop up venues for all ages, including arts, crafts, dance, play, performances, exhibitions, writing, horticulture, woodwork, recycling, and upcycling
- An asset based community development programme, led by the NEA Link Up team, focussing on peer support and food security
- Development of public art programmes in and around the new build neighbourhood
- Build site visits for key stakeholders to include participants and community members. From June 2023 we have also been operating an activity cabin and drop-in space in MacMillan Square

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

The organisation decanted to a number of pop up venues at the start of 2022, to allow the capital programme to proceed whilst allowing for our creative and community programme to continue. The key achievements for the period April 2021 to March 2022 are as follows:

Create Community Wealth programme with WHALE Arts is a 30 month project supporting residents in North Edinburgh and Wester Hailes who would like to develop new or existing business ideas. The projects aim is to break down the barriers associated with starting a business. Create Community Wealth provides tailored support and creates opportunities for people to develop unique products and services in their local communities. Create Community Wealth is a Culture Collective project funded by Creative Scotland and delivered in partnership with SCOREScotland and Passion4Fusion.

Darren McGarvey & The Ragged Trousered Philanthropist

North Edinburgh Arts staged a sell out performances of Darren McGarvey's new show, and Townsend Production's The Ragged Trousered Philanthropist at our temporary home at West Pilton Neighbourhood Centre, maintaining our reputation for staging relevant, accessible and enjoyable productions.

North Edinburgh Community Festival

North Edinburgh Arts took an active role in the inaugural North Edinburgh Community Festival, sitting on the steering group and co-ordinating a programme of creative, green and play based opportunities for all ages. The Festival was a free, family friendly and community-led event that took place for the first time in West Pilton Park & Neighbourhood Centre on Saturday 7 May 2022. Over 6,000 people enjoyed the music, stalls, activities and food across the day. Plans were put in place for the 2023 Festival, which build on the first year's success and attracted over 10,000 people.

Urban Union Residencies

Building on work delivered via the Urban Union Art Strategy programme to date two Artist residencies will run from December 2022 to November 2023. The Artists, appointed via an open call, will work with local residents across 12 months to develop public artworks to be incorporated into the fabric of the area. The artworks will respond to the social heritage of the area, and encourage active travel between the sites. Six permanent artworks will be applied to the surface of new walls, gables, pavements and roads around the Pennywell Living area, contiguous to the NEA venue, to act as meeting points, way finders, conversation starters, points of connection, and pride. Contributing to the development of socially engaged approaches to the arts in regeneration settings this project, and the resulting artworks, will add to a sense of ownership for those who live and work in the area, in a similar way to the Butterfly Garden created by Artist Natalie Taylor as art of the Art Strategy in 2018, located on Pennywell Road.

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance (cont.)

Regular Programme & Support for Other Activity

Ukraine

The NEA catering team were deployed at the City of Edinburgh Council Ukrainian Welcome Hub at Gogarburn House from April 2022 to May 2023. The Hub was established by the City of Edinburgh Council and was the first port of call for refugees from the Ukrainian conflict. The NEA catering team provided 100s of hot meals for those going through the Hub, offering a warm and welcome meal for people in crisis.

Teapot Trust

NEA developed our partnership with the Teapot Trust throughout 2022/23 with support from the KPe4 Foundation. The Teapot Trust were aware that there are often undiagnosed and unmet needs in areas of social deprivation. This has resulted in the forming of a successful partnership, supporting previously unreached children and young people living with chronic and hidden conditions through bespoke art therapy. We have continued this partnership into 2024.

Drylaw Neighbourhood Centre

This local community centre had been on the edge of closure at the start of 2022 with a dwindling programme and staff changes. NEA has been able to support the Drylaw Neighbourhood Board's transition to a new operating model by:

- detailing front of house team members to assist with keeping the building open, maintained, and ready for groups to use
- locating the Community Shed to a vacant garage
- working with the DNC Board and team to set their strategic direction

In return DNC have allowed the NEA catering team to use their kitchen to support our Community Meal provision and other catering requirements. The organisation is now in a more stable position and discussions are taking place with regards to maintaining a Community Shed at Drylaw Neighbourhood Centre as a satellite of the main programme within the re-opened NEA building.

The Link Up Programme increases opportunities for people in the community to get together, get to know different people, participate, volunteer and support one another. The Link Up team supports people to create new groups and activities they want to get involved with. This is one of eight Link Up projects across different parts of Scotland, and has been active in Muirhouse since 2012. Link Up took the lead on NEA's Covid response and has supported local people to develop and take part in activities such as archery, the Pennywell Pantry, music groups, community meals, a photography group, and bingo alongside offering individual support to those facing addiction or in recovery.

Art for Grown Ups led by Artist Alice Betts, is a long-term project for Muirhouse and the surrounding areas, offering adults an opportunity to learn and develop creative skills together, while creating art for exhibition and public spaces. Art for Grown Ups is supported by Creative Scotland. Sessions involve a wide range of experimental and playful activities, creating both small, and large-scale artwork. Support with personal projects and creative goals can also be provided.

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance (cont.)

North Edinburgh Support Services involves four third sector organisations, and was established to demonstrate their commitment to collaboration and innovation in the delivery of services which tackle the long-term negative impacts of poverty. The Consortium's geographical reach ("North Edinburgh") extends across the communities of Muirhouse, Granton, Pilton and Drylaw. The delivery organisations consist of Fresh Start, North Edinburgh Arts, Move On, Spartans Community Football Academy. During 2021/22 the partners signed a Memorandum of Understanding and raised funds for a three year collaborative programme, November 2022 to October 2025 delivering the following:

- Creation of a cross organisational team of 4 Development Support Workers (DSW).
- Development and roll out of 1:1 assessment and person-centred planning protocols.
- Provision of intensive 1:1 support by DSWs, mentors, befrienders.
- Supported access to other existing services in the consortium and other partners.
- Supporting service users to engage in supported and open-ended volunteering.
- Facilitating service user involvement and participation at all levels of the service.
- Developing and sharing learning through the community research project.

Edinburgh's Festivals building on previous year's programme NEA worked with Imagine, Edinburgh International Science Festival, Edinburgh Fringe and the Edinburgh International Book Festival to enhance access to their post covid programmes, and in the case of Imagine and the Science Festival host site specific artworks. As part of the 2021 Edinburgh International Children's Festival's Family Encounters, Project X brought an interactive installation for children and their families to the NEA Garden. *Lovey and Boy* was a tale of Carnival and a celebration of Caribbean heritage and identity. As part of the Edinburgh Science Festival Women in STEM citywide art trail, local artist Shona Hardie created a mural, of Natalie Duffield on the side of the NEA building. Natalie left school at 13, and went on to become an IT CEO, whose company brought free city-wide wifi to Edinburgh, and has gone on to train other women in her field.

