

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

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 30 NOVEMBER 2020**

**Company number: SC046605**

**Charity number: SC002995**



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**EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED**

**FINANCIAL STATEMENTS**

**For the year ended 30 November 2020**

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**Report of the Trustees for the year ended 30 November 2020**

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 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. For the purpose of this report, the Directors are referred to as Trustees.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

**Chief Executive Officer's Report**

2020 was, to perhaps understate it, an unforgettable year. The impact of the Covid-19 pandemic and subsequent lockdowns was keenly felt across the globe – including the Fringe community.

It still feels unreal to say, but on 01 April 2020 we announced that, for the first time in its 73-year history, the Fringe would not go ahead as planned. While undoubtedly necessary, this was a devastating moment for everyone who makes up the Fringe ecosystem: artists, venues, programmers, producers, journalists, tech teams, front-of-house staff and many more, and of course the whole team at the Fringe Society. In a year where the arts sector was gutted by a pandemic that seemed to prey specifically on the things that make it dear to us – communality, the shared experience, laughter – the absence of the Fringe was another crushing blow.

Despite all the storm clouds, however, some rays of hope did pierce through. After an initial period of furlough for three-quarters of our team, we regrouped to focus on our core objective of supporting artists. We recognised that, with limited ways to perform and earn income, many Fringe creatives were in dire straits – and it was our job to support them, Fringe or not. A CrowdFunder campaign we started in July ultimately generated an incredible £360,000 in donations across the Fringe landscape, including £75,000 for our central recovery fund to help artists and venues return to the Fringe in 2021. As part of that fundraiser, we staged AJ Bell Fringe on Friday: cabaret-style performances on each Friday of what would have been the Fringe, starring talented acts from a range of genres. In Fringe Central and Fringe Exchange, we created online spaces where creatives could tackle the issues facing their industry and connect with fellow artists and professionals, keeping their careers progressing while the world was at a standstill.

At the same time, we fought for the survival of the Fringe Society, a registered charity. We engaged with governments in both Scotland and the UK, securing a £1m loan among other funding. Those funds have mitigated the huge losses incurred by the festival not going ahead, and have given us some much-needed room to breathe and plan for a more resilient future. It is going to take time for live performance to be possible again and it's going to take time for the Society and the Fringe to recover. But we will be ready and the future of the Fringe and the Society will be underpinned by our core values of inclusion, carbon reduction, diversity and equity.

We're not entirely out of the woods yet, but I want to take this moment to thank everyone who has demonstrated such an outpouring of generosity and encouragement for us so far. In addition to helping us support artists this year, you've enabled us to lay the groundwork for the Fringe's return in 2021.

The role of the Fringe and Fringe artists in our collective recovery is going to be more important than ever in the year (and years) ahead. At the moment we're all sharing in the unpredictability, fear and seeming relentlessness of the pandemic. But one day soon, live performance will be possible again and we'll be able to meet and reconnect and feel joy together. We at the Fringe Society will continue to prepare for that, by talking to artists, venues and anyone with ideas to help us find our way through this.

**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 2020 (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, in 2017 we 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. While Covid-19 has delayed and interrupted these plans we remain committed to the principles of the Fringe Blueprint and are working towards a new strategic plan that updates and develops these key areas of work for the future of the Fringe, beyond the pandemic.

- 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 2020 (continued)****Our Activities**

While Covid-19 has had a significant impact on the Festival and our organisation, the core role of the Fringe Society is unchanged; to provide support and services to those who participate and visit the Edinburgh Festival Fringe. In our response to the ongoing pandemic and withdrawal of the Fringe, we focused on ensuring we continued to offer services and support to the thousands of artists who bring their work to the 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 to marketing your show - with companies and venues, locally, nationally and internationally;
- 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.

In response to the development of Covid-19 and the ongoing lockdown and legal restrictions on live events, the Fringe Society, along with the other August Festivals, announced on 01 April 2020 that the Fringe would not go ahead. Our primary focus in 2020 has been to ensure the survival of the Fringe and its return in future years, alongside securing the financial stability of the Fringe Society. Our work focused on continuing engagement with artists, venues and industry and building responsive tools and programmes to support the collective survival.

**Key Performance Indicators (KPI)**

- Secure the future of the Fringe Society and develop new models of income;
- Increased political engagement and lobbying for the survival of the Fringe and our stakeholders;
- Develop new ways to engage and support artists and audiences through digital platforms;
- Maintain the value of the Edinburgh Festival Fringe to International Arts Industry;
- Ongoing development of key strategic priorities outlined in the Fringe Blueprint.

**Report of the Trustees for the year ended 30 November 2020 (continued)****Achievements and Performance****Relating to KPI: Secure the future of the Fringe Society and develop new models of income****Scottish Government Loan**

In May 2020 Fiona Hyslop, the Cabinet Secretary for Economy, Fair Work and Culture, approved a loan from the Scottish Government to the Fringe Society, to secure the future of the Fringe Society after the withdrawal of the physical Fringe in 2020. The loan of £1m was offered at 0% interest over a six-year term, which was extended to 10 years in December 2020 to allow us greater flexibility in our long-term recovery. The loan, which will be repaid from 2025, has allowed us to protect core services, retain essential jobs, and put in place effective recovery and resilience plans for the long-term future of the organisation as well as develop and grow alternative revenue streams through commercial activities, such as the Fringe Box Office. Immediately, the loan allowed the Fringe Society to offer full refunds to all artists and venues, ensuring they were not out of pocket at a time of real financial hardship.

