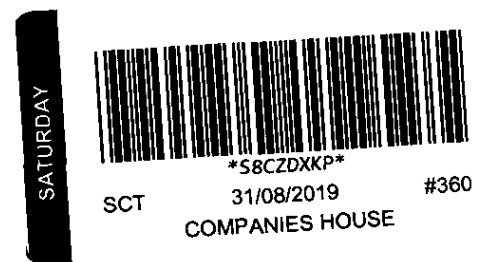


EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2018

Company number: SC046605
Charity number: SC002995



EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

FINANCIAL STATEMENTS

For the year ended 30 November 2018

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Report of the Trustees for the year ended 30 November 2018

The Directors, who act as Trustees for charitable law purposes, present their report together with the consolidated financial statements of the charity and its subsidiary for the year ended 30 November 2018 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. For the purpose of this report, the Directors are referred to as Trustees.

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

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

Chair's Report

As the Chair of the Board of the Edinburgh Festival Fringe Society I am pleased to present the audited statements on behalf of the board of Directors.

Since 1947 artists from all over the world have come to Edinburgh to showcase the best of performing arts at the Edinburgh Festival Fringe, a truly international platform for creative freedom of expression. In return, Edinburgh has opened its arms to the world to allow performers at all stages of their careers to develop their talents, present their stories and engage in a rich and varied creative dialogue about the world we live in.

2018's Fringe was a remarkable celebration of the creative spirit; artists and audiences from all over the world came together to take a collective leap #IntoTheUnknown, unearthing new stories, exploring unusual spaces and experimenting with creative form and style. The continued strength of the Festival Fringe and the Fringe Society is a testament to the calibre of creativity and talent that flocks to Edinburgh each year and the Trustees are encouraged by the continued passion for the arts that allows the Fringe to thrive as a valuable platform for artistic work.

As a charity it is vital that the Fringe Society invests its limited resources wisely to benefit all those who participate. We continue to invest in improving access and engagement with the Fringe, led by our Community Engagement and Access Manager. We recognise there are many barriers to participation and are working closely with a range of stakeholders and community groups to provide greater equity of opportunity at the Fringe, for artists and audiences alike. Our continued commitment to breaking down barriers will see the introduction in 2018 of new staff members to support our Community Engagement and Learning work, focussed on ensuring the City's residents can take full advantage of what the Fringe can offer them.

2017 saw the launch of Fringe Days Out, which was continued in 2018. The Fringe Society gifted £50,000 of Fringe Days Out (Box Office vouchers and Lothian Buses tickets) to 31 Edinburgh-based charities to give free Fringe Days Out to individuals and families across the city. This was funded through the Fringe Society's charitable reserves, and we are committed to delivering this annually.

During 2017 we engaged with a wide range of stakeholders to explore the future of the Fringe and the role of the Fringe Society in supporting the long term vision and development of the festival. This fed into the development of a new, five-year business plan, accompanied by a public declaration of eight key commitments we aim to deliver by the 75th Anniversary of the Fringe. This Blueprint can be found at www.edfringe.com/blueprint.

Objectives and Activities

The purpose of the Society is the continual development and improvement of the world's largest arts festival, where any person can participate without constraint, and to promote the Edinburgh Festival Fringe as an event.

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

The Fringe Society relies on the voluntary contribution of the board of Directors to ensure the successful delivery of its long term strategic objectives.

Report of the Trustees for the year ended 30 November 2018 (continued)

Mission Statement

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

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

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

The 2019-23 Business Plan sets out objectives under the above key points and defines the vision and key objectives of the Society as follows:

Our Vision

The Edinburgh Festival Fringe is the greatest festival at which to:

- Perform and produce;
- Run a venue;
- Develop a career;
- See shows;
- Discover talent.

The Fringe Society believes that everyone, irrespective of their background and circumstance, should have the opportunity to experience and express themselves through creativity.

Taking inspiration from the eight companies that established the Fringe more than 70 years ago, we have made eight firm commitments that together make up the Fringe Blueprint, a statement of intent that will inform everything we do between now and our 75th anniversary in 2022.

1. The open Fringe

Remove barriers to entry to ensure that everyone is welcome at the Fringe and anyone can take part.

2. The world's Fringe

Develop the Fringe's international reputation as the place to discover talent.

3. The affordable Fringe

Tackle the rising cost of attendance at the Fringe to ensure the Fringe is affordable for all.

4. The Fringe home

Secure a new home for the Fringe to provide year-round assistance to participants and support a vibrant Fringe community.

5. The inspirational Fringe

Foster a lifelong passion for the arts amongst Scotland's young people and champion creative learning in our schools and colleges.

6. The street Fringe

Support and develop the world's greatest street festival at the heart of the Fringe.

7. The green Fringe

Reduce the festival's carbon footprint and champion initiatives that limit our impact on the environment.

8. The Fringe story

Tell the remarkable story of the Fringe and build awareness of, and support for, our charitable mission all over the world.

Report of the Trustees for the year ended 30 November 2018 (continued)**Our Activities**

The role of the Fringe Society is to provide support and services to those who participate and visit the Edinburgh Festival Fringe. Our services address our three Key Mission Statement priorities and include:

- advice, support and guidance to venues and companies who wish to participate in the Fringe. This includes regular 'how-to' roadshows and one-to-one conversations (in person and through digital channels) - from choosing your venue
- professional development and arts industry services, including training, workshops and shared learning opportunities, media and marketing advice and signposting and networking opportunities to onward touring;
- introduction and liaison services for media, arts industry and other professional services - the Fringe Society is a central information point for those seeking to produce, buy or develop work presented at the Fringe, and the accreditation services we provide offer an intermediary to ensure artists and arts industry are able to find one another;
- provision of information and ticketing services for all shows at the Fringe, via our website, mobile apps, phone sales and in our box offices at 180 High St and other city locations, as well as facilitating a network of ticket collection points across the city;
- Marketing the Fringe to audiences across the globe, including media, PR and above the line marketing materials, through our year round branding and annual Fringe marketing campaign;
- advocacy and lobbying for the wider arts and culture sector in Scotland and the UK, alongside specific activities to ensure local and national governmental support for the Fringe in its own right; and
- fundraising and other income generation to support the delivery of key services and ensure the sustainability of the Fringe and the Fringe Society.

The Fringe Society have embarked on a strategic plan to grow the services offered and support provided, to ensure the long term future of the Fringe. This has led to investment in increased costs to ensure service delivery can be met, controlled by the offset of income generated or fundraised. The board of directors have overseen a conscious and controlled cost increase plan to ensure the successful delivery of strategic plans.

Key Performance Indicators

- year on year increase in uptake of services to participants (media, arts industry, participant development);
- greater international reach to participants, audiences and media;
- growth and development of the Access Fringe strategy and increased accessible performances and audiences;
- improved services to customers and audiences, resulting in increased ticket sales;
- ongoing and sustainable financial support for the Fringe Society from diverse revenue streams to support ambitions to reduce the cost of participation.

Report of the Trustees for the year ended 30 November 2018 (continued)**Achievements and Performance**

- year on year increase in uptake of services to participants (media, arts industry, participant development);

Fringe Central is a resource centre exclusively for participants, media and arts industry professionals taking part in the Fringe. In 2018 the Fringe Society offered, in collaboration with 65 partners, 125 discussions, workshops, seminars, creative labs and networking sessions to participants, through the professional development programme at Fringe Central. Uptake of services to participants continue to grow, and over 4,000 participants attended a Fringe Central Event.