North Edinburgh Film Festival

In January 2023 NEA worked with Screen Education Edinburgh (SEE), North Edinburgh Community Festival and West Pilton Neighbourhood Centre (WPNC) to present the first North Edinburgh Film Festival. This exciting community project was a collaborative celebration of the vibrancy and rich history of North Edinburgh on screen. The festival showcased the area's incredible creative talents, developed through local community programmes: A selection of documentary films produced through SEE's In the Frame project; Recent artists' moving image produced by NEA's Art for Grown Ups Group and Pilton Video Archive Hour; a selection of films and excerpts from North Edinburgh's incredible film making heritage. The Festival was selected as a finalist in the prestigious Creative Edinburgh Awards 2023.

NEA Green Projects

North Edinburgh Arts' successful Garden and Community Shed projects have flourished over the last decade, and following the support of The National Lottery Fund for Communities for the period February 2022 to January 2024 have provided continuity for our community through our capital redevelopment, as well as involving them in deciding what our new garden will look like and readying them for the next exciting phase of the projects. The Shed and the Garden are linked projects that work collaboratively and focus on providing the community with opportunities that improve their

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance (cont.)

health and well-being whilst contributing to the enrichment of their neighbourhood, building local resilience to big issues and sharing and supporting them with actions that combat climate change. Additionally our Green Projects were key contributors to the Dandelion Harvest Festival on the 10th September 2022 held by our neighbouring Lauriston Community Farm, which attracting 1,500 visitors and established the satellite Community Shed at Drylaw Neighbourhood Centre.

Assessing Success

Success is assessed via a number of ways:

Reaching targets set by our main funder; The City of Edinburgh Council set 28 tailored targets for the year under the following headings, all of which were achieved:

- Ensuring that everyone has access to world class cultural provision
- Encouraging the highest standards of creativity and excellence in all aspects of cultural activity
- Supporting greater partnership working in the cultural and creative sectors and maximise resources available to help them thrive all year round
- Articulating the positive impact to culture in Edinburgh and promoting Edinburgh's cultural success locally, nationally and internationally
- Developing and supporting the infrastructure which sustains Edinburgh's cultural and creative sectors
- Investing in artist and practitioner development, and supporting and sustaining the local artistic community

Additionally targets agreed with other funders, to include Creative Scotland, Scottish Government, and the National Lottery for Communities, are reported against. Each grant made to the organisation is assessed against targets, qualitative and quantitative in nature, that are set at the beginning of each period of support.

The organisation also collects quantitative data which is reviewed at Board Meetings these include hours open, number of activities offered, number of events hosted, number of attendees, number of active participants.

Participant feedback; NEA asks for feedback via evaluation forms after each programme, or in the case of the core programme at the end of each term. Additionally, the core programme activities and café receive feedback via our Facebook and twitter feeds. In the year 2022/2023 feedback via social media was of great importance given our decant from our main venue to temporary spaces.

Our work and partnerships are also recognised in city awards. Last year Art Buds in Muirhouse won the Community Category at the Creative Edinburgh Awards in 2022 and, as noted above, the North Edinburgh Film Festival was a finalist in 2023.

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Financial Review

Results for the Year

North Edinburgh Arts' operation produced a surplus for the year of £207,400 (2022: £11,590).

The total value of funds held at 31 March 2023 amounted to £694,190 (2022: £486,790) comprising £435,836 (2022: £432,740) of a restricted nature and £258,354 (2022: £54,050) of an unrestricted nature. Restricted funds include £315,073 Capital Funds (which will be released as depreciation over time).

Principal Funding Source

The principal funding source was grant funding received from the City of Edinburgh Council amounting to £150,000 (2022: £150,000) and other grants as disclosed in note 6.

Reserves Policy

It is the policy of the Directors to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months expenditure (around £110,000). Free reserves currently stand at £105,912 and the Directors are continuing to work towards increasing this amount.

Investment Policy

The Directors consider that where surplus funds are available, they should be held in a suitable interest bearing bank account.

Risk Management

The principal risks and uncertainties facing the charity, and the steps being taken to mitigate these risks, are as follows:

- a) Continued pressures to core funding, the Board and Director have a two-year budget forecast in place. The Board and Director established NEA as a strategic partner with the City of Edinburgh Council and are working to secure in principle funding at current levels for the period 2023-2025.
- b) Capital build and partnership with City of Edinburgh Council. NEA's ambitious plans for re-development and extension, have brought our facility into community ownership. To mitigate the risks this brings the Board has been expanded to include fundraising and construction expertise, and capital fundraising support is continuing, with 65% of capital funds in place.
- c) Pressures arising from operating in multiple host organisations whilst the Capital Programme is ongoing. The Director and team have enhanced communications, in-person and online, to assist with the flow of information during the capital decant. Regular group and individual review meetings will be held to further enhance team connectivity.

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Plans for the Future

Going Concern

The financial statements are prepared on a going concern basis as the Directors believe that the organisation will have sufficient funds to meet its ongoing financial obligations for at least twelve months from the signing of these financial statements. In making this assessment the Directors accept this is dependent upon the level of funding which is generated to meet the core costs of the organisation. Confirmation of core grant funding for 2023/24 has been received from the City of Edinburgh Council and work is in progress to secure further amounts through other appropriate partnership opportunities and fundraising opportunities.

The Directors have no reason to believe, based upon the actions and work that they have undertaken, that the funding necessary for the current year will not be secured, or that funding will not continue in future years, although they continue to plan for scenarios in which the level of funding may be reduced. This assessment of going concern covers a period of 12 months following the signing of these financial statements.

Post Year End Events

Anti-Racism Statement & Plan adopted

In October 2023 NEA adopted and shared our Anti-racism statement and plan. Led by and developed in partnership with local agencies Passion4Fusion and Project Esperanza, NEA has committed to move beyond being a non-racist organisation to being an anti-racist organisation. NEA understands our role as an organisation, and the part we can play in helping shape a more diverse, tolerant, and respectful society. We will promote an anti-racist culture in our workplace and also influence the communities we are linked to, to do the same. To do this we have to identify the ways in which we contribute to the problem and commit to actively working for change.