**Funding and Support**

Funding programmes, such as Festivals EXPO fund, PLaCE, and City of Edinburgh Council, agreed that funds committed to project delivery could be repurposed for resilience and core costs, and the City of Edinburgh Council made a further award to the Fringe Society to aid recovery. Funds were also secured from the Pivotal Enterprise Resilience Fund and City of Edinburgh Council Rates Relief fund. As funding and support schemes are rolled out, the Fringe Society's development team will continue to make the case for support in our applications.

Like many others across the UK, the Fringe Society made use of the Coronavirus Job Retention Scheme. The scheme allowed the Society to use its skilled team flexibly throughout the year and avoid job losses in 2020. As of 30 November, the CJRS accounted for 20,785 hours (2,969 days) that were not worked by the permanent core team.

**Fringemas Crowdfunder campaign**

In mid-November we launched a 'Fringemas Fundraiser' campaign on Crowdfunder, aimed at helping the Society survive, stabilise and strengthen as it started making plans for Fringe 2021. The campaign initially centred around our Fringemas baubles – Fringe-branded Christmas tree decorations available in three different colours. In addition, we gained the support of several Fringe alumni, who donated raffle prizes to help us raise funds including Lin-Manuel Miranda, Bryony Kimmings and Alex Home. In the end, more than 900 supporters contributed to the Fringemas Fundraiser, helping us reach our target of £25,000.

**New models of Income**

The immediate impacts of the pandemic on the financial security of the Fringe Society highlighted the risks and challenges of the current financial model that relies on earned income. Working with a range of stakeholders and partners, the Fringe Society has made the strong case for ongoing support from funders and agencies who recognise the Fringe as a vital part of the cultural landscape of Scotland and the UK. Alongside exploring how funders and agencies can support the Fringe Society going forward, we are also exploring further ways to generate new income streams through commercial activities, including box office, consultancy services and merchandise. We are focused on ensuring the long-term resilience of the Fringe Society and reducing dependencies on the Fringe and its constituent parts.

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

As a result of the urgent needs of the Fringe Society, Scottish Government set up a resilience group to support the Fringe Society, consisting of Creative Scotland, Scottish Enterprise, Event Scotland and CEC. Their support is invaluable and through this group the Fringe Society has been supported to develop new models of operation and build new networks across Scotland to aid recovery.

**Lobbying and political engagement**

The Fringe Society engages regularly with governmental and other influential organisations – at local, national and international levels – as part of our core commitments: to support artists, venues and all stakeholders on the Fringe, and champion the Fringe and its values. As the impact of the Covid-19 crisis became clear, we increased the intensity and frequency of these meetings, advocating passionately for both the Fringe and the wider arts ecosystem it supports. We continue to ensure that the voices of all those who make up the Fringe sector are heard loud and clear, by providing evidence to the UK and Scottish Parliament, having direct conversations with elected members and funding bodies, and through media engagement.

**Report of the Trustees for the year ended 30 November 2020 (continued)****Achievements and Performance (cont'd)****Relating to KPI: Develop new ways to engage and support artists and audiences through digital platforms****FringeMakers**

One of the Fringe Society's core objectives is to support Fringe artists and venues and in response to the crisis we created a platform that provided them with the opportunity to raise vital funds. In partnership with Crowdfunder, we developed FringeMakers, a Fringe-wide fundraising campaign that all artists and venues could take part in, keeping 100% of funds donated for their own causes. Participants could offer rewards for donations, such as access to their own livestreamed shows, custom merchandise and exclusive gifts and nearly 100 artists and venues took part. Crowdfunder and the Fringe Society received no fees or funds through this scheme.

With matched funding from sponsors AJ Bell, the Fringe Society also raised £75,000 via its own campaign on the FringeMakers platform. This money went to a central artist and venue recovery fund to support those in greatest need to return to the Fringe in 2021. We're working with an independent panel to ensure that the funds are fairly distributed and closely aligned with our Fringe Blueprint objectives, which aim to increase the diversity, accessibility and sustainability of the Fringe. A percentage of funds will be reserved for artists and venues registered and based in Edinburgh. This model of fundraising and distribution is a pilot for potential future schemes with partners and funders.

Overall, projects on the FringeMakers platform received 7,000 donations and raised £360,000 to support Fringe creatives. Our heartfelt thanks to everyone who contributed.