12 online info sessions were delivered for the first time and saw engagement from a wide range of countries, including Germany, Italy, the Netherlands, South Africa, Kazakhstan, Canada, USA (New York, California, Kentucky, Massachusetts, Illinois) New Zealand and Australia. 360 people listened to them live and they have since been viewed 1,132 times.

- greater international reach to participants, audiences and media;

With 1,360 accredited arts industry professionals from 42 countries, the Fringe continues to be one of the most significant arts marketplaces in the world. 2018 saw Arts Industry Accreditation increase by 7% and the development of a Young Arts Industry initiative; an intensive four day programme for six young people to kickstart their Arts Industry careers.

While an unparalleled showcase for international artists, the Fringe remains a key element of the UK Arts Marketplace, and presents an unrivalled opportunity for UK artists to have their work seen by an international audience and industry. Funded by the UK's Department for Digital, Culture, Media and Sport (DCMS) and in partnership with eight Fringe venues, we piloted the Fringe Forward initiative to provide an independent space and encourage open dialogue between Fringe artists and external programmers. Delivered by three appointed artform-specialist brokers, Fringe Forward further enabled artists with tour-ready work to directly connect and collaborate with national and international programmers.

The Chief Executive works with organisations, such as the British Council, the UK Government and Scottish Government to ensure arts remains high on the agenda of ministers and ambassadors, while the participants services and arts industry teams support individual companies, promoters and producers to ensure their Fringe experience is beneficial

- growth and development of the Access Fringe strategy and increased accessible performances and audiences;

The investment in our Access Fringe Strategy over the last three years is paying dividend in a number of ways. Access bookings are up by 34% in 2018 (up by 32% in 2017) and the number of performances seen by audiences with an access requirement grew by 77%, testament to both the growth of choice in the programme and the improvement and awareness of the services provided by the Fringe Society. 61% of the 3,548 shows in the 2018 programme were wheelchair accessible - while there is still work to do, this is reassuring progress.

- improved services to customers and audiences, resulting in increased ticket sales;

The 2018 Fringe saw greater audience numbers than ever before, with an estimated 2,838,839 tickets issued for 56,796 performances of 3,548 shows in 317 venues. The continued growth of the Fringe Box Office can be attributed to strategic investment in infrastructure and sales channels, marketing and audience development, alongside strong relationships with venues and other city locations to enable the growth of the collection point network.

- ongoing and sustainable financial support for the Fringe Society from diverse revenue streams to support ambitions to reduce the cost of participation.

As a charity, the Fringe Society relies largely on income generated through service delivery and festival activities. The development work of the Fringe Society continues to seek diverse revenue opportunities, and in 2018 we saw increases in the donations, sponsorship and income from individual donors and Friends of the Fringe, as well as investment from the Department for Culture, Media and Sport. Registration fees have remained static since 2008 and the 2015-19 business plan made the commitment to hold these until 2019. Commission on ticket sales has also remained at 4% since 2012.

Report of the Trustees for the year ended 30 November 2018 (continued)

Other key developments in 2018 included:

High Street Redevelopment

The Virgin Money Street Events have long been the most visible and accessible part of the Fringe, offering hundreds of shows for free in two open, non-ticketed spaces. To mark the 20th anniversary of the Fringe Society managing the street events, we made significant changes to the infrastructure and design of the Royal Mile area to better reflect the creativity and diversity of our performers, and to improve the experience for the hundreds of thousands who gather to see its world-class street performances.

As well as transforming the look of the street to more accurately reflect the world-class nature of the event, the redesign included more flexible staging and equipment to enable performers from different genres to showcase their work, from stand-up comedians to aerial artists. Street events were also made more accessible for both artists and audiences, and we introduced some important features including dedicated accessible viewing areas for wheelchair users, wheelchair ramps to access stages, sensory backpacks for children and adults on the autism spectrum, and a weekend of BSL-interpreted performances on West Parliament Square.

Working in association with technology partners Virgin Money and iZettle, we became the world's first street festival to offer tap-to-tip payments for performers. Following feedback from street artists noting a decrease in people carrying cash, iZettle readers allowed Fringe-goers to show their appreciation using contactless technology. We also upped our efforts in reducing the environmental impact of the street events by turning waste collected on the High Street and Mound into renewable energy, in partnership with local supplier Enva.

Fringe Days Out

We continued to build our relationships with communities across Edinburgh, including some of the city's most deprived areas. The Society has made a commitment to working with 31 charities across the city over the next five years: giving free access to shows and public transport for local people to come to the Fringe, connecting our charity partners with one other to share ideas and recommendations, and fostering meaningful collaborations between Fringe artists and Edinburgh citizens. £50,000 of box office vouchers and bus tickets were distributed across Edinburgh, and over 75% of vouchers issued were redeemed, with many audiences experiencing the Fringe for the first time.

Children and Young People

We expanded our work with the City of Edinburgh Council and with the Edinburgh Voluntary Organisations Council to provide complimentary tickets to children and young people in foster and kinship care in the Edinburgh area. Thanks to the generous support of Fringe artists and companies, over 84,000 tickets were made available to Edinburgh's looked-after children for over 900 shows in the 2018 Fringe Programme.

Fringe World Congress

Fringe World Congress is a unique forum which brings together fringe festivals from around the world to learn from each other, exchange ideas and build future collaborations, strengthening the fringe community across the globe. We were proud to host the fourth Fringe World Congress in Edinburgh this year, the event returning to a city where the fringe spark was first ignited in 1947. Taking place from 16 to 20 August in the Edinburgh Centre for Carbon Innovation, over 70 delegates from 40 fringes engaged in a packed programme of networking events and panel discussions on everything from the importance of fringe festivals to mental health and diversity.

Access Fringe

In partnership with Attitude is Everything, we continued to champion accessible practices by encouraging venues across the Fringe to be as accessible as possible through the Fringe Venue Access Award. Each level of the award recognises a series of achievements made by venues to improve accessibility, from measures such as clear information and staff training, to accessible toilets and lowered counters. By the end of the 2018 Fringe, 33 venues had achieved award status.

To promote BSL-interpreted performances at the Fringe, we commissioned Deaf Action to create video flyers describing shows in BSL to support D/deaf audiences in choosing what to see. The short films were hosted on edfringe.com and were used by artists and companies to promote their shows.

In recognition of our efforts to make the Fringe more accessible, we received the Euan's Guide Spirit of Inclusion award at the end of this year's Fringe.

Report of the Trustees for the year ended 30 November 2018 (continued)**Learning**

After nearly 40 years, 2018 marked the final year of the Fringe Schools' Poster Competition in its current form. Since its inception in 1980, the competition has captured the imaginations of generations of Scotland's schoolchildren, with over 100,000 young people taking part and submitting their unique poster designs. The Fringe Society will research, consult and test new learning and engagement programmes in 2019.

Sponsors and partners**Virgin Money**

Virgin Money continues to offer their valued support to the work of the Fringe Society and we are extremely grateful to have such an engaged, enthusiastic and creative sponsor. Virgin Money supports the Fringe Street Events and the Half Price Hut, the Fringe App, tickets and ticket wallets, and the Schools Poster Competition. Virgin Money's understanding of, and contribution to, the Society's objectives and activities is integral to the continued success of the Edinburgh Festival Fringe and we are delighted that they continue to offer their support. The redevelopment of Street Events on the High Street provided an ideal opportunity to collaborate with the team at Virgin Money and strengthen our partnership.