Strategy, Staff Handbook, Policies refreshed

In time for our return to the refurbished and expanded building the NEA strategy, staff handbook and policies are being reviewed and refreshed to run for the period April 2024 to March 2027. This will bring all our internal and external policies in to one place, and ensure they are in line with current practice.

New Logo and Website developed

The NEA logo, branding and website is being refreshed and will be used as a soft launch for the opening of the refurbished and extended venue. The new logo will be adopted in January 2024 with the website going live soon after. The refreshed branding will inform all visual communications throughout the venue.

Capital Programme Funds

North Edinburgh Arts has been successful in raising further funds for the capital programme. £20,000 from the Binks Trust. £250,000 from the Community Ownership Fund (part of the UK wide Levelling Up Programme) and a further £500,000 from the Scottish Government.

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Plans for the Future (cont.)

This builds on funds secured to April 2022 from The Robertson Trust, The Garfield Weston Trust, The William Syson Trust, Foundation Scotland, and in partnership with the City of Edinburgh Council a Scottish Government grant from the Regeneration Capital Grant Fund. Four fifths of all capital costs for the extension and refurbishment of the venue have now been secured and funding efforts will continue throughout the coming year.

Structure, Governance and Management

Constitution

North Edinburgh Arts was incorporated in March 1998. The company is a charitable company limited by guarantee with no share capital. The company's purposes and powers are prescribed by, and it is governed in accordance with, its Memorandum and Articles of Association. The company is recognised as a Scottish Charity.

Appointment and Induction of Directors

Directors are elected under the terms of the Memorandum and Articles of Association. Information packs, job descriptions for incoming Board Members and information on key tasks and responsibilities are provided as part of the induction process. Details of the Directors who were in office both during and since the year end are shown on the following page.

Induction and Training of new directors

New directors are often already familiar with the practical work of the charity. New directors are provided with an induction pack and are offered training on the roles and responsibilities of Board Members run by a number of voluntary sector providers. Refresher and other training opportunities are offered on an ongoing basis.

Organisational Structure

The Board of Directors is responsible for the strategic management of the company. The responsibility for operating North Edinburgh Arts Centre in accordance with that strategy rests with management. The Chief Executive Officer is responsible for the management of the organisation supported by her staff team. The Chief Executive Officer reports to the Board every 8 – 10 weeks. The Board undertakes an annual away day to review policy and operational strands of North Edinburgh Arts Centre business.

Pay policy for senior staff

Senior staff are remunerated in line with industry norms along with any increments set out at time of recruitment, or awarded as a result of any additional training, qualifications or responsibility. Otherwise, increments are usually limited to annual cost of living increases across all pay scales.

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Reference and Administration Information

Scottish Charity number	SC027700
Company number	SC184477
Board of Directors	Mary Keegan Lesley Hinds Pauline Lindsay Deirdre McPherson Bethan Onuonga Marianne Tibbett resigned 13 December 2023 Jennifer Lang Sanne Dijkstra-Downie William Fitzpatrick Electra McPhillips Darren Wraight Siobhan Glean appointed 13 December 2023 Pamela Hickey appointed 13 December 2023
Company Secretary	Kate Wimpress
Key Management Personnel	Kate Wimpress Director* Genevieve Kay-Gourley Manager
Registered Office and Operational Address	North Edinburgh Arts Centre 15a Pennywell Court Edinburgh EH4 4TZ
Senior Statutory Auditor	Kevin Cattnach
Independent Auditors	Whitelaw Wells Chartered Accountants 9 Ainslie Place Edinburgh EH3 6AT
Solicitors	Burness Paull LLP 50 Lothian Road Festival Square Edinburgh EH3 9WJ
Bankers	Bank of Scotland Comely Bank Branch 43 Comely Bank Edinburgh EH4 1AF

* "Director" is a job title and not a director under Companies Act legislation

NORTH EDINBURGH ARTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Statement of Directors' Responsibilities

The directors (who are also the trustees of North Edinburgh Arts for the purposes of charity law) are responsible for preparing a directors' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

The directors 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.

Statement as to disclosure of information to auditors

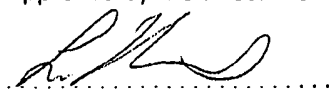
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

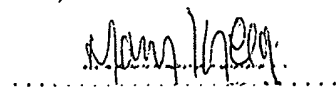
A resolution to re-appoint Whitelaw Wells as auditors for the ensuing year will be proposed at the annual general meeting.

This report has been prepared in accordance with the provision of Part 15 of the Companies Act 2006 applicable to small companies.

Approved by the director on 21 December 2023 and signed on their behalf by



Lesley Hinds (Director)



Mary Keegan (Director)

NORTH EDINBURGH ARTS

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of North Edinburgh Arts for the year ended 31 March 2023, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its net income or expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' (who are also the directors of the company for company law purposes) 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 charity'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.

NORTH EDINBURGH ARTS

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

Other information

The directors are responsible for the other information. The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The Directors 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 audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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 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 directors' report, prepared for the purposes of company law and included in the report of the Directors, 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 light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included in the report of the Directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records; 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 Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report, included within report of the Directors, and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page twelve, the directors 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 directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

NORTH EDINBURGH ARTS

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

In preparing the financial statements, the Directors are responsible for assessing the charity'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 Directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We performed income and expenditure testing which was designed to identify any irregularities as a result of mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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 the trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken

NORTH EDINBURGH ARTS

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023**

so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Cattnach C.A.

Senior Statutory Auditor

for and on behalf of Whitelaw Wells, Statutory Auditor

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

9 Ainslie Place

Edinburgh EH3 6AT

21 December 2023

NORTH EDINBURGH ARTS
INCOME AND EXPENDITURE ACCOUNT

For the Year Ended 31 March 2023

		2023	2022
	Notes	£	£
<u>Income</u>			
<i>Donations</i>	2	806	12,764
<i>Charitable activities</i>	3	919,011	620,076
<i>Other trading activities</i>	4	246	51,660
<i>Other</i>	5	-	12,073
<i>Amortisation of capital grants</i>		25,634	25,634
		<hr/>	<hr/>
		945,697	722,207
		<hr/>	<hr/>
<u>Expenditure</u>			
<i>Charitable activities</i>		712,663	645,582
<i>Other</i>		-	39,401
		<hr/>	<hr/>
	8	712,663	684,983
		<hr/>	<hr/>
Operating surplus for the year		233,034	37,224
Surplus b/fwd at 1 April 2022		256,083	218,859
		<hr/>	<hr/>
Balance c/fwd at 31 March 2023		489,117	256,083
		<hr/>	<hr/>
RECONCILIATION TO BALANCE SHEET			
Closing reserves at 31 March 2023 (page 18)		694,190	486,790
Unamortised capital grants		(205,073)	(230,707)
		<hr/>	<hr/>
Balance c/fwd at 31 March 2023 (as above)		489,117	256,083
		<hr/>	<hr/>