**AJ Bell Fringe on Friday**

We created AJ Bell Fringe on Friday as a weekly digital variety show and fundraiser, streamed every Friday night in August, with a bonus highlights edition released in September. The show, curated by Scottish-based producers Lucky Cat and Michael Fraser, aimed to showcase a snapshot of the festival across a range of genres, including comedy, cabaret, dance and music. A different guest act hosted each of the four episodes: Suzi Ruffell, Jayde Adams, Nigel Ng and Courtney Act. The shows featured performances from Fringe artists including David O'Doherty, Briefs, Magical Bones, Lost Voice Guy, Tiff Stevenson, Abandoman, Erika Ehler, Kid\_X, Fem Brady, Reuben Kaye and more.

Tickets for the show were available through FringeMakers for £9 (£1 less than the cost of the average Fringe ticket). To help with collective fundraising efforts, registered Fringe artists and venues were able to sell tickets through their own crowdfunding page and keep 100% of the proceeds. Alternatively, audience members could buy tickets through the Society's FringeMakers page, with proceeds going into the central artist and venue recovery fund.

**AJ Bell Pick n Mix**

AJ Bell Pick n Mix provided a creative platform for Fringe fans and artists, and meant that everyone, everywhere, could experience the magic of the Fringe in their own front rooms. Repurposing technology from last year's Inspiration Machine, artists and audiences were invited to upload 60-second films that captured the spirit of the Fringe in miniature – from snippets of what would have been 2020 shows to snappy set pieces staged in a shed. Just like the Fringe, everyone was welcome to participate.

With guaranteed front-row seats (on their own sofas), viewers could either pick which genre of clips they wanted to watch or enjoy a mixed stream of continuous Fringe entertainment, with the ability to interact and comment on videos as they played. Audiences showed their appreciation by donating to the artist and venue recovery fund. Over the month of August, artists and Fringe-goers uploaded nearly 400 videos to the platform, with clips of everything from flamenco dancing and group drumming to singing sock puppetry and bathtub-based performances.

**Fringe show listings**

In true Fringe spirit, artists and venues continued this year to make and present work for a variety of online platforms, much as they'd usually create shows that would be staged across a variety of physical spaces in Edinburgh. Although traditional Fringe Society services such as show registration and box office had been suspended due to the Covid-19 situation, we responded quickly to create a centralised page of show listings, giving audiences around the world a way to engage with the wide range of work still on offer in August. Free of charge, we listed almost 300 shows from venues and creatives, with everything from throwback Fringe performances to brand-new, lockdown-inspired creations. These included a one-person show about an opera queen, a virtual disco for babies, a (socially distanced) improvised musical, an online dance-a-thon, a soundscape of a Stirlingshire sheep farm and plenty of Zoom-based comedy, theatre and dance.

**Collaborations**

We built relationships with new partners this year, supporting Fringe artists to greater careers and opportunities beyond the festival. Penguin Random House released Edinburgh Unlocked, a comedy festival in audiobook format, showcasing more than 20 Fringe performers while generously donating 10% of royalties to help support the Fringe Society. And Comedy Central delivered a series of seven-minute stand-up episodes across their social media channels, spotlighting up-and-coming comedy talent with highlights screened in a 22-minute TV special on Comedy Central UK.

**Report of the Trustees for the year ended 30 November 2020 (continued)****Achievements and Performance (cont'd)****Relating to KPI: Develop new ways to engage and support artists and audiences through digital platforms (cont'd)****Fringe Central Virtual Hub**

Fringe Central is a home from home for the Fringe artistic community each August and hosts an unparalleled programme of creative and professional development events for artists. Although a physical space wasn't possible this year, we recreated this important gathering point through a dedicated online hub, encouraging artists to come together to share ideas, collaborate and connect with the Fringe Society team.

In partnership with 18 industry experts including COMMON, Parents and Carers in the Performing Arts and The Sick of the Fringe, we delivered more than 50 digital events to over 1,700 registered attendees, including panel discussions and skills-building workshops. Events explored pertinent challenges such as digital skills development and touring post-pandemic, and wider industry themes such as the underrepresentation of black and brown creatives, the wellbeing of working-class artists and making Fringe performances more accessible. These and many of the other events are still available as recordings through the hub, allowing those who missed them to benefit from the conversations and resources.

To emulate the social nature of Fringe Central and encourage peer-to-peer support, we invited artists to keep the conversation going in chatrooms and hosted networking sessions throughout the month. All events were BSL-interpreted and completely free to attend. Feedback from event attendees and delivery partners has been very positive. Many found the Fringe Central Virtual Hub to be an important space for creatives to come together to share experiences, exchange ideas and receive support – from their peers and the Society – at a very difficult and uncertain time.

**Relating to KPI: Maintain the value of the Edinburgh Festival Fringe to International Arts Industry****Fringe Marketplace and Exchange**

In addition to being an incredible festival for performers and audiences, the Fringe is also the world's leading arts marketplace – a place where artists can connect with programmers, producers and other members of the global arts industry, and forge the professional relationships that will enable them to take the important next steps in their career.

Fringe Marketplace is our new online showcase platform designed to connect arts industry members to professional work intended for the 2020 Fringe. More than 120 tour-ready shows were viewed on Fringe Marketplace by 400 programmers from 34 countries; these shows will remain live on the platform until June 2021.