Caledonian Brewery

The Fringe Society has long enjoyed an association with Deuchars, Caledonian Brewery's flagship brand and, since 2016, their full brewery portfolio. Caledonian Breweries once again supported the Fringe venue board, the Fringe Programme map and joint festivals map and the Friends of the Fringe scheme. 2018 was the final year of our agreement with Caledonian Brewery's and we thank them for their support and friendship over the years.

Victor and Carina Contini

In its eighth year, the Society's relationship with Victor and Carina Contini (formerly The Scottish Café and Restaurant) has gone from strength to strength. As well as running the Bothy bar in the Street Events area of the Mound Precinct, the Continis often host Fringe Society events in their stunning venue, The Scottish Café and Restaurant. The Society is hugely grateful for their ongoing support.

Alba Cola

A new Scottish cola brand, Alba Cola collaborated with the Fringe Society to celebrate the launch of their new cola. Sadly their production was delayed, so activation of this new partnership will take place in 2019.

Edlets

In 2018, we were delighted to work with Edlets as official accommodation partners of the Edinburgh Festival Fringe. We would like to extend our gratitude for their support.

Parabola

The Society entered into a year-long partnership with Parabola, a property development company who will be building housing and cultural space at Edinburgh Park. They gifted the Fringe Society tram advertising for an initial year-long period, with designs worked up by the Fringe and produced by Edinburgh Trams' recommended supplier. The tram was launched in time for World Fringe Day on 11 July with a silent disco, attended by some of our community partners, street performers and Fringe Society staff.

Working Together**City of Edinburgh Council**

The Fringe Society continues to maintain a strong relationship with the City of Edinburgh Council and places great importance on the strategic, logistical and financial support it provides and its vital role in the continued success of the Edinburgh Festival Fringe.

Creative Scotland

The Fringe Society was unsuccessful in its application to the 2018-2021 Regularly Funded Organisation funding programme, but was in receipt of transitional funding from Creative Scotland. The Fringe Society would like to thank Creative Scotland for their past support and we look forward to a new working partnership with them in the future.

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

Report of the Trustees for the year ended 30 November 2018 (continued)

British Council

For the third year, the British Council was a partner in the Emerging Producers Development Programme which enabled us to offer 15 places on the programme along with a travel and accommodation bursary. The British Council also supported Fringe World Congress delegates to attend in August 2018.

Festivals Edinburgh

Established in 2007, Festivals Edinburgh provides a platform for Edinburgh's major festivals to work together to sustain and develop Edinburgh's position as the world's leading festival destination. In 2018 the Fringe Society worked with Festivals Edinburgh on a range of projects including Momentum, a tailored delegate programme which aims to foster investment and international collaboration. We would like to sincerely thank Festivals Edinburgh for their ongoing strategic support.

University of Edinburgh

The University of Edinburgh supported both the Fringe Society and the wider Fringe network in 2018, providing buildings for a number of venues and a home for Fringe Central, a facility which is at the very heart of our services to participants.

Lothian Buses

As part of our 70th Anniversary celebrations, 'Fringe Days Out' were gifted to residents in Edinburgh to allow them to experience the Fringe for the first time. Lothian Buses provided discounted bus tickets to support this activity and repeated their support in 2018. The provision of transport is a key factor in the success of the Fringe Days Out and we thank Lothian Buses for their support.

LNER and National Rail

Following the success of the collection point in 2017, a full service sales and collection box office was installed in Edinburgh's Waverley Station in 2018. This was an incredible success and saw tens of thousands of tickets issued. We are enormously grateful for the generosity and collaborative spirit of LNER and National Rail.

Edinburgh Airport

Edinburgh Airport have been supportive of the Fringe Society for many years, hosting a ticket collection point in their international arrivals hall since 2014. Since 2017 they have also hosted a collection point in domestic arrivals, which proved popular with audiences coming into the city.

BBC

The BBC once again delivered unrivalled coverage of the Edinburgh Festival Fringe and its sister festivals throughout the month of August from its new home in the grounds of George Heriot's school. As well as taking the excitement of the Fringe to audiences across the UK and further afield with live broadcasts and interviews, the BBC champions diversity at the Fringe and showcases emerging talent. We greatly appreciate their ongoing contribution to the success of Edinburgh's festivals.

Friends of the Fringe, Fringe Patrons and Fringe Angels

The Fringe Society would like to thank our Fringe Angels and Friends of the Fringe. It's been an incredible year for the Society with membership of the Friends of the Fringe scheme increasing significantly, providing vital resources to support participants at the Fringe. None of the work and achievements detailed in this review would be possible without the generous support and enthusiasm of our Angels, Patrons and Friends.

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

Report of the Trustees for the year ended 30 November 2018

Other activities

Made in Scotland

2018 marked the 10th anniversary of Made in Scotland, an annual showcase at the Fringe which celebrates the wealth and diversity of Scottish theatre, dance and music in a truly international context. The programme presented 23 shows, featuring a vibrant mix of established artists and emerging talent, to international audiences and industry experts at the Fringe. It was an incredibly successful year, with 32 five-star reviews and nine awards received across the showcase.

Scottish companies and artists who presented work at the Fringe were also eligible to apply for a Made in Scotland onward touring fund, enabling them to undertake touring opportunities across the globe. This year, the fund helped 16 companies present their work overseas.

Made in Scotland is a partnership between the Edinburgh Festival Fringe Society, the Federation of Scottish Theatre, the Scottish Music Centre and Creative Scotland, and is supported through the Scottish Government's Edinburgh Festivals Expo Fund.

Festival Fringe Trading Limited

Festival Fringe Trading Limited is a wholly owned subsidiary of Edinburgh Festival Fringe Society. The principal activity of the company is the sale of merchandise relating to the Edinburgh Festival Fringe and the provision of information regarding the Edinburgh festivals and tourism. The Festival Fringe Trading Company also manages income from sponsorship for the Edinburgh Festival Fringe Society.

Fringe Box Office Agency

In 2018 we continued our partnership with Red61 to provide the ticketing service for events and festivals, including the International Magic Festival and Hidden Door in Edinburgh, Biggar Little Festival, and Leicester Comedy Festival, as well as for additional, one off events, such as Christmas at the Botanics, Illuminight and Southwark Council Fireworks Night. With support from Scottish Enterprise the Fringe Society commissioned the development of a business plan for the Fringe Box Office Agency, with a view to launching this service under a new brand. Revenue generated through Agency services supports the work of the Fringe Society.

Financial Review

2018 was another successful year for the Society. The majority of its income continues to be from commission and handling charges connected with the box office, advertising associated with the publications and website, registration fees and sponsorship. An estimated 2.8 million tickets were issued compared to 2.6 million in 2016, which shows the continued health of the festival. The Society is grateful for grant aid support from Creative Scotland (transitional funding), the Scottish Government's Edinburgh Festivals Expo Fund through Creative Scotland, The Department for Culture, Media and Sport and the Service Level Agreement with the City of Edinburgh Council. Other income includes gift aid from the trading subsidiary and rental income from properties owned by the Society.

The majority of expenditure covers the provision of box office services (including staffing), staffing the Society and producing the Fringe publications and the website and apps. Other expenditure relates to marketing costs associated with events and sponsorship, training fees, premises and overheads. The Society continues to invest in digital resources, for both audiences and participants, as well a formal commitment to the living wage since October 2014.

