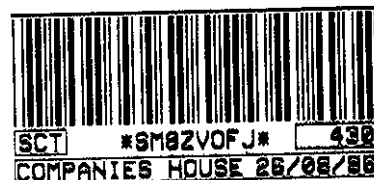


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FESTIVAL FRINGE SOCIETY LTD
DIRECTORS' REPORT AND ACCOUNTS
30 NOVEMBER 1995

WJH



W J H MILLAR, CHARTERED ACCOUNTANT, 119 VICTORIA ROAD, KIRKCALDY, FIFE, KY1 1DS.

FESTIVAL FRINGE SOCIETY LTD
DIRECTORS' REPORT
30 NOVEMBER 1995

Directors: Baroness Smith of Gilmorehill (Chairman)
A Woolfe (Vice-Chairman)
C.B.L.D. Main
C.N.G. Richardson
D.M. Arrow
S.H.D. Fanshawe
A. Leigh
A.L. Jeffreys
C.A.R. Hartill
T.D. Hawkins
S. C. Mackay
P. M. Utton

Secretaries: Messrs Bell & Scott, W.S.

Registered Office: 16 Hill Street, Edinburgh.

The Directors submit their Report and the Company's Accounts for the year ended 30 November 1995.

REVIEW OF THE BUSINESS

The Company is engaged in the encouragement and assistance of persons, groups and others who perform during the Edinburgh Festival, but who are not promoted by the Edinburgh Festival Society Limited.

ACCOUNTS

The Accounts show a profit of £16,024 which has been dealt with as shown in the Profit and Loss Account.

DIVIDENDS AND APPROPRIATION

In accordance with the Articles of Association any surplus income over expenditure is required to be retained for the benefit of the Company, and accordingly no distribution of a surplus to members is permitted.

DIRECTORS

The Directors who served during the period under review were:

J.W. Miller (Chairman to 25.2.95)
Baroness Smith of Gilmorehill (Chairman from 25.2.95)
A. Woolfe (Vice-Chairman)
C.B.L.D. Main
C.N.G. Richardson
D.M. Arrow
S.H.D. Fanshawe
A. Leigh
A.L. Jeffreys
D. Barber
C.A.R. Hartill
E.P. Jackson
T.D. Hawkins
S. C. Mackay
P. M. Utton

On 25 February 1995, Baroness Smith was appointed in terms of Article 45 and Dr Miller resigned.

At the Annual General Meeting held on 26 August 1995, Ms Barber, Mr Fanshawe, Mr Hartill and Mr Jackson retired by rotation. Mr Fanshawe and Mr Hartill offered themselves for re-election and were re-elected. Baroness Smith, Ms Mackay and Mr Utton were elected.

At the Annual General Meeting to be held on 24 August 1996, four Directors (Ms Main, Mr Arrow, Mr Leigh and Mr Jeffreys) will retire by rotation. The retiring Directors will be eligible for re-election.

DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to

- . select suitable accounting policies and then apply them consistently;
- . make judgements and estimates that are reasonable and prudent;
- . state whether applicable 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 Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

A resolution proposing the appointment of W J H Millar, Chartered Accountant, as Auditor will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD

A handwritten signature in cursive script, appearing to read "Bell & Scott".

BELL & SCOTT
Secretaries
EDINBURGH

REPORT OF THE AUDITOR
TO THE MEMBERS OF FESTIVAL FRINGE SOCIETY LTD

I have audited the financial statements on pages 5 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As described in the Directors' Report the Company's Directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

BASIS OF OPINION

I conducted my audit in accordance with approved Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In my opinion the financial statements give a true and fair view of the state of the Company's affairs as at 30 November 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



JULY 1996

W J H MILLAR
CHARTERED ACCOUNTANT
REGISTERED AUDITOR

119 VICTORIA ROAD
KIRKCALDY
FIFE, KY1 1DS

FESTIVAL FRINGE SOCIETY LTD

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 30 NOVEMBER 1995

	1994	1995
	----	----
Excess Of Income Over Expenditure For Year	45,722	16,024
Retained Surplus At Start Of Year	144,865	190,587
	-----	-----
	190,587	206,611
	-----	-----