NORTH EDINBURGH ARTS
STATEMENT OF FINANCIAL ACTIVITIES

For the Year Ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Income and endowments from:					
<i>Donations</i>	2	577	229	806	12,764
<i>Charitable activities</i>	3	89,812	829,199	919,011	620,076
<i>Other trading activities</i>	4	246	-	246	51,660
<i>Other</i>	5	-	-	-	12,073
		<hr/>	<hr/>	<hr/>	<hr/>
Total		90,635	829,428	920,063	696,573
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on					
Raising funds		-	1,250	1,250	8,000
Charitable activities		49,709	661,704	711,413	637,582
Other		-	-	-	39,401
		<hr/>	<hr/>	<hr/>	<hr/>
Total	8	49,709	662,954	712,663	684,983
		<hr/>	<hr/>	<hr/>	<hr/>
Net income		40,926	166,474	207,400	11,590
Transfers between funds	16	163,378	(163,378)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		204,304	3,096	207,400	11,590
Reconciliation of funds:					
Total funds brought forward		54,050	432,740	486,790	475,200
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward	16	258,354	435,836	694,190	486,790
		<hr/>	<hr/>	<hr/>	<hr/>

The company has no recognised gains or losses other than those included in the Statement of Financial Activities.

All activities relate to continuing operations.

The notes on pages 21 to 38 form part of these financial statements.

NORTH EDINBURGH ARTS

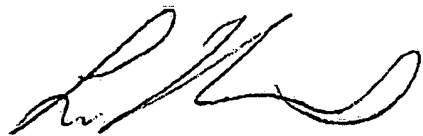
BALANCE SHEET

As at 31 March 2023

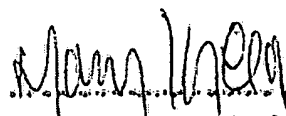
	Notes	£	2023 £	2022 £
Fixed assets	12		357,515	235,671
Current assets				
Debtors	13	91,933		1,412
Cash at bank and in hand		275,884		274,947
			<u>367,817</u>	<u>276,359</u>
Creditors: amounts falling due within one year	14	(31,142)	(25,240)	
			<u></u>	<u></u>
Net current assets			336,675	251,119
			<u></u>	<u></u>
Net assets			694,190	486,790
			<u></u>	<u></u>
Funds				
Restricted funds	16		435,836	432,740
Unrestricted funds	16		258,354	54,050
			<u></u>	<u></u>
			694,190	486,790
			<u></u>	<u></u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Approved by the Board of Directors on 21 December 2023 and signed on its behalf by:



Lesley Hinds, Director



Mary Keegan, Director

The notes on pages 21 to 38 form part of these financial statements.

NORTH EDINBURGH ARTS

CASH FLOW STATEMENT

As at 31 March 2023

	2023	2022
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	152,099	43,418
Cash flows from investing activities		
Purchase/disposal of property, plant and equipment	(151,162)	1,325
	<hr/>	<hr/>
Cash flows used by investing activities	(151,162)	1,325
	<hr/>	<hr/>
Increase in cash during year	937	44,743
Cash and cash equivalents at the beginning of the year	274,947	230,204
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	275,884	274,947
	<hr/> <hr/>	<hr/> <hr/>
RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the year (as per the Statement of Financial Activities)	207,400	11,590
Adjustments for:		
Depreciation charge	28,251	35,094
Charge on disposal	1,067	(331)
(Increase)/Decrease in debtors	(90,521)	2,223
Increase/(Decrease) in creditors	5,902	(5,158)
	<hr/>	<hr/>
Net cash provided by operating activities	152,099	43,418
	<hr/> <hr/>	<hr/> <hr/>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Instant access bank deposits	275,884	274,947
	<hr/>	<hr/>
Total cash and cash equivalents	275,884	274,947
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 21 to 38 form part of these financial statements.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2023

1. **Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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 (FRS102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

North Edinburgh Arts meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recorded at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The charity relies upon grants and donations from outside sources in order to meet its day to day working capital requirements. The Directors have prepared financial projections until 31 March 2026. The income projections are based upon confirmed funding applications together with reasonable estimates of other income receivable, whilst expenditure forecasts are based upon known fixed costs together with reasonable estimates of expected costs based on prior experience. These projections indicate that the charity should achieve a small surplus for the forthcoming year and will be able to operate within their available facilities.

The Directors continue to review all costs of the organisation and ensure that these are kept to a minimum. They also continue to consider ways to increase the future funding of the charity both through grant applications and the hire of the Centre to other organisations.

Financial projections have been prepared until March 2026 on a prudent basis. The Directors have no reason to believe that their principal income sources will be materially reduced, or that the existing cost base will increase significantly and have prepared the projections on this basis. Based upon these assumptions, they are of the opinion that the charity should again be in a position to ensure that all expenditure is covered by income receivable during the year.

The charity's free reserves have been increasing in an upward trajectory over the last three years. The Directors are confident that the reserves policy outlined in the Directors Report will be achieved within the next financial year.

The Board of Directors have considered the position for the next twelve months and have concluded that the use of the going concern basis of accounting is appropriate because there are no material uncertainties related to activities or conditions that may cast doubt on the ability of the charity to continue as a going concern.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

Income Recognition

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations are included in full in the Statement of Financial Activities when receivable. Donated assets are included in the Statement of Financial Activities where the benefit to the charity is reasonably quantifiable and measureable. The value of the donated assets is the estimated price the charity would expect to pay in the open market for the equivalent assets.
- Income from charitable activities are accounted for when earned in accordance with the date of the event.
- Income from grants where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled. Incoming resources where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Income from use of premise is recognised in accordance with the date of the usage.
- Investment income is included when receivable.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The charity is not registered for VAT and, accordingly, expenditure is shown gross of irrecoverable VAT.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs which support the Trusts programmes and activities. These costs include the expenses of Trustee meetings, the statutory audit and legal and professional fees. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs are allocated on the basis of staff time and usage.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

Depreciation

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

Heritable property -	over 50 years
Leasehold property -	over the period of the lease
Fixtures and fittings -	14%, 20% and 33 ⅓ %

Land is not depreciated. Individual fixed assets costing £500 or more are capitalised at cost.