As noted in our review of activities on page 3, the Society is following a strategic plan to grow services which involves investment in increased costs.

The Trustees are confident that the finances of the Society are in good shape and prudent budgeting and income generation plans will ensure the Fringe Society can deliver its ambitious business plan. The Finance, Audit and Risk Committee will continue to look at the long term financial future of the organisation with the Chief Executive.

Overall the charity had a consolidated surplus of £11,437 before revaluation of properties.

Investment powers and policy

The trustees, having regard to cashflow requirements, have kept available funds in an interest bearing deposit account rather than longer term investments. Returns have therefore been low in line with bank interest rates.

Report of the Trustees for the year ended 30 November 2018**Reserves Policy**

The consolidated unrestricted reserves of the Fringe Society includes all tangible assets and investment property, as well as designated reserves (where required - see note 22 for more information). The Fringe Society board of directors are seeking to increase the level of cash reserves to support the organisation to meet its contingent liabilities in the event of a major incident.

The Finance, Audit and Risk Committee reviewed the Society's reserves policy in 2018. The reserves policy is as below:

The Fringe Society Board of Trustees has established that, in order to deal with any contingent liabilities should there be a shortfall in funding between grants received, income generated by the Society and the Society's expenditure, a level of reserves should be held. The Trustees believe that they require four months average working capital to be retained in unrestricted reserves in order to cover operational costs for this period. At the year end the Society held £1,729,600 of consolidated unrestricted reserves which represents approximately four and a half months of average expenditure, however this includes fixed assets of £1,373,144 and so unrestricted working capital available is £356,456.

The Board also takes a risk based approach when assessing reserve requirements and based on this plans to continue to grow its reserves at current rates to ensure the long term sustainability of the Fringe Society in the event of a major incident.

Designated Reserve

In 2015 the Board of Trustees designated reserves for staff and project costs for Access Fringe Strategy (£192,000 over three years). This fund has now been drawn down. These activities will continue to be funded from the Society's annual income.

Future Developments

2019 will see the ongoing development of the key strategic priorities outlined in the new Business Plan, focussed on ensuring the Fringe remains accessible and open to all.

Key developments for 2019 include:

- Enhancement and growth of Arts Industry services, including digital tools to support attendance;
- To deepen our relationships with our Community Engagement Partners to build a meaningful and lasting engagement with arts and live performance;
- To develop innovative and sustainable ways of working with young people in formal education to build a life-long love of the Fringe.
- To enhance and develop the portfolio of international artists, media, industry and audiences attending the Fringe;
- To ensure UK based artists are best placed to maximise the opportunities the Fringe presents on an international stage.

Report of the Trustees for the year ended 30 November 2018

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also Directors of Edinburgh Festival Fringe Society Limited for the purposes of company law) are responsible for preparing the Trustees' Report (including strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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; and

- Prepare the financial statements on the going concern basis unless it is not appropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the provision of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

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Trustees' Report including strategic report for the year ended 30 November 2018 (continued)

Reference and Administration

Company number: SC046605

Charity number: SC002995

Registered Office

180 High Street
EDINBURGH, EH1 1QS

Auditors

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

Directors and Trustees

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

TMM O'Shea (Chair)
AA Alderson (Vice Chair)
JC Adams (from 20 November 2018)
SM Allison (from 21 August 2018)
S Burgess
FL Davis
JA Doherty
G Harkness (from 20 November 2018)
T Lang (from 20 November 2018)
RBS Lloyd (until 21 August 2018)
L Meredith Williams
TBB Mitchell (from 21 August 2018)
SW Morrison
MZ Panesh
KJ Smurthwaite
PM Utton (until 21 August 2018)
RJ Wiseman
CBM Wood (until 21 August 2018)
WJC Wood (until 20 November 2018)

Key Management Personnel: The Edinburgh Festival Fringe Society

Chief Executive Officer: Shona McCarthy

Senior Management Team: Rachel Sanger (Head of Participant Services) (to Sept 17 and from Jul 18)
Dani Rae (Head of Participant Services) (Temp cover) (Oct 17 - Jun 18)
Oliver Davies (Head of Marketing, PR and Sponsorship)
Lyndsey Jackson (Director of Operations)

Secretary

Shona McCarthy

Trustees' Report including strategic report for the year ended 30 November 2018 (continued)**Structure, Governance and Management****Governing Document**

The Edinburgh Festival Fringe Society is limited by guarantee and does not have any share capital. It is a registered charity in Scotland. It is governed by its Memorandum and Articles of Association dated 09 May 1969, and adopted on 21 November 2010, and amended last on 19 August 2014. The members of the Society, two at minimum, are those individuals who elect the elected Trustees.

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

Appointment of Trustees

Under the constitution, adopted at the General Meeting in November 2010, following a constitutional review, anyone can join the Society as a Member, the Board will consist of between 12 and 16 Trustees and is made up of up to 12 elected Members and up to 4 appointed by the Elected Directors (Trustees).

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

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

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

Trustee Induction and Training

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

Organisation

The Board of Trustees, which administers the Society, meets five times a year. The Trustees elect one of their members as Chair for such periods as they see fit. The Board appoints a Chief Executive to manage the day to day operations of the Society. To facilitate effective operations, the Chief Executive has delegated authority within the terms of delegation approved by the Trustees, for operational matters including finance and employment. The Chief Executive is Shona McCarthy, who was appointed on 14 March 2016.

The following sub-committees are in place: Finance, Audit and Risk Committee, Constitutional Review Working Group, Business Planning Committee, Box Office and IT Working Group, Appointments Committee and Remuneration Committee. The Box Office and IT Working Group continues to act as project board for IT projects and is overseen by the Business Planning Committee.

Related Parties and co-operation with other organisations

The Society has a close relationship with the City of Edinburgh Council, which acts as the Society's landlord under a lease agreement (renewed in 2014 for a further ten years). The Society's wholly owned subsidiary, Festival Fringe Trading Limited, was established to promote the sale of merchandise relating to the Fringe. The subsidiary gift aids the majority of its taxable profits to the Society. This year gift aid amounted to £56,853 (2017: £138,307). Due to a change in timing for gift aid accounting £22,364 of profits remained in the trading company at the year end.

Key Management Personnel

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

Trustees' Report including strategic report for the year ended 30 November 2018 (continued)

Risk Statement

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

Risks are considered in terms of their likelihood and their consequences and the Committee consider both the mitigating factors and the assurances that may be in place (such as insurances) as well as the timescales for review and any resource requirements. Key risks are outlined below. The Society maintains a level of reserves which acts as a generic mitigant to risks to ensure smooth running in such eventualities.