Our Arts Industry Office exists to enable artists and industry members to make the most of the opportunities presented by this unique festival, and we recognised that the lack of a Fringe in 2020 would be incredibly damaging for both groups. In addition, hundreds of theatres and festivals rely on content and talent honed at the Fringe, which in turn leads to long-lasting careers for creatives both on and off the stage; without this vibrant marketplace, many theatres – already in a precarious situation due to lockdown – would struggle to programme shows in the future, negatively affecting both creators and theatre staff. With this in mind, we set about creating a means through which these pivotal interactions could still take place.

Alongside Marketplace, we launched Fringe Exchange, an online events platform hosting international showcase events, provocations and panel discussions. We were delighted to welcome more than 2,500 industry delegates across the 24 events in August, and continued hosting events beyond the traditional Fringe period. Both platforms were invaluable in helping us support and connect artists locally and internationally and we will continue to develop them for 2021 and beyond.



**Report of the Trustees for the year ended 30 November 2020 (continued)****Achievements and Performance (cont'd)****Relating to KPI: Ongoing development of key strategic priorities outlined in the Fringe Blueprint****Sustainability**

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

In 2020, we set up an internal project team to identify areas of environmental improvement within the organisation and where we could take a leadership role externally. We are represented on the Festivals Edinburgh Environmental Sustainability Working Group and are actively involved in the Sustainable Transport sub-group. Discussions on reducing single-use plastics, joined-up waste management and recycling took place with venues, University of Edinburgh and City of Edinburgh Council (CEC). We also explored rolling out a sustainability toolkit to support venues to benchmark their carbon footprint. In August we supported Staging Change, Greenhouse and University of Edinburgh to carry out a consultation with a wide range of Fringe stakeholders, exploring how we might return with a better, more sustainable future for the Fringe. Aligned to our Blueprint, we will use the results of the Future Fringe consultation, alongside feedback from a range of key stakeholders, to inform how we work in 2021 and beyond. The Fringe Society's own footprint was considerably reduced in 2020. Looking ahead to 2021 / 2022, the learnings of where we saved on carbon footprint will be considered when making operational decisions for the future.

**Diversity in the Fringe Board and membership**

Ahead of the 2020 Fringe Society board elections, we made an explicit and public plea in our communications to members and potential members to help us build a more representative board, including people of different ethnicities, young people, Edinburgh residents, working-class people and D/deaf and disabled people. We reached out to a range of organisations and community groups to spread the word and encourage candidates within their networks to apply, including Black and Ethnic Minority Infrastructure in Scotland (BEMIS), the Council of Ethnic Minority Voluntary Sector Organisations (CEMVO), Fringe of Colour, The Sick of the Fringe, Equity, COMMON Theatre, Scottish Refugee Council, Euan's Guide and Parents and Carers in the Performing Arts.

To help ensure as diverse a range of voices as possible, we have reduced the cost of annual membership by 50% to £5 for 2021.

**The Affordable Fringe**

In all of our recovery and rebuilding plans we remain mindful of the impact of the shutdown of the sector on the artists and venues who make the Fringe happen. In all of the Fringe Society's plans and models we are mindful of ensuring the cost of recovery is not met through increased fees for participants or venues and are committed to ensuring the Fringe is affordable in the future.

**Breaking Down Barriers**

In 2019, we identified that we needed to improve engagement with the Fringe across three groups: parents and carers working within the performing arts, disabled artists and working-class artists.

To support this, we partner with Parents and Carers in the Performing Arts (PIPA), the Sick of the Fringe and COMMON Theatre. In 2020, these relationships were invaluable in supporting the resources we offer artists as part of Fringe Central, including partnering on event delivery, consulting on artists' needs, working with the Fringe Recovery Fund steering group to inform criteria for eligibility and steering the Fringe Society's future plans.

**Report of the Trustees for the year ended 30 November 2020**

Other key developments in 2020 included:

**Community and education engagement**

The Edinburgh Festival Fringe wouldn't exist without the support of Edinburgh and its residents, which is why the Fringe Society works hard to make sure that local communities can connect with the festival, particularly those that might normally face barriers to taking part.

These groups were severely impacted by the pandemic, so we worked hard to adapt our activities with them in 2020. We worked with group leaders and community ambassadors to better understand how we could help; following these discussions, we trialed in-person events and digital activities, and looked at what resources we could supply to community group members.

We partnered with the Edinburgh Art Festival to send out 456 art packs to more than a dozen of our Fringe Days Out community partners. We also piloted a series of digital Fringe in Communities workshops in West Edinburgh, where young people worked with a Fringe artist to create a digital cabaret extravaganza. We continued to help even more Fringe artists to connect digitally with Edinburgh communities beyond August 2020, ensuring the positive effects of the festival were still felt, even in its absence, and that our work in this area continues to grow.