BALANCE SHEET AS AT 30 NOVEMBER 1995

1995

Tenants' Improvements
Fixtures & Fittings
Flats
Fixtures In Flats
Box Office

82,211
36,105
78,000
4,518
11,068

234,356

211,902

Shares In Festival Fringe Trading Ltd

$$\begin{array}{r} 100 \\ \hline 234.456 \end{array}$$

100

212,002

Bank
Debtors & Prepaid Charges
Cash
Festival Fringe Trading Ltd - Current A/C

53,590
29,398
40
-

83,028

$$\begin{array}{r} 37,593 \\ 34,548 \\ \quad 200 \\ 10,626 \\ \hline 82,967 \end{array}$$

Creditors, Accruals & VAT

$$\begin{array}{r} 36,173 \\ -46,855 \\ \hline 281,311 \end{array}$$

12,306

$$\begin{array}{r} 70,601 \\ \hline 282,603 \end{array}$$

GROSS
FUND

AMORTI-
ZATION

NET

55,604	Tenants' Improvements
35,120	Fixtures & Fittings

90,724	
190,587	Retained Surplus

281,311	

$$\begin{array}{r} 77,170 \\ 116,450 \\ \hline 193,620 \end{array}$$
$$\begin{array}{r} 24,653 \\ 92,975 \\ \hline 117,628 \end{array}$$
$$\begin{array}{r} 52,517 \\ 23,475 \\ \hline 75,992 \\ 206,611 \\ \hline 282,603 \end{array}$$

ALLAN WOOLFE
.....
DIRECTOR

CAROL MAIN
.....
DIRECTOR

FESTIVAL FRINGE SOCIETY LTD

NOTES ON ACCOUNTS FOR YEAR ENDED 30 NOVEMBER 1995

1 ACCOUNTING POLICIES

The Accounts are prepared under the Historical Cost Convention. The Company is accepted as a charity for taxation purposes and it is considered that no liability to taxation will arise from the results of this year.

DEPRECIATION

This is provided on Fixtures & Fittings and Box Office at 10% of cost and on Tenants' Improvements at 4% of cost.

2 The Company is limited by guarantee and has no Share Capital.

3 EXCESS OF INCOME OVER EXPENDITURE

	1994	1995
	----	----
This is stated after charging:-		
Machine Leases	17,226	18,650
Auditor's Remuneration	1,500	1,500
Overdraft Interest	1,114	572
	-----	-----
And After Crediting:-		
Interest On Deposits	6,964	8,766
	-----	-----

4 FIXED ASSETS

	TENANTS' IMPMENTS	FIXT & FITTINGS	STUDIO FLATS	FLAT FITTINGS	BOX OFFICE	TOTAL
	-----	-----	-----	-----	-----	-----
COST						
As At 1/12/94	119,844	150,798	78,000	15,061	15,941	379,644
Additions In Year	-	896	-	-	-	896
Disposals In Year	(300)	-	-	-	-	(300)
	-----	-----	-----	-----	-----	-----
	119,544	151,694	78,000	15,061	15,941	380,240
	-----	-----	-----	-----	-----	-----
DEPRECIATION						
As At 1/12/94	32,554	100,420	-	9,035	3,279	145,288
Provided In Year	4,779	15,169	-	1,508	1,594	23,050
	-----	-----	-----	-----	-----	-----
	37,333	115,589	-	10,543	4,873	168,338
	-----	-----	-----	-----	-----	-----
NBV AT 30/11/95	82,211	36,105	78,000	4,518	11,068	211,902
	-----	-----	-----	-----	-----	-----
NBV AT 30/11/94	87,290	50,378	78,000	6,026	12,662	234,356
	-----	-----	-----	-----	-----	-----

FESTIVAL FRINGE SOCIETY LTD

TRADING AND PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 30 NOVEMBER 1995