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

EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

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Trustees' Report including strategic report for the year ended 30 November 2018 (continued)

Key Risks continued

Risk	Impact	Risk To	Mitigation	Assurance
Natural disaster/loss of key utility	Loss of buildings or other assets due to fire, flood, storm etc. injury or loss of life. Interruption/closure of service delivery	EFFS, Fringe customers, audiences	Limited - secure and long standing buildings will offer some protection. Precautions in place where possible (fire detection systems, extinguishers etc.). Serious incident management plan details specific plans based on circumstances. Communication with relevant suppliers and partners and where possible, failover and disaster recover plans in place.	Insurances

Statement as to disclosure to our auditors

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

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

Auditors

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

By Order of the Board


Prof. Sir Timothy O'Shea

Date 23/05/19

Independent Auditors' Report to the Trustees and Members of The Edinburgh Festival Fringe Society Limited

Opinion on financial statements

We have audited the financial statements of Edinburgh Festival Fringe Society Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 30 November 2018 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Statements of Financial Position, the Group and Parent Charitable Company Cash Flow Statements 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements

In our opinion the financial statements:

- *give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 November 2018 and of its income and expenditure for the year then ended;*
- *have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and*
- *have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)*

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- *the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or*
- *the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a year of at least twelve months from the date when the financial statements are authorised for issue.*

Other information

The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Independent Auditors' Report to the Trustees and Members of The Edinburgh Festival Fringe Society Limited

In connection with our audit of the financial statements, 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report which includes the Directors' Report.

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

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

Responsibilities of directors

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

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

Independent Auditors' Report to the Trustees and Members of The Edinburgh Festival Fringe Society Limited

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 under the Companies Act 2006 and report in accordance with the Acts 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.

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

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's directors, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.



James Davidson (Senior Statutory Auditor)

For and on behalf of MHA Henderson Loggie

Chartered Accountants

Statutory Auditors

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

GROUND FLOOR, 11-15 THISTLE ST

EDINBURGH

EH2 1DF

Date 23 May 2019

MHA Henderson Loggie is a trading name of Henderson Loggie LLP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including consolidated income and expenditure account)
for the year ended 30 November 2018

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	4	256,686	-	256,686	284,492
Charitable activities					
Operation of festival activities	5	3,573,740	405,113	3,978,853	3,713,999
Other trading activities	6	572,605	-	572,605	510,331
Investments	7	45,895	-	45,895	18,206
Other income		-	-	-	-
Total	22	4,448,926	405,113	4,854,039	4,527,028
EXPENDITURE ON:					
<i>Raising funds</i>					
Fundraising costs of grants and donations	8	4,111	-	4,111	5,074
Sponsorship and trading costs	8	459,273	-	459,273	348,897
		463,384	-	463,384	353,971
Charitable activities					
Operation of festival activities	9	4,016,063	363,155	4,379,218	4,061,029
Total		4,479,447	363,155	4,842,602	4,415,000
Net income/(expenditure)		(30,521)	41,958	11,437	112,028
Transfers between funds	22	41,958	(41,958)	-	-
Other recognised gains/(losses):					
	15/22				
Gains on revaluation of fixed assets	/23	85,000	-	85,000	-
Net movement in funds		96,437	-	96,437	112,028
Reconciliation of funds					
Total funds brought forward		1,633,163	-	1,633,163	1,521,135
Total funds carried forward	22/24	1,729,600	-	1,729,600	1,633,163

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

CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
for the year ended 30 November 2018

		Unrestricted Funds	Restricted Funds	Total Funds 2018	Total Funds 2017
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	4	256,686	-	256,686	284,492
<i>Charitable activities</i>					
Operation of festival activities	5	3,573,740	405,113	3,978,853	3,713,999
Other trading activities	6	39,213	-	39,213	29,219
Investments	7	102,727	-	102,727	156,425
Other income		-	-	-	-
Total		3,972,366	405,113	4,377,479	4,184,135
EXPENDITURE ON:					
<i>Raising funds</i>					
Fundraising costs of grants and donations	8	4,111	-	4,111	5,074
Sponsorship and trading costs	8	5,077	-	5,077	6,004
		9,188	-	9,188	11,078
<i>Charitable activities</i>					
Operation of festival activities	9	4,016,063	363,155	4,379,218	4,061,029
Total		4,025,251	363,155	4,388,406	4,072,107
Net income/(expenditure)		(52,885)	41,958	(10,927)	112,028
Transfers between funds	22	41,958	(41,958)	-	-
Other recognised gains/(losses):					
Gains on revaluation of fixed assets	15	85,000	-	85,000	-
Net movement in funds		74,073	-	74,073	112,028
Reconciliation of funds					
Total funds brought forward		1,615,724	-	1,615,724	1,503,696
Total funds carried forward		1,689,797	-	1,689,797	1,615,724

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

CONSOLIDATED AND CHARITY BALANCE SHEET
as at 30 November 2018

	Note	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Fixed Assets					
Tangible Assets	15	938,044	752,412	938,044	752,412
Investment Property	15	435,000	350,000	435,000	350,000
Investments	16	-	-	100	100
Total Fixed Assets		1,373,044	1,102,412	1,373,144	1,102,512
Current Assets					
Stock	17	36,012	36,230	-	-
Debtors	18	347,057	420,093	364,082	535,410
Cash at Bank and in Hand	19	789,693	983,793	759,076	885,372
Total Current Assets		1,172,762	1,440,116	1,123,158	1,420,782
Current Liabilities					
Creditors falling due within one year	20	(632,155)	(693,732)	(622,454)	(691,937)
Net Current Assets		540,607	746,384	500,704	728,845
Total Assets less Current Liabilities		1,913,651	1,848,796	1,873,848	1,831,357
Creditors falling due after more than one year	21	(184,051)	(215,633)	(184,051)	(215,633)
Net Assets		1,729,600	1,633,163	1,689,797	1,615,724
The Funds of the Charity:					
Restricted Funds	22/23	-	-	-	-
Unrestricted Funds:					
General	22/23	1,372,600	1,260,636	1,332,797	1,243,197
Designated Reserve	22/23	-	100,527	-	100,527
Revaluation Reserve	22/23	357,000	272,000	357,000	272,000
Total Charity Funds	24/25	1,729,600	1,633,163	1,689,797	1,615,724

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 22 to 33 form part of these accounts.

These financial statements were approved and authorised for issue by the Trustees on 23rd May 2019, and are signed on their behalf by:



Prof. Sir Timothy O'Shea
Chairman

Company No: SC046605

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ending 30 November 2018

	Group 2018	Group 2017	Charity 2018	Charity 2017
Note	£	£	£	£
Net cash provided by (used in) operating activities				
27	80,371	(1,606,163)	(5,944)	(1,763,160)
Cash flows from investing activities				
Interest and rental income	45,895	18,206	45,874	18,118
Income from distributions from trading subsidiary	0	0	56,853	138,307
Purchase of tangible fixed assets	(276,708)	(25,148)	(276,708)	(25,148)
Repayment (increase) of loans to trading subsidiary	0	0	97,287	(47,795)
Cash provided by (used in) investing activities	(230,813)	(6,942)	(76,694)	83,482
Cash flows from financing activities				
Interest paid	(13,622)	(15,125)	(13,622)	(15,125)
Repayment of borrowing	(30,036)	(28,565)	(30,036)	(28,565)
Cash used in financial activities	(43,658)	(43,690)	(43,658)	(43,690)
Increase (decrease) in cash and cash equivalents in the year	(194,100)	(1,656,795)	(126,296)	(1,723,368)
Cash and cash equivalents at the beginning of the year	983,793	2,640,588	885,372	2,608,740
Total cash and cash equivalents at the end of the year	789,693	983,793	759,076	885,372

NOTES ON THE FINANCIAL STATEMENTS
30 November 2018

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

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

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

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

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

These financial statements are presented in £ Sterling.