Working with our partners, North Edinburgh Arts, we were able to pilot a socially distanced performance. Six families and four staff members experienced a short magic show, with one staff member remarking, 'This was just what we all needed.' This was a welcome reminder of the important role the arts (and the Fringe) can play in providing both respite and a medium for imagination. Our commitment to working with education partners was of continued importance during these uncertain times. While artists were unable to visit schools to provide face-to-face activity, we pivoted our offer to encourage digital interaction for teachers and learners. We adapted the AJ Bell Pick n Mix – a streaming platform capturing the Fringe in miniature – for schools to get involved, and in October 2020 we began our Fringe in Schools digital pilot, partnering four schools with Fringe artists to create bespoke online classroom Fringe experiences.

In September, we collaborated with the Creative Bravery Festival, a new event which celebrates creativity as a tool to revolutionise the ways we educate. Our team delivered a session on how the Fringe experience can support emotional resilience for young people, and encouraged brave interrogation of how the future Fringe environment can elevate its status as a playground for learning, experimentation and discovery for young audiences.

**Teachers Theatre Club**

While the second year cohort of Teachers Theatre Club (run in partnership with Imagine) was unable to meet in person, the group engaged with online content and discussion and were able to develop their group remotely. We included the year one cohort to help support this, and as a result have seen high levels of engagement and collaboration with teachers. The group are a valuable peer support network, as well as continuing to grow engagement and knowledge of live performance in our City's Teachers.

**Report of the Trustees for the year ended 30 November 2020****Sponsors and partners****Virgin Money**

In the final year of their agreement, Virgin Money generously committed 25% of their annual sponsorship of the Fringe Society in 2020. The support and friendship Virgin Money have offered the Fringe Society over the last ten years has been invaluable and we thank them for their generosity throughout.

**Johnnie Walker**

New in 2019, Johnnie Walker have been supportive of the Fringe Society during this time, making a generous donation to the Society despite the event not taking place. We look forward to working with Johnnie Walker in 2021 and beyond and are grateful for their support and commitment to the Fringe Society.

**Victor and Carina Contini**

After nine years, the Contini's were unable to continue to support the Fringe Society, due to the enormous impact of the pandemic on their business. We are hugely thankful to Victor and Carina for their support, care and friendship and wish them well in their own recovery going forward.

**AJ Bell**

AJ Bell joined the Fringe Society's support team in 2020, helping us realise the digital offerings through AJ Bell Pick 'n' Mix and the AJ Bell Fringe on a Friday. As well as supporting the Fringe Society AJ Bell also contributed to the Venues and Artists Recovery pot through Fringemakers. We are grateful to AJ Bell for their support in this challenging time.

**Niantic**

New in 2020, Niantic have supported the Fringe Society to explore the development of new technologies to support autistic audiences at the Fringe. Working with the University of Edinburgh and Lothian Autistic Society, the projects will offer audiences new ways to engage with the Fringe that aligns to their needs.

**Working Together****City of Edinburgh Council**

The Fringe Society continues to maintain a strong relationship with the City of Edinburgh Council and places great importance on the strategic, logistical and financial support it provides and its vital role in the continued success of the Edinburgh Festival Fringe, now more than ever. Their support through the Resilience Group has been invaluable and we welcome their partnership going forward.

**Festivals Edinburgh**

Established in 2007, Festivals Edinburgh provides a platform for Edinburgh's major festivals to work together to sustain and develop Edinburgh's position as the world's leading festival destination. Throughout 2020 Festivals Edinburgh have continued to provide support, lobbying and collective representation, as well as engaging more widely in the Scottish events sector through the Events Industry Advisory Group established by Event Scotland.

**Scottish Enterprise**

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

**Fringe Friends, Fringe Patrons and Fringe Angels**

We contacted every Friend, Angel and Patron to offer a refund of their membership or the choice to donate to the Fringe Society. 2,762 Friends memberships were donated to the value of £120,986. We are hugely grateful for their ongoing support and loyalty to the Fringe.

**Other activities****Made in Scotland**

Made in Scotland is an annual showcase at the Fringe which celebrates the wealth and diversity of Scottish theatre, dance and music in a truly international context. Programme funds in 2020 were repurposed to support the creatives involved, and all were offered the opportunity to roll their work into the 2021 showcase.

Alongside this, we commissioned a full review of programme to support future applications and ensure the programme remains relevant and fit for purpose. The impacts of this review will be included in the 2022 showcase.

**Report of the Trustees for the year ended 30 November 2020****Other activities (cont'd)****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 and contracts for Fringe Box Office (see below) for the Edinburgh Festival Fringe Society.

**Fringe Box Office**

The development of the Fringe Box Office is a priority for the Fringe Society in our recovery. We aim to develop a box office service for the arts and community sector (including sport) that is ethical, fairly priced, transparent, and focused on building and retaining jobs and income in Scotland. We are grateful to Scottish Government for their support in developing this work.

**Financial Review**

The financial position in 2020 was significantly impacted by the effects of Covid-19 and the withdrawal of the physical Fringe events. Consolidated income in 2020 was £1,786,783 down from £5,659,185 in the previous year. The make up of the income was very different to previous years in that it contained little by way of box office income, far less friends scheme income and no registration fees or advertising income which had made up around £4 million of income in 2019.

Efforts were made to reduce expenditure where possible but in order to maintain key services and the ability to come back for 2021 and future years, expenditure of £2,789,842 was incurred a significant proportion of which was sustaining the core staffing team, (against which income from the furlough scheme was received).