Pensions

The Charity operates a Defined Contributions Pension Scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the Scheme.

Company status

The charity is a company limited by guarantee. The members of the company are the Directors named on page 11. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member for each member who is a member at the time of the winding up or within one year of the winding up.

Funds

Unrestricted funds are funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity.

Designated funds are unrestricted funds which have been earmarked by the Directors for a specific purpose.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of restricted funds are set out in the notes to the accounts.

2. Income from Donations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Donations	577	229	806	12,764
	<hr/>	<hr/>	<hr/>	<hr/>
	577	229	806	12,764
	<hr/>	<hr/>	<hr/>	<hr/>

Income from donations was £806 (2022: £12,764) of which £577 (2022: £739) was unrestricted and £229 (2022: £12,025) was restricted.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

3. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Grants (note 6)	30,755	741,042	771,797	576,867
Events	2,071	-	2,071	1,405
Community Project Income	-	79,651	79,651	-
Pantry Membership	-	15	15	20,274
Shed Membership	-	5,299	5,299	6,974
Project support for Whale	9,752	-	9,752	14,553
Secondment Income	46,624	-	46,624	-
Other income	610	3,192	3,802	-
Workshops	-	-	-	3
	<u>89,812</u>	<u>829,199</u>	<u>919,011</u>	<u>620,076</u>

Income from charitable activities was £919,011 (2022: £670,076) of which £89,812 (2022: £94,622) was unrestricted and £829,199 (2022: £525,454) was restricted.

4. Income from Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Café	-	-	-	24,220
Room hire, office rental	246	-	246	27,440
	<u>246</u>	<u>-</u>	<u>246</u>	<u>51,660</u>

Income from other trading activities was £246 (2022: £51,660) of which £246 (2022: £51,660) was unrestricted and £nil (2022: £nil) was restricted.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

5. Other Income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Miscellaneous income	-	-	-	12,073
	-----	-----	-----	
	-	-	-	12,073
	=====	=====	=====	

Income from other was £nil (2022: £12,073) of which £nil (2022: £12,043) was unrestricted and £nil (2022: £30) was restricted.

6. Grants

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
The City of Edinburgh Council - <i>Core</i>	-	150,000	150,000	150,000
<i>- Get Into Summer</i>	10,320	-	10,320	3,200
Creative Scotland - <i>YMIA</i>	-	-	-	11,784
Corona Virus Job Retention Scheme	-	-	-	14,867
Youthlink	-	-	-	5,000
SCVO – Adapt and Thrive Grant	-	-	-	15,200
The Nancie Massey Charitable Trust	-	2,000	2,000	2,500
NESPA	-	-	-	10,000
Creative Scotland – Venue Recovery	-	84,246	84,246	14,245
Sir Tom Farmer Foundation	-	-	-	15,000
Edinburgh College Development Trust	-	-	-	2,000
Inspiring Scotland	-	10,000	10,000	35,620
Inspiring Scotland – OOCF Grant	-	13,814	13,814	18,313
Chance to Flourish	-	3,000	3,000	-
National Lottery	-	-	-	9,940
National Lottery – Community Fund	-	125,147	125,147	17,000
Police Grant	-	-	-	3,000
NHS – Mobile Music	-	-	-	7,972
National Lottery – Community Fund – Artists in Residence	-	-	-	9,900
Investing in Communities Fund	-	109,580	109,580	61,438
JTH Charitable – LUP Grant	-	-	-	1,000
Strong Foundations	-	-	-	3,000
Scottish Land Fund	-	-	-	156,000
STV Appeal	-	-	-	5,000
Robertson Trust	2,480	16,533	19,013	-
	-----	-----	-----	
C/fwd	12,800	514,320	527,120	571,979

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

6. Grants (continued)

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
B/fwd	12,800	514,320	527,120	571,979
KPE4 - Create	-	18,000	18,000	-
- Core	15,455	-	15,455	-
- Teapot Trust	-	4,000	4,000	-
Ponton House	-	3,000	3,000	-
Playrangers Grant	-	2,858	2,858	-
Coorie In	-	2,500	2,500	-
Edinburgh Alcohol and Drugs	-	10,000	10,000	-
Dandelion	-	24,380	24,380	-
NESSie	-	18,875	18,875	-
Warm Space	-	4,600	4,600	-
Capital Grants				
-Garfield Weston	-	40,000	40,000	-
-William Syson	2,500	50,000	52,500	-
-Binks Trust	-	20,000	20,000	-
Scottish Government- CSGN	-	11,058	11,058	-
Youth Arts Residencies	-	3,602	3,602	-
Community Commissioning	-	6,982	6,982	-
Social Farms	-	1,500	1,500	-
Strong Foundations	-	2,970	2,970	-
Amounts < £1,000	-	2,397	2,397	4,888
Total	30,755	741,042	771,797	576,867

Income from grants was £771,797 (2022: £576,867) of which £30,755 (2022: £498,367) was unrestricted and £741,042 (2022: £78,500) was restricted.

7. Net Movement in Funds

	2023 £	2022 £
This is stated after charging:		
Auditor's remuneration - audit fees	8,080	4,860
Auditor's remuneration – accounting	1,000	1,000
Depreciation	28,251	35,094
Operating lease cost	5,222	9,046

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

8. Expenditure

	Core Centre Costs £	Cafe £	Project Costs £	Total 2023 £	Total 2022 £
<i>Raising funds:</i>					
Fundraiser	-	-	1,250	1,250	8,000
<i>Charitable activities:</i>					
Wages and salaries (note 11)	-	-	396,487	396,487	370,267
Other staff costs	702	-	75,363	76,065	35,429
Artists	-	-	73,501	73,501	41,392
Travel and subsistence	460	-	2,166	2,626	2,478
Rates and insurance	9,005	-	995	10,000	25,212
Materials	259	-	8,248	8,507	9,493
Project costs	212	-	26,972	27,184	19,327
Grants payable	-	-	3,000	3,000	25,900
Project overheads	-	-	24,445	24,445	46,310
Cleaning/maintenance	7,213	-	4,884	12,097	18,741
Hospitality	-	-	107	107	452
Theatre costs	412	-	3,629	4,041	1,005
Depreciation	2,617	-	25,634	28,251	35,094
Training	7,678	-	192	7,870	1,259
Professional fees	-	-	15,641	15,641	12,257
Board development	65	-	-	65	328
Postage and stationery	7,796	-	80	7,876	6,845
Bank charges	87	-	-	87	441
Advertising	3,022	-	360	3,382	2,472
Loss on disposal	1,067	-	-	1,067	994
Bad debts	-	-	-	-	2,642
<i>Governance costs</i>					
Audit fees	9,080	-	-	9,080	4,860
<i>Other:</i>					
Café – direct costs	34	-	-	34	13,785
Total	49,709	-	662,954	712,663	684,983

Expenditure was £712,663 (2022: £684,983) of which £49,709 (2022: £272,163) was unrestricted and £662,954 (2022: £373,419) was restricted.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

9. Summary analysis of expenditure and related income for activities

This table shows the cost of the main activities and the sources of income that support those activities.