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

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

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

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

The following are the Groups key sources of estimation uncertainty:

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

c) Going Concern

The Edinburgh Festival Fringe Society (the 'Society'), including its trading subsidiary generated net incoming resources before transfers of £11,437 (2017: £112,028) for the year and at the 30 November 2018 had net assets of £1,729,600 (2017: £1,633,163). As at 30 November 2018 it had net current assets of £540,607 (2017: £746,384). The Trustees have considered the appropriateness of the going concern policy status of the Society and are comfortable with the Society's position.

The Society has prepared a business plan which covers 2019 to 2023 and the Society projects to maintain a good level of cash reserves. The Trustees therefore believe it is appropriate to prepare these financial statements on a going concern basis. The Finance, Audit and Risk Committee will continue to review the long term financial future of the Society as well as ongoing management accounts, profit forecasts and cashflow forecasts.

d) Group financial statements

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

e) Operating Leases

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

NOTES ON THE FINANCIAL STATEMENTS
30 November 2018

f) Stock

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

g) Income

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

Such income is only deferred when:

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

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

Investment income is recognised on a receivable basis.

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

Income from charitable activities is deferred when:

- project related grants are received in advance of a time specific project or event to which they relate.

h) Expenditure

Expenditure is recognised when a liability arises.

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

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

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

i) Pensions

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

NOTES ON THE FINANCIAL STATEMENTS
30 November 2018

j) Tangible fixed assets

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

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

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

k) Investment properties

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

l) Reserves

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

Restricted Funds

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

Unrestricted Funds

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

Designated Funds

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

m) Financial Instruments

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

n) Financial Assets

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

o) Financial Liabilities

Trade and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled. Where the arrangement with a trade or other creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

NOTES ON THE FINANCIAL STATEMENTS
30 November 2018

2 Related party transactions

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

- The Society charged management fees of £26,713 (2017: £25,719) to the Trading Company.
- The Trading Company made Gift Aid payments of £56,853 (2017: £138,307) to the Society.
- At the balance sheet date, there was a balance of £20,332 due from the Trading Company to the Society. (2017: £117,627 due to the Society).

Two of the Society's directors, Anthony Alderson and Charlie Wood, are directors of the company Red Sixty One Limited (Red61) with which the Society has a working relationship to provide a box office system and IT support services; to ensure this was dealt with properly, the directors declared an interest to the Chair and were subsequently excluded from all Board discussions regarding this contract. During the year amounts of £1,119,197 (inc VAT) were invoiced by Red61. A loan was made to Red61 in December 2017. At the year end there was a balance of £17,436 due to Red61 and a balance of £82,907 due from Red61 included in creditors and other debtors respectively. There were no payments in relation to their role as Trustees.

Payments totalling approximately £11.2m in terms of box office receipts sold as an agent for the relevant venues were made to the Pleasance Theatre Trust (A Alderson), Underbelly (CBM Wood), and Assembly (S Burgess) in their capacity as venues operating at the Festival.

3 Financial activities of the trading subsidiary

The financial results shown in the consolidated statement of financial activities include those of the charity's wholly owned subsidiary, the Trading Company. A summary of the financial activities undertaken by the subsidiary is set out below:

	2018	2017
	£	£
Turnover	560,105	506,830
Cost of sales and administrative expenses	(480,909)	(368,612)
Interest receivable	21	88
Net profit	79,217	138,306
Taxation charge	0	0
Distributions paid to the charity	(56,853)	(138,307)
Accumulated Profit	22,364	(1)
The assets and liabilities of the subsidiary were:		
Current assets	69,949	137,055
Current liabilities	(30,046)	(119,516)
	39,903	17,539
Represented by:		
Share capital	100	100
Retained profits	39,803	17,439
	39,903	17,539

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3 Financial activities of the Trading subsidiary (continued)

Incoming resources from commercial trading activities and commercial trading operations included in the Consolidated Statement of Financial Activities represent the incoming and outgoing funds from the wholly owned trading subsidiary, the Trading Company, which is incorporated in the United Kingdom and which pays a significant proportion of its taxable profits to the charity by way of gift aid, 2018: £56,853 (2017: £138,307). There is a £26,713 (2017: £25,719) Management Charge from the Society to the Trading Company. The charity owns the entire share capital of 100 ordinary shares of £1 each.

4 Donations and Legacies - Group and Charity

	Unrestricted Income	Restricted Income	Unrestricted Income	Restricted Income
	2018	2018	2017	2017
	£	£	£	£
Company Membership	4,320	-	4,490	-
Donations	130,415	-	120,200	-
Grants - Creative Scotland	35,000	-	70,000	-
Grants - City of Edinburgh Council	86,951	-	89,802	-
	256,686	-	284,492	-

5 Incoming resources from charitable activities

Income from charitable activities comes from box office commission and handling fees of £1,713,567 (2017 - £1,637,598) as well as Fringe registration fees of £892,154 (2017 - £848,086), advertising income of £386,380 (2017 - £394,770), friends scheme subscriptions of £389,776 (2017 - £301,016) and other Fringe related income of £323,407 (2017 - £168,447). Grant income of £273,569 (2017 - £364,082) relates to grants. Restricted income is as detailed in note 22 received for specific projects, which in this year was mainly Made in Scotland and Virgin Money.

Income from the operation of festival activities totalled £3,978,853 (2017 £3,713,999) of which £3,573,740 was unrestricted (2017 £3,349,917) and £405,113 was restricted (2017 £364,082).

Restricted income of £405,113 comprised government grants of £233,780, which were grants given for specific projects, and income from Virgin Money for the Street Events Fund. There are no unfulfilled conditions or contingencies relating to these grants.

6 Income from other trading activities

Income from other trading activities is all unrestricted and included income from sponsorship and from running the retail shop. The consolidated income from other trading activities includes sponsorship income of £433,833 (2017 £385,667) and trading income of £138,772 (2017 £124,664). All income from other trading activities was unrestricted in 2018 and 2017.

7 Investment income

The investment income includes income arising from interest bearing deposit accounts, from rental of the investment properties and in the Charity from distributions received from the Trading Company. Investment income is all unrestricted in 2018 and 2017.

8 Allocation of support and governance

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

	Costs of Festival Operations	Expenditure on Raising Funds	Sponsorship and Trading Costs	2018 Total	2017 Total
Unrestricted					
	£	£	£	£	£
General administration	34,550	-	-	34,550	58,400
Premises	131,465	-	-	131,465	113,819
Society IT and communications	178,803	-	-	178,803	179,251
Training, recruitment and travel	44,104	-	-	44,104	34,635
Depreciation/gain/loss on sale	91,078	-	-	91,078	79,076
Other expenses	33,511	4,111	5,077	42,699	26,306
Non governance legal expenses	28,127	-	-	28,127	17,105
Governance costs	59,067	-	-	59,067	75,485
Total Charity	600,705	4,111	5,077	609,893	584,077
Subsidiary trading costs	-	-	451,696	451,696	340,456
Subsidiary external audit	-	-	2,500	2,500	2,437
Subsidiary taxation charge	-	-	-	0	0
Total Group	600,705	4,111	459,273	1,064,089	926,970

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8 Allocation of support and governance (continued)

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

All costs of raising funds are unrestricted in 2018 (2017 - all unrestricted).

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

9 Analysis of charitable expenditure

The Society undertakes direct charitable activities only and does not make grant payments.