Overall in 2020, there was a deficit of £1,003,109.

**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.

**Reserves Policy**

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

The Finance, Audit and Risk Committee reviewed the Society's reserves policy in 2019. The reserves policy was as below:

The Fringe Society Board of Trustees has established that, in order to deal with any contingent liabilities should there be a shortfall in funding between grants received, income generated by the Society and the Society's expenditure, a level of reserves should be held. The Trustees have modelled the levels of cash reserves that might be required under different risk scenarios or major incidents. Under normal circumstances this modelling indicated that 5 months expenditure cover would be a prudent provisioning level. As a result of the significant deficit experienced in 2020, at the year end the Society held £703,742 of consolidated unrestricted reserves which represents approximately one and a half months of average expenditure in a normal year.

As a result of Covid-19 the Trustees have had to assess the risks relating to the ongoing pandemic and the impact 2020 has had on the reserves of the Fringe Society. Alongside the immediate recovery of the Fringe Society, the Trustees and executive will develop plans to grow the cash reserves of the charity to support any future challenges. However, as outlined further on pages 15 and 24, the Trustees consider that current reserve levels, combined with future scenario modelling, are sufficient to warrant a going concern basis for the accounts.

**Future Developments COVID 19 Pandemic - 2020**

Due to the Covid 19 pandemic, the 2020 Festival Fringe did not take place but the charity continues to operate and develop plans for the future, as well offering continued support and engagement with the sector.

At present we are expecting operation of the 2021 Fringe to be possible and we are working towards ensuring the organisation is ready to make that happen and to respond to various models of delivery as the sector recovers.

**2021 and beyond**

While much of 2021 remains uncertain, the Fringe Society has committed to some key areas of development and delivery. These include:

- Ensuring a Fringe takes place in 2021, whether in person, online, or a hybrid event;
- Ensuring artists and venues have a platform to showcase work online, and developing the technology to support the presentation of work and the ticketing of that experience;
- Continued support, advice and guidance for Fringe participants, including new ways to engage online;
- Developing further the case for support for the Fringe and the Fringe Society to key stakeholders and funders;
- Maximising the revenue and income generation power of the assets we own to diversify income dependencies and recover faster;
- To develop plans and support for 2022, the 75<sup>th</sup> anniversary of the Edinburgh Festival Fringe.

**Report of the Trustees for the year ended 30 November 2020****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 2020 (continued)

#### Reference and Administration

**Company number:** SC046605

**Charity number:** SC002995

#### Registered Office

180 High Street  
EDINBURGH, EH1 1QS

#### Auditors

Henderson Loggie LLP  
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) (until 31 March 2021)  
BF Higgins (Chair) (from 1 April 2021)  
AA Alderson (Vice Chair) (until 17 September 2020)  
FL Davis (Trustee throughout, but  
Vice Chair from 20 October 2020)  
JC Adams  
SM Allison  
M Bronnikova  
AC Campbell-Baga (from 17 September 2020)  
JA Doherty (until 17 September 2020)  
G Harkness-McKinlay  
K Koren  
T Lang  
JS Mackenzie (from 17 September 2020)  
L Meredith Williams  
TBB Mitchell  
SW Morrison  
MZ Panesh  
KJ Smurthwaite (until 17 September 2020)  
TLM Stapleton  
PM Utton (from 17 September 2020)  
RJ Wiseman

#### Key Management Personnel: The Edinburgh Festival Fringe Society

Chief Executive Officer: Shona McCarthy

Senior Management Team: Rachel Sanger (Head of Participant Services)  
Oliver Davies (Head of Marketing and Development)  
Lyndsey Jackson (Deputy Chief Executive)  
Anne Diack (Head of External Affairs)

#### Secretary

Shona McCarthy

## EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED

### Trustees' Report including strategic report for the year ended 30 November 2020 (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 Articles of Association dated 09 May 1969, and adopted on 21 November 2010, and amended last on 22 Aug 2017. The members of the Society, two at minimum, are those individuals who elect the elected Trustees.

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

##### Appointment of Trustees

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

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

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

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

##### Trustee Induction and Training

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

##### Organisation

The Board of Trustees, which administers the Society has met on a monthly basis since the outbreak of the pandemic. The chair is appointed on a four year term, as per the Articles of Association. In 2020, as a result of the pandemic, the Chair was appointed for a further period of time (as per the articles of association) and the recruitment campaign for a new chair began in early 2021 with a new chair appointed in April 2021. 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, Commercial Development Group, Fair Employment and Volunteering Working Group, Appointments Committee and Remuneration Committee. In response to Covid-19, the following additional working groups were activated: Fundraising Working Group, Artist and Venue Fund Working Group, and Digital Platforms Working Group.

##### 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 £80,416 (2019: £124,962).

##### 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 2020 (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



## Trustees' Report including strategic report for the year ended 30 November 2020 (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

## Risks specific to COVID 19

The 2020 Fringe did not take place and the Trustees have had to consider the impact of that on the position for 2021, as well as assessing the likely position for 2022 and ongoing.