	1994	1995
TICKET SALES (EX CLUB)	981,350	1,041,092
EARNED INCOME		
Participation Fees	145,417	77,314
Sub Heading Fees	53,235	106,650
Club Commission	8,405	8,516
Club Bands/Security	3,646	3,525
Club Cabaret	8,975	11,791
Club Membership	71,481	67,475
Ticket Commission	72,105	78,083
Advertising	119,947	117,591
Fringe Sunday Concessions	5,350	7,775
Daily Diary Panels	3,120	3,270
TOTAL EARNED INCOME	491,681	481,990
SPONSORSHIP		
Sponsorship	39,000	61,434
ABSA Award	1,000	-
Donations	8,607	9,714
TOTAL SPONSORSHIP	48,607	71,148
OTHER INCOME		
Gift Aid	34,667	40,000
Management Charge	5,000	6,000
Credit Card Surcharge	6,605	7,345
TOTAL OTHER INCOME	46,272	53,345
ANCILLARY INCOME		
Company Membership	50	100
Interest Received	6,964	8,766
Rental Income	5,153	3,952
TOTAL ANCILLARY INCOME	12,167	12,818
GRANTS		
Scottish Arts Council	20,000	19,000
Edinburgh District Council	25,300	25,800
Lothian Regional Council	14,750	14,750
Old Town Committee	3,639	-
TOTAL GRANTS	63,689	59,550
TOTAL INCOME	662,418	678,851

FESTIVAL FRINGE SOCIETY LTD

TRADING AND PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 30 NOVEMBER 1995

	1994	1995
	-----	-----
SALARIES, WAGES & FEES		
Administration	92,776	98,672
Club	8,711	7,951
Box Office	22,033	25,911
Professional Fees	35,662	23,119
Data Processing	17,900	18,764
	-----	-----
TOTAL SALARIES, WAGES & FEES	177,082	174,417
	-----	-----
MARKETING & DISTRIBUTION		
Salaries	18,135	23,609
Distribution	16,031	21,088
Travel	5,238	11,208
Postages	13,211	19,207
Advertising	6,466	1,189
Subscriptions	2,280	2,731
Administrators' Expenses	9,740	3,271
General Marketing/Training	5,939	8,033
Press Office	7,719	3,816
Poster Competition	5,955	6,643
Training & Masterclasses	-	3,263
	-----	-----
TOTAL MARKETING & DISTRIBUTION	90,714	104,258
	-----	-----
PREMISES & ADMINISTRATION		
Rates	3,298	3,111
Repairs & Renovations	12,522	3,634
Heating	4,502	2,641
Telephone	10,246	11,505
Printing & Stationery	8,694	11,940
Computer Maintenance	4,613	4,281
Leasing Costs	18,618	20,032
Insurances	13,473	10,865
Office Supplies & Cleaning	1,373	3,190
	-----	-----
TOTAL PREMISES & ADMINISTRATION	77,339	71,193
	-----	-----
PUBLICATIONS & EVENTS		
Programme	127,270	148,225
Childrens' Programme	3,263	3,380
Publications	9,270	14,717
Daily Diary	17,790	16,598
Fringe Club	53,879	67,125
Fringe Sunday	23,301	23,558
	-----	-----
TOTAL PUBLICATIONS & EVENTS	234,773	273,603
	-----	-----

FESTIVAL FRINGE SOCIETY LTD

TRADING AND PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 30 NOVEMBER 1995

	1994	1995
	----	----
OTHER EXPENSES		
Directors' Expenses	6,108	6,249
Bank Charges	2,678	2,841
Bank Interest	1,114	572
Card Commission	13,553	14,908
Bad Debts	502	-
Storage	258	339
Box Office	4,331	6,123
	-----	-----
TOTAL OTHER EXPENSES	28,544	31,032
	-----	-----
 TOTAL EXPENDITURE	 608,452	 654,509
	-----	-----
 OVERALL SURPLUS	 53,964	 24,342
Depreciation	22,974	23,050
	-----	-----
	30,990	1,292
Amortization Of Funds	14,732	14,732
	-----	-----
NET PROFIT FOR YEAR	45,722	16,024
	-----	-----