	Unrestricted Expenses Costs of Festival Operations 2018 £	Restricted Expenses Costs of Festival Operations 2018 £	Total 2018 £	Total 2017 £
Support and gov costs (note 8)	600,705	-	600,705	572,999
Staff costs	1,346,833	54,838	1,401,671	1,210,952
Publications costs	295,898	-	295,898	300,149
Marketing costs	401,596	47,860	449,456	665,286
Projects and events	321,887	260,457	582,344	335,947
Box Office Costs	1,139,767	-	1,139,767	1,017,399
Digital and Online	273,857	-	273,857	235,181
Trading co: Event staff costs	(129,336)	-	(129,336)	(103,303)
Trading co: Projects and events	(235,144)	-	(235,144)	(173,581)
Total Charitable Expenditure	4,016,063	363,155	4,379,218	4,061,029

Total charitable expenditure was £4,379,218 (2017 - £4,061,029) or which £4,016,063 was unrestricted (2017 - £3,620,802) and £363,155 was restricted (2017 - £440,227).

10 Analysis of staff costs (including key management personnel)

	2018 £	2017 £
Wages and salaries	1,248,335	1,078,663
Social security costs	112,054	100,859
Other pension costs	41,282	31,430
	1,401,671	1,210,952

The key management personnel of the parent charity and of the group, comprise the trustees, the Chief Executive Officer and the Senior Management Team. The total employee benefits of the key management personnel of the charity and the group were £295,735 (2017: £269,892).

No remuneration was paid to the directors for their services as Trustees to the Society. The directors received aggregate expenses of £6,562 (2016: £7,633) during the year.

One employee was paid between £110,000-£120,000 during the year.

11 Staff numbers (Group and Charity)

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

	2018 No.	2017 No.
Administration	11	11
Marketing, press and publications	14	14
Digital and IT	2	2
Events	11	11
Participant services	8	7
	46	45

The permanent team averaged at 25 (2017 - 24) staff. The above numbers include the seasonal temporary staff also.

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12 Net Incoming resources

	2018	2017
	£	£
This is stated after charging:		
Operating leases	14,820	14,808
Depreciation	91,076	71,194
Gain/Loss on disposal of fixed assets	0	7,882
Auditors remuneration-Audit (Group)	10,700	11,687
Auditor fee for non-audit services (Group)	800	1,386
Loan interest	<u>13,622</u>	<u>15,125</u>

£2,500 of the external audit fee relates to the Festival Fringe Trading Limited subsidiary.

13 Lease Commitments

At 30 November 2018, the company had total commitments under non-cancellable operating leases as follows:

	2018	2017
	£	£
Expiring in less than one year	14,973	14,820
Expiring between one and five years	29,946	14,820

Operating lease costs in the year were £14,730 (2017 £14,808).

14 Taxation

	2018	2017
	£	£
Taxation payable	<u>-</u>	<u>-</u>

The trading subsidiary annually gift aids the majority of its surplus to the Society, 2018 : £56,853 (2017 : £138,307).

15 Tangible fixed assets - group and charity

	Investment property	Freehold/ Leasehold Property	Computer Equipment	Fixtures & fittings	Total
	£	£	£	£	£
Cost/Valuation					
As at 1.12.17	350,000	1,147,541	114,900	82,559	1,695,000
Additions	-	-	28,540	248,168	276,708
Disposals	-	-	-	-	-
Revaluations	85,000	-	-	-	85,000
As at 30.11.18	<u>435,000</u>	<u>1,147,541</u>	<u>143,440</u>	<u>330,727</u>	<u>2,056,708</u>
Depreciation					
As at 1.12.17	-	444,584	84,006	63,998	592,588
Disposals	-	-	-	-	-
Charge for year	-	46,174	13,280	31,622	91,076
As at 30.11.18	<u>-</u>	<u>490,758</u>	<u>97,286</u>	<u>95,620</u>	<u>683,664</u>
Net book value					
As at 30.11.18	<u>435,000</u>	<u>656,783</u>	<u>46,154</u>	<u>235,107</u>	<u>1,373,044</u>
As at 1.12.17	<u>350,000</u>	<u>702,957</u>	<u>30,894</u>	<u>18,561</u>	<u>1,102,412</u>

The company's flats are treated as investment properties and have therefore not been depreciated in accordance with FRS102. The properties are stated at Fair Value and revalued biannually. The flats were valued with vacant possession at £435,000 on 12 November 2018 by DM Hall Chartered Surveyors LLP. The Trustees are satisfied that this reflects the value as at 30 November 2018. Full title to the leasehold property will pass to the Society on the repayment of the loan from the City of Edinburgh Council (note 21). The original cost of the investment properties was £78,000.

NOTES ON THE FINANCIAL STATEMENTS
30 November 2018

16 Fixed asset investments**Cost and net book amount**

At 1 December 2017 and 30 November 2018

Charity
£
100

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

17 Stock

	Group 2018	Group 2017	Charity 2018	Charity 2017
	£	£	£	£
Stocks	<u>36,012</u>	<u>36,230</u>	<u>-</u>	<u>-</u>

18 Debtors

	Group 2018	Group 2017	Charity 2018	Charity 2017
	£	£	£	£
Due within one year				
Trade debtors	28,896	145,360	25,579	143,049
Amounts owed by group undertakings	-	-	20,342	117,628
VAT debtor	81,062	98,938	81,062	98,938
Other debtors	18,232	-	18,232	-
Prepayments and accrued income	145,165	175,795	145,165	175,795
	<u>273,355</u>	<u>420,093</u>	<u>290,380</u>	<u>535,410</u>
Due in greater than one year				
Other debtors	73,702	-	73,702	-
	<u>73,702</u>	<u>-</u>	<u>73,702</u>	<u>-</u>
Total debtors	<u>347,057</u>	<u>420,093</u>	<u>364,082</u>	<u>535,410</u>

NOTES ON THE FINANCIAL STATEMENTS
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19 Cash at Bank and in Hand

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Funds held for own use	685,520	854,796	654,903	756,375
Funds held for third party box offices	104,173	128,997	104,173	128,997
	<u>789,693</u>	<u>983,793</u>	<u>759,076</u>	<u>885,372</u>

20 Creditors: amounts falling due within one year

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Trade Creditors	259,414	232,658	251,709	232,658
Tax and social security costs	27,699	24,996	27,699	24,996
Loans (note 21)	31,582	30,036	31,582	30,036
Accruals and deferred income	313,460	406,042	311,464	404,247
	<u>632,155</u>	<u>693,732</u>	<u>622,454</u>	<u>691,937</u>

Included within accruals and deferred income is an amount of £104,173 (2017: £128,997) relating to cash held by the society on behalf of a 3rd party for box office funds received for various events.

Deferred income

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

Movement in deferred income account

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Balance as start of year	99,950	155,364	99,950	155,364
Amounts added in current year	149,950	99,950	149,950	99,950
Amounts released to income	(99,950)	(155,364)	(99,950)	(155,364)
Balance at end of year	<u>149,950</u>	<u>99,950</u>	<u>149,950</u>	<u>99,950</u>

21 Creditors: amounts falling due after more than one year

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Loans	<u>184,051</u>	<u>215,633</u>	<u>184,051</u>	<u>215,633</u>

The City of Edinburgh Council has provided a loan to finance the purchase of the investment property. Full title to this property will pass to the Society on repayment of the loan. Interest is payable at 5.15% per annum, the loan is repayable over 20 years, and £215,633 was outstanding at 30 November 2018.