	Core Centre Costs £	Cafe £	Project Costs £	Total 2023 £	Total 2022 £
Costs	(49,709)	-	(662,954)	(712,663)	(684,983)
Donations	577	-	229	806	12,764
Grants	30,755	-	741,042	771,797	574,764
Events	2,071	-	-	2,071	1,405
Workshops	-	-	-	-	3
Community Project Income	-	-	79,651	79,651	-
Café	-	-	-	-	26,323
Room hire, office rental and catering	246	-	-	246	27,440
Pantry Membership	-	-	15	15	20,274
Shed Membership	-	-	5,299	5,299	6,974
Miscellaneous income	56,986	-	3,192	60,178	26,626
	<u>40,926</u>	<u>-</u>	<u>166,474</u>	<u>207,400</u>	<u>11,590</u>

10. Taxation

North Edinburgh Arts is a registered charity and is exempt from corporation tax on its charitable activities.

11. Wages and salaries

	2023 £	2022 £
Wages and salaries	386,429	358,886
Social Security costs	6,478	7,465
Pension costs	3,580	3,916
	<u>396,487</u>	<u>370,267</u>

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

11. Wages and salaries (cont)

The average monthly number of employees during the year, on a head count basis, was:

	2023	2022
	No.	No.
Productions	12	12
Maintenance and cleaning	3	3
Administration	6	6
	<u>21</u>	<u>21</u>

The charity considers its key management personnel comprise the Chief Executive and Manager. The total employment benefits including employer pension contributions of the key management personnel was £80,156 (2022: £78,233). No employee had emoluments of more than £60,000 during either the current or previous year. No remuneration is paid to any director.

12. Fixed Assets

	Land	Leasehold/ Heritable Property	Fixtures & Fittings	Total
Cost	£	£	£	£
At 1 April 2022	-	2,255,470	336,751	2,592,221
Additions	151,162	-	-	151,162
Disposals	-	-	(32,555)	(32,555)
	<u>151,162</u>	<u>2,255,470</u>	<u>304,196</u>	<u>2,710,828</u>
At 31 March 2023	151,162	2,255,470	304,196	2,710,828
Depreciation				
At 1 April 2022	-	2,024,763	331,787	2,356,550
Charge for year	-	25,634	2,617	28,251
Charge on disposal	-	-	(31,488)	(31,488)
	<u>-</u>	<u>2,050,397</u>	<u>302,916</u>	<u>2,353,313</u>
At 31 March 2023	-	2,050,397	302,916	2,353,313
Net book value				
At 31 March 2023	<u>151,162</u>	<u>205,073</u>	<u>1,280</u>	<u>357,515</u>
At 31 March 2022	<u>-</u>	<u>230,707</u>	<u>4,964</u>	<u>235,671</u>

On 14 September 2007 a formal valuation of the building was carried out by J & E Shepherd Chartered Surveyors. As a result of this the value of the building was found to be impaired. The impairment was accounted for in the Statement of Financial Activities in the year ended 31 March 2007.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

12. Fixed Assets(continued)

In August 2022 the charity acquired the land on which the Centre is built under a Community Asset Transfer agreement with the City of Edinburgh Council. Consequently the property has been reclassified from Leasehold Property to Heritable Property during the year.

13. Debtors

	2023	2022
	£	£
Trade debtors	14,242	-
Other debtors	3,708	-
Grants receivable	72,058	-
Prepayments and accrued income	1,925	1,412
	<hr/>	<hr/>
	91,933	1,412
	<hr/>	<hr/>

14. Creditors

	2023	2022
	£	£
Trade creditors	3,443	9,122
Accruals	18,525	8,260
Other taxes and social security	6,049	4,773
Pension contributions	1,984	1,739
Other creditors	1,141	1,346
	<hr/>	<hr/>
	31,142	25,240
	<hr/>	<hr/>

15. Operating Lease Commitments

The following operating lease payments were committed to be paid as at the year-end:

	Equipment	Equipment
	2023	2022
	£	£
Less than one year	12,376	11,728
Between one and five years	35,225	28,161
Greater than five years	6,750	3,510
	<hr/>	<hr/>

NORTH EDINBURGH ARTS
NOTES TO THE FINANCIAL STATEMENTS (cont)
For the Year Ended 31 March 2023

16. Analysis of Funds

	Balance at 31 March 2022	Income	Expenditure		Balance at 31 March 2023
Restricted funds	£	£	£	Transfers	£
Capital					
City of Edinburgh Council Urban					
Aid Capital Grant	50,904	-	(5,671)	-	45,233
Creative Scotland	152,512	-	(16,973)	-	135,539
City of Edinburgh Council Capital Grant	5,184	-	(623)	-	4,561
Scottish Enterprise Edinburgh and					
Lothian Arts Building Grant	21,016	-	(2,350)	-	18,666
Pilton Partnership	282	-	(7)	-	275
Lloyds TSB	809	-	(10)	-	799
Scottish Land Fund	155,965	-	(4,801)	(151,164)	-
MacMillan Project	-	110,000	-	-	110,000
Revenue					
Create	5	18,000	(13,138)	(1,070)	3,797
Garden Development Big Lottery	15,415	55,275	(52,995)	170	17,865
Film Club	2,750	-	-	(2,750)	-
Public Art Project	3,527	-	-	(3,527)	-
Urban Union	(1,660)	79,651	(25,829)	(3,618)	48,544
Play Rangers	1,418	19,858	(38,522)	17,246	-
Studio Ember	14,232	-	(6,253)	-	7,979
Community Shed	(44)	96,120	(62,983)	614	33,707
Core Costs	-	234,246	(234,246)	-	-
Stitch in Time	10,835	1,000	(9,720)	(1,265)	850
Investing in Communities	6,658	135,832	(112,068)	(11,999)	18,423
WP Community Day	3,500	460	(3,500)	-	460
Dandelion	(4,979)	24,380	(16,884)	(2,517)	-
Capital Refurb Project	(8,218)	-	(7,025)	-	(15,243)
Artists' Studio	4,710	-	-	-	4,710
The Open Project	(1,340)	6,982	(35,300)	-	(29,658)
Pantry	(14)	14	-	-	-
Youth Arts Residencies	(727)	3,602	(875)	(2,000)	-
Teapot Trust	-	4,000	-	-	4,000
NESSie	-	40,008	(13,181)	(1,498)	25,329
Total restricted funds	432,740	829,428	(662,954)	(163,378)	435,836
Unrestricted funds					
Fixed Asset Fund	4,964	-	(3,684)	-	1,280
Land	-	-	-	151,162	151,162
General Fund	49,086	90,635	(46,025)	12,216	105,912
Total unrestricted funds	54,050	90,635	(49,709)	163,378	258,354
Total funds	486,790	920,063	(712,663)	-	694,190