In fulfilling their responsibilities the Trustees have relied on professional advice and information prepared by staff to satisfy themselves that the organisation is in a position to continue as a going concern and, where appropriate, sought external professional and legal advice.

The financial risk associated with the present situation has been considered by the preparation of updated projections and associated income generation, fundraising strategies and cost control.

Whilst the position remains uncertain, additional financial controls have been implemented to ensure additional scrutiny and authorisation of commitments, increased visibility of the liabilities of the organisation, increased Trustee meetings and reporting, and additional focus on cash flow monitoring.

The ongoing situation requires regular review but at the date of signing the Trustees are comfortable that the organisation can continue to operate as a going concern as noted in note 1 to the accounts.

## Statement as to disclosure to our auditors

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

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

## Auditors

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

By Order of the Board

*Bernard Higgins*  
Bernard Higgins - 2021-08-10, 05:21:11 UTC

BF Higgins (Trustee)

**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 2020 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 2020 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.

**Material uncertainty related to going concern**

We draw attention to note 1 in the financial statements, which describes the Trustees' assessment of the current and future effects of the Covid-19 pandemic on the charitable company and the implications for its ability to continue as a going concern and the steps the Trustees are taking to mitigate the risk including seeking additional income and reducing expenditure.

These conditions, along with other matters set out in note 1, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**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*  
James Davidson - 2021-08-11, 15:09:49 UTC

**James Davidson (Senior Statutory Auditor)**

**For and on behalf of Henderson Loggie LLP**

**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 11/8/2021

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(including consolidated income and expenditure account)**  
**for the year ended 30 November 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	4	262,183	72,128	334,311	247,733
<i>Charitable activities</i>					
Operation of festival activities	5	1,229,884	-	1,229,884	4,650,285
Other trading activities	6	206,090	-	206,090	711,736
Investments	7	16,448	-	16,448	49,431
Other income		-	-	-	-
<b>Total</b>	<b>22</b>	<b>1,714,605</b>	<b>72,128</b>	<b>1,786,733</b>	<b>5,659,185</b>
<b>EXPENDITURE ON:</b>					
<i>Raising funds</i>					
Fundraising costs of grants and donations	8	3,554	-	3,554	11,054
Sponsorship and trading costs	8	92,402	-	92,402	562,021
		95,956	-	95,956	573,075
<i>Charitable activities</i>					
Operation of festival activities	9	2,693,886	0	2,693,886	5,036,731
<b>Total</b>		<b>2,789,842</b>	<b>0</b>	<b>2,789,842</b>	<b>5,609,806</b>
<b>Net income/(expenditure)</b>		<b>(1,075,237)</b>	<b>72,128</b>	<b>(1,003,109)</b>	<b>49,379</b>
Transfers between funds		59,942	(59,942)	-	-
<b>Other recognised gains/(losses):</b>					
	<b>15/22</b>				
Gains on revaluation of fixed assets	<b>/23</b>	-	-	-	-
<b>Net movement in funds</b>		<b>(1,015,295)</b>	<b>12,186</b>	<b>(1,003,109)</b>	<b>49,379</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,719,037	59,942	1,778,979	1,729,600
<b>Total funds carried forward</b>	<b>22/24</b>	<b>703,742</b>	<b>72,128</b>	<b>775,870</b>	<b>1,778,979</b>

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 2020**

		Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	Note	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	4	262,183	72,128	334,311	247,733
<i>Charitable activities</i>					
Operation of festival activities	5	1,229,884	-	1,229,884	4,650,285
Other trading activities	6	34,507	-	34,507	55,075
Investments	7	96,864	-	96,864	171,392
Other income		-	-	-	-
<b>Total</b>		<b>1,623,438</b>	<b>72,128</b>	<b>1,695,566</b>	<b>5,124,485</b>
<b>EXPENDITURE ON:</b>					
<i>Raising funds</i>					
Fundraising costs of grants and donations	8	3,554	-	3,554	11,054
Sponsorship and trading costs	8	1,234	-	1,234	4,954
		<b>4,788</b>	<b>-</b>	<b>4,788</b>	<b>16,008</b>
<i>Charitable activities</i>					
Operation of festival activities	9	2,693,886	-	2,693,886	5,036,731
<b>Total</b>		<b>2,698,674</b>	<b>-</b>	<b>2,698,674</b>	<b>5,052,739</b>
<b>Net income/(expenditure)</b>		<b>(1,075,236)</b>	<b>72,128</b>	<b>(1,003,108)</b>	<b>71,746</b>
Transfers between funds		59,942	(59,942)	-	-
<b>Other recognised gains/(losses):</b>					
Gains on revaluation of fixed assets	15	-	-	-	-
<b>Net movement in funds</b>		<b>(1,015,294)</b>	<b>12,186</b>	<b>(1,003,108)</b>	<b>71,746</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,701,601	59,942	1,761,543	1,689,797
<b>Total funds carried forward</b>		<b>686,307</b>	<b>72,128</b>	<b>758,435</b>	<b>1,761,543</b>

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.