	Group	Group
	2018	2017
	£	£
Amounts payable within 1 year	<u>31,582</u>	<u>30,036</u>
Amounts payable between 2 and 5 years	143,455	129,746
Amounts payable after more than 5 years	40,596	85,887
Total falling due after more than one year	<u>184,051</u>	<u>215,633</u>
Total loan	<u>215,633</u>	<u>245,669</u>

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

NOTES ON THE FINANCIAL STATEMENTS
30 November 2018

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

	Fund at 1.12.17	Incoming resources	Resources expended	Transfers	Fund at 30.11.18
	£	£	£	£	£
Made in Scotland Grant	-	166,082	(166,082)	-	-
Made in Scotland - Brussels	-	10,240	(10,240)	-	-
DCMS - Fringe Forward	-	57,458	(57,458)	-	-
Street Events Fund	-	171,333	(129,375)	(41,958)	-
Total restricted funds	-	405,113	(363,155)	(41,958)	-

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

The Made in Scotland - Brussels project will see the presentation of Made in Scotland shows at a pop-up festival in Brussels in 2019. Funding covers artist production and travel costs, marketing and audience development and project management costs.

The DCMS - Fringe Forward project saw the delivery of a bespoke brokering scheme between tour ready UK artists and national and international bookers, promoters and festival directors. Funding will also support specialist in-house expertise in developing the Arts Marketplace at the Fringe.

The Street events Fund was monies received from Virgin Money for the refurbishment of the street events furniture. This was fully spent on the Street Event refurbishment and asset and so the balance has been transferred to the general fund.

Analysis of unrestricted fund movement - group

	Fund at 1.12.17	Incoming resources	Resources expended	Transfers/ Revaluation	Fund at 30.11.18
	£	£	£		£
General fund	1,260,636	4,448,926	(4,378,920)	41,958	1,372,600
Designated					
Access Fringe Fund	100,527	-	(100,527)	-	-
Total designated	100,527	-	(100,527)	-	-
Revaluation reserve	272,000	-	-	85,000	357,000
	1,633,163	4,448,926	(4,479,447)	126,958	1,729,600
Total Funds	1,633,163	4,854,039	(4,842,602)	85,000	1,729,600

The Trustees agreed to designate funds for the following purposes:

Access Fringe Fund - this fund was utilised for a three year project which included a dedicated post exploring ways of encouraging community engagement and the accessibility of the Fringe. This fund was created using funds recovered during the investigation in 2014 which the Trustees agreed to set aside for this project. This year was the final year for this fund.

Analysis of unrestricted fund movement - charity only

	Fund at 1.12.17	Incoming resources	Resources expended	Transfers/ Revaluation	Fund at 30.11.18
	£	£	£		£
General fund	1,243,197	3,972,366	(3,924,724)	41,958	1,332,797
Designated					
Access Fringe Fund	100,527	-	(100,527)	-	-
Total designated	100,527	-	(100,527)	-	-
Revaluation reserve	272,000	-	-	85,000	357,000
	1,615,724	3,972,366	(4,025,251)	126,958	1,689,797
Total Funds	1,615,724	4,377,479	(4,388,406)	85,000	1,689,797

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23 Analysis of charitable funds - Group and charity - previous year (2017)**Analysis of restricted fund movement - group and charity**

	Fund at 1.12.16	Incoming resources	Resources expended	Transfers	Fund at 30.11.17
	£	£	£	£	£
Made in Scotland Grant	-	166,082	(166,082)	-	-
EFFS 70th/World Fringe Day	-	190,000	(265,245)	75,245	-
Scottish Enterprise	-	6,000	(6,900)	900	-
Glasgow event	-	2,000	(2,000)	-	-
Total restricted funds	-	364,082	(440,227)	76,145	-

Analysis of unrestricted fund movement - group

	Fund at 1.12.16	Incoming resources	Resources expended	Transfers	Fund at 30.11.17
	£	£	£	£	£
General fund	1,122,044	4,162,946	(3,948,209)	(76,145)	1,260,636
Designated					
Access Fringe Fund	127,091	-	(26,564)	-	100,527
Total designated	127,091	-	(26,564)	-	100,527
Revaluation reserve	272,000	-	-	-	272,000
	1,521,135	4,162,946	(3,974,773)	(76,145)	1,633,163
Total Funds	1,521,135	4,527,028	(4,415,000)	-	1,633,163

Analysis of unrestricted fund movement - charity

	Fund at 1.12.16	Incoming resources	Resources expended	Transfers	Fund at 30.11.17
	£	£	£	£	£
General fund	1,104,605	3,820,053	(3,605,316)	(76,145)	1,243,197
Designated					
Access Fringe Fund	127,091	-	(26,564)	-	100,527
Total designated	127,091	-	(26,564)	-	100,527
Revaluation reserve	272,000	-	-	-	272,000
	1,503,696	3,820,053	(3,631,880)	(76,145)	1,615,724
Total Funds	1,503,696	4,184,135	(4,072,107)	-	1,615,724

24 Analysis of net assets between funds - Group

	Unrestricted 2018	Total 2018	Unrestricted 2017	Total 2017
	£	£	£	£
Tangible fixed assets	1,373,044	1,373,044	1,102,412	1,102,412
Net current assets	540,607	540,607	746,384	746,384
Long term liabilities	(184,051)	(184,051)	(215,633)	(215,633)
	1,729,600	1,729,600	1,633,163	1,633,163

25 Analysis of net assets between funds - Charity

	Unrestricted 2018	Total 2018	Unrestricted 2017	Total 2017
	£	£	£	£
Tangible fixed assets	1,373,144	1,373,144	1,102,512	1,102,512
Net current assets	500,704	500,704	728,845	728,845
Long term liabilities	(184,051)	(184,051)	(215,633)	(215,633)
	1,689,797	1,689,797	1,615,724	1,615,724

26 Capital Commitments

At 30 November 2018 there were no capital commitments.

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

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Net movement in funds	96,437	112,028	74,073	112,028
Deduct revaluation gain	(85,000)	-	(85,000)	-
Add back depreciation charge	91,076	71,194	91,076	71,194
Add back loss on sale of assets	0	7,882	0	7,882
Deduct income from distributions from trading subsidiary.	-	-	(56,853)	(138,307)
Deduct interest income and rental income shown in investing activities	(45,895)	(18,206)	(45,874)	(18,118)
Add back interest paid	13,622	15,125	13,622	15,125
Decrease (increase) in stock	218	(16,998)	-	-
Decrease (increase) in debtors	73,035	(168,154)	74,041	(207,888)
Increase (decrease) in creditors	(63,122)	(1,609,034)	(71,029)	(1,605,076)
Net cash provided by (used in) operating activities	80,371	(1,606,163)	(5,944)	(1,763,160)

The 2017 cash outflow was largely caused by a change in the profile of the third party box offices and this also represented an equal reduction in creditors.

28 Financial instruments	Group	Charity	Group	Charity
	2018	2018	2017	2017
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	120,831	137,856	145,360	260,677
Financial assets measured at fair value through profit and loss	435,000	435,000	350,000	350,000
Carrying amount of financial liabilities				
Measured at amortised cost	638,557	628,856	784,419	782,624

Debt instruments measured at amortised cost comprises trade debtors, other debtors and amounts owed by group undertakings.

Financial assets measured at fair value through profit and loss represent investment properties.

Liabilities measured at amortised cost comprises trade creditors, loans and deferred income.