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

16. Analysis of Funds (cont)

Designated funds:

The *Fixed Asset Fund* represents unrestricted capital expenditure and will be reduced by depreciation charged each year.

The *Land Fund* represents the value of the purchase of the land in the current year.

Restricted Funds:

City of Edinburgh Council Urban Aid Capital Grant is a grant towards the capital development of the new build of the North Edinburgh Arts Centre.

Creative Scotland is a grant towards the costs of creating a new arts venue in North Edinburgh to provide a focal point/resource for arts development in the area. The transfer from restricted to unrestricted represents a contribution to core costs as agreed with the funder.

City of Edinburgh Council Capital Grant is a grant towards the capital development of the new build of the North Edinburgh Arts Centre.

Scottish Enterprise Edinburgh and Lothian Arts Building Grant is a grant towards the capital development of the new build of the North Edinburgh Arts Centre.

Pilton Partnership is a grant towards the capital development of the new build of the Centre.

Lloyds TSB is a grant towards the fit-out and new crèche facility at the Centre.

Scottish Land Fund relates to the cost of the land purchase as part of the Community Asset Transfer.

Capital Refurb Project and MacMillan Project this is funding for part of the ongoing regeneration programme around MacMillan Square. North Edinburgh Arts has now been granted full community ownership in a community asset transfer from the City of Edinburgh Council, with the additional transfer of a plot of land to the north of the organisation's venue. We are working in partnership with the Council on to build the extended creative and community hub for the area, to be named the MacMillan Hub. The Macmillan Hub will create a community and neighbourhood hub promoting culture, learning, work and well-being in and around the town centre.

Create is funded by the KPe4 Foundation. This project provides Art and Play development for under-5s and their families. This project offers local families the opportunity to participate in a series of creative plan and healthy eating workshops alongside the development days for parents, carers and family support practitioners.

Garden Development is funded by The National Lottery for Communities. The half-acre plot, accessed from the central café, has been transformed from a patch of rough ground into a beautiful, welcoming and inspiring space for all to enjoy. The transfer is from one restricted fund to another restricted fund, between Community Shed fund and the Garden development fund as permitted by the funder.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

16. Analysis of Funds (cont)

Film Club is supported by the Muirhouse Housing Association. The holiday film club screens family favourites in the NEA theatre. The club is free to attend and regularly attracts 60 plus. The transfer from restricted to unrestricted represents the closing balance of the fund being transferred as this project has ended.

Public Art Project is funded by Creative Scotland and Edinburgh & Lothian Health Foundation. This project has engaged Artists Hans Clausen and Lindsay Perth in residencies that are a part of the NW Edinburgh Partnership Centre development. The £12million centre, a joint development between NHS Lothian and the City of Edinburgh Council will bring increased health and social care services for the local community, including new GP accommodation and additional physiotherapy, podiatry, dentistry and child health services. The transfer from restricted to unrestricted represents the closing balance of the fund being transferred as this project has ended.

Urban Union - North Edinburgh Arts has been commissioned to develop an eight year strategy for the developers building 700 new homes in the square mile around our venue. This is part of the community benefits package agreed with the commissioners 21st Century Homes. This payment represents the final stages of the project, with activity planned to reflect the pause precipitated by the pandemic.

Play Rangers is funded by Inspiring Scotland. The Play Ranger programme encourages young people across the Forth Ward area to get involved in creative and child led play. Sessions take place in the community, on street corners, parks and open spaces. The transfer from unrestricted to restricted represents a contribution to core costs as agreed with the funder.

Studio Ember is funded by Creative Scotland for the youth music initiative programme. The transfer from restricted to unrestricted represents a contribution to core costs as agreed with the funder.

Community Shed has been funded by The National Lottery Community Fund to improve the health and wellbeing of participants and promote repairing and reusing furniture and providing tools to participants. The transfer from unrestricted to restricted represents a contribution to core costs as agreed with the funder.

Stitch in Time funded by the National Lottery Community Fund 'Awards for All' this group works with craft specialists to explore all aspects of knitting and stitching. The transfer from restricted to unrestricted represents a contribution to core costs as agreed with the funder.

Investing in Communities from the Scottish Government supports the work of the Link-Up project, which supports local people so that more of them can maximise their potential and bring about changes that reduce poverty and disadvantage. The transfer from restricted to unrestricted represents a contribution to core costs as agreed with the funder.

Core Costs is funding received from the City of Edinburgh Council contributing to various core salaries and central overhead costs.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

16. Analysis of Funds (cont.)

WP Community Day is funding for the hosting of the role of the Event Manager for the 2022 West Pilton Community Festival. This was a one day event in May 2022 bringing together local organisations, agencies and people in a celebration of North Edinburgh as a community.

Dandelion is a joint project with Dandelion Scotland and Edinburgh Agroecology Co-op to appoint a Creative Producer to work with EAC towards the transformation of the farmland in front of Lauriston Castle into a food-growing and wildlife habitat enhancement project.

Artists' Studio Funds raised by the Board at a silent auction, hosted by the Edinburgh International Festival at the Hub on the Royal Mile in November 2019 will be used for fixtures and fittings in the refurbished and extended venue.

The Open Project is funded by Creative Scotland and is established to allow local residents to explore their creativity in a safe and supportive place, working with Artists across discipline, with the aim of participants curating their own cultural events. The transfer from restricted to unrestricted represents a contribution to core costs as agreed with the funder. This project is still ongoing therefore negative balance at the year end is just to with timing of expenditure.

Pennywell Pantry - Established as key response to the pandemic, the pantry supported 350 households, reaching around 1,000 local people. The pantry's primary purpose was to use dignified food provision to reduce the cost of living. The transfer from restricted to unrestricted represents a contribution to core costs as agreed with the funder. This project was taken over by a local third sector partner in October 2022.

Youth Arts Residents - Five artists have been awarded the 2021/22 Youth Arts Residencies Small Grants, managed by North Edinburgh Arts (NEA) in partnership with Independent Arts Projects (IAP). The selected artists have each been awarded a grant of £5,000 to design and deliver their own youth arts projects in Muirhouse, North Edinburgh, supported through mentoring, advice and training. The programme will ensure accessible creative opportunities continue to exist, despite the COVID-19 pandemic, for children and young people living in Muirhouse. In addition, it aims to empower freelance artists, and strengthen and broaden NEA and IAPs longer-term connections with these practitioners. The programme is funded by Creative Scotland through the Youth Arts Fund Small Grants Scheme. The transfer from restricted to unrestricted represents a contribution to core costs as agreed with the funder.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

16. Analysis of Funds (cont.)

NESSie (North Edinburgh Support Services) - An innovative consortium between NEA, Fresh Start, Move On and Spartans Community Football Academy. NESSie will reach out to those most at risk of suffering the long-term negative outcomes of poverty and social disadvantage. We support service users to access and sustain the services that they need. The various strengths of the four partners will allow us to deliver a broad programme of activities and opportunities across the North of Edinburgh. The NESSie project aims to create a "No Wrong Door" approach for people seeking support, advice, and access to services.

Teapot Trust - NEA are working in partnership with the Teapot Trust to offer creative art therapy sessions to children and young people aged 8 - 18. Art therapy helps build resilience and confidence, deal with anxiety or stress and develop positive coping strategies. It can benefit children with chronic conditions, physical or learning disabilities or additional support needs.

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

16. Analysis of Funds (cont)

	Balance at 31 March 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Restricted funds					
Capital					
City of Edinburgh Council Urban					
Aid Capital Grant	56,575	-	(5,671)	-	50,904
Creative Scotland	169,485	-	(16,973)	-	152,512
City of Edinburgh Council Capital Grant	5,807	-	(623)	-	5,184
Scottish Enterprise Edinburgh and					
Lothian Arts Building Grant	23,366	-	(2,350)	-	21,016
Pilton Partnership	289	-	(7)	-	282
Lloyds TSB	819	-	(10)	-	809
Scottish Land Fund	(35)	156,000	-	-	155,965
Revenue					
Create	9,088	3	(7,336)	(1,750)	5
Garden Development Big Lottery	69,914	30,027	(47,240)	(37,286)	15,415
Film Club	3,871	-	(1,021)	(100)	2,750
Public Art Project	3,527	-	-	-	3,527
Urban Union	-	-	(1,660)	-	(1,660)
Play Rangers	3,710	20,490	(24,941)	2,159	1,418
Studio Ember	-	19,755	(5,523)	-	14,232
Community Shed	-	15,365	(56,450)	41,041	(44)
Core Costs	-	150,000	(150,000)	-	-
Stitch in Time	8,090	9,940	(5,815)	(1,380)	10,835
Investing in Communities	14,380	104,280	(100,002)	(12,000)	6,658
WP Community Day	-	5,000	(1,500)	-	3,500
Dandelion	-	-	(4,979)	-	(4,979)
Capital Refurb Project	-	-	(8,218)	-	(8,218)
Artists' Studio	4,710	-	-	-	4,710
The Open Project	24,240	-	(23,630)	(1,950)	(1,340)
Pantry	7,812	26,649	(31,220)	(3,255)	(14)
Youth Arts Residencies	32,423	-	(28,250)	(4,900)	(727)
Total restricted funds	438,071	537,509	(523,419)	(19,421)	432,740
Unrestricted funds					
Fixed Asset Fund	15,418	-	(10,454)	-	4,964
General Fund	21,711	159,064	(151,110)	19,421	49,086
Total unrestricted funds	37,129	159,064	(161,564)	19,421	54,050
Total funds	475,200	696,573	(684,983)	-	486,790

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

16. Analysis of Funds (cont)

Centipede. Muirhouse St. Andrew's Parish Church consulted with over 30 organisations and individuals to find ways of bringing the community of Muirhouse together. North Edinburgh Arts is a partner in this project which has gained funds to support local people to express issues and concerns in a creative way, provoke social activism that is fun, engaging and powerful, and to help existing organisations with their own projects.

Cycle Scotland has provided income in the year to promote cycling. The transfer from restricted to unrestricted represents a contribution to core costs as agreed with the funder.

REACH -BoS Café grant is funding received from the Bank of Scotland to allow the Community Café to extend their daily opening hours to provide a longer service to the community.

17. Analysis of Net Assets Between Funds

As at 31 March 2023:-	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted funds	205,073	230,763	435,836
Unrestricted funds	152,442	105,912	258,354
	<hr/>	<hr/>	<hr/>
	357,515	336,675	694,190
	<hr/>	<hr/>	<hr/>
As at 31 March 2022:-	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted funds	230,707	202,033	432,740
Unrestricted funds	4,964	49,086	54,050
	<hr/>	<hr/>	<hr/>
	235,671	251,119	486,790
	<hr/>	<hr/>	<hr/>

18. Pension Cost

During the year there was £3,580 (2022: £3,916) paid in relation to employer contributions to defined contribution pension schemes. As at the year end contributions outstanding were £1,984 (2022: £nil).

NORTH EDINBURGH ARTS

NOTES TO THE FINANCIAL STATEMENTS (cont)

For the Year Ended 31 March 2023

19. Related party transactions

No one individual had control of the charity during the year.

The spouse of director Darren Wraight serves as Finance Officer for North Edinburgh Arts. During the year, Laura Wraight was reimbursed expenses totalling £95 (2022: £485), none of which were outstanding at the year end and a total remuneration package of £10,403.

20. Contingent liability

The Macmillan Hub is the focal point of the regeneration of Pennywell and Muirhouse redeveloping a significant area of Pennywell Road. As part of the project North Edinburgh Arts is committed to raising £4.25m, with £3.5m raised to date, with £870,000 relating specifically to the charity's refurbishment element of the project. Should North Edinburgh Arts fail to raise the required funding they may be obliged to take out a loan, with terms to be defined and agreed. On 31 August 2022 the charity signed a Standard Security to Edinburgh Council to allow the debt to be recovered in the future. With 80% of the £4.25m raised the directors are confident they will fundraise the amounts they have committed to so no provision has been included in these accounts.