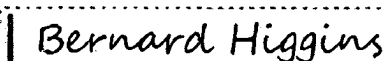
**CONSOLIDATED AND CHARITY BALANCE SHEET**  
as at 30 November 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Fixed Assets</b>					
Tangible Assets	15	778,075	897,545	778,075	897,545
Investment Property	15	435,000	435,000	435,000	435,000
Investments	16	-	-	100	100
<b>Total Fixed Assets</b>		<b>1,213,075</b>	<b>1,332,545</b>	<b>1,213,175</b>	<b>1,332,645</b>
<b>Current Assets</b>					
Stock	17	23,906	40,447	-	-
Debtors	18	182,865	330,658	187,933	352,479
Cash at Bank and in Hand	19	1,175,700	1,045,536	1,175,086	1,044,250
<b>Total Current Assets</b>		<b>1,382,471</b>	<b>1,416,641</b>	<b>1,363,019</b>	<b>1,396,729</b>
<b>Current Liabilities</b>					
Creditors falling due within one year	20	(668,834)	(819,365)	(666,918)	(816,989)
<b>Net Current Assets</b>		<b>713,637</b>	<b>597,276</b>	<b>696,101</b>	<b>579,740</b>
<b>Total Assets less Current Liabilities</b>					
		<b>1,926,712</b>	<b>1,929,821</b>	<b>1,909,276</b>	<b>1,912,385</b>
Creditors falling due after more than one year	21	(1,150,842)	(150,842)	(1,150,842)	(150,842)
<b>Net Assets</b>		<b>775,870</b>	<b>1,778,979</b>	<b>758,434</b>	<b>1,761,543</b>
<b>The Funds of the Charity:</b>					
Restricted Funds	22/23	72,128	59,942	72,128	59,942
Unrestricted Funds:					
General	22/23	346,742	1,362,037	329,307	1,416,347
Revaluation Reserve	22/23	357,000	357,000	357,000	357,000
<b>Total Charity Funds</b>	<b>24/25</b>	<b>775,870</b>	<b>1,778,979</b>	<b>758,434</b>	<b>1,833,289</b>

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 23 to 35 form part of these accounts.

These financial statements were approved and authorised for issue by the Trustees on 22 July 2021 and are signed on their behalf by:

  
Bernard Higgins - 2021-08-10, 05:21:11 UTC

Company No: SC046605

BF Higgins  
Trustee

**STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS**  
for the year ending 30 November 2020

	Group 2020	Group 2019	Charity 2020	Charity 2019
Note	£	£	£	£
<b>Net cash provided by (used in) operating activities</b>				
<b>27</b>	<b>(871,835)</b>	<b>342,928</b>	<b>(1,070,556)</b>	<b>350,637</b>
<b>Cash flows from investing activities</b>				
Interest and rental income	16,449	49,431	16,449	49,430
Income from distributions from trading subsidiary	0	0	80,416	124,962
Purchase of tangible fixed assets	(4,070)	(92,894)	(4,070)	(92,894)
Repayment (increase) of loans to trading subsidiary	0	0	118,977	(103,339)
<b>Cash provided by (used in) investing activities</b>	<b>12,379</b>	<b>(43,463)</b>	<b>211,772</b>	<b>(21,841)</b>
<b>Cash flows from financing activities</b>				
Interest paid	(10,380)	(12,041)	(10,380)	(12,041)
Borrowing/(Repayment of borrowing)	1,000,000	(31,581)	1,000,000	(31,581)
<b>Cash used in financial activities</b>	<b>989,620</b>	<b>(43,622)</b>	<b>989,620</b>	<b>(43,622)</b>
<b>Increase (decrease) in cash and cash equivalents in the year</b>	<b>130,164</b>	<b>255,843</b>	<b>130,836</b>	<b>285,174</b>
Cash and cash equivalents at the beginning of the year	1,045,536	789,693	1,044,250	759,076
<b>Total cash and cash equivalents at the end of the year</b>	<b>1,175,700</b>	<b>1,045,536</b>	<b>1,175,086</b>	<b>1,044,250</b>



**NOTES ON THE FINANCIAL STATEMENTS**  
**30 November 2020**

**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 there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.
- Determine whether leases entered into by the group as a lessor are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

The following are the Groups key sources of estimation uncertainty:

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

## NOTES ON THE FINANCIAL STATEMENTS

30 November 2020

**c) Going Concern**

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the charitable company's operations including the removal of services to the 2020 Fringe and a significant loss of associated income. The Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

In making these assessments the key scenarios and assumptions (including how long the effect of COVID-19 will last) are as follows:

- The expenditure of the Society will be cut to save costs including redundancies where necessary.
- An expected reduction in the scale of the 2021 Fringe with a reduction in normal income, with the potential to impact on the scale of future years.
- Additional income generation in future years.
- That the Society will avail itself of available reliefs put forward by HM Government including:
  - Delayed PAYE payments
  - Furloughing of staff

Although the forecast prepared using the assumptions above, supports the ability of the charitable company to remain a going concern and to be able to trade and meet its debts as they fall due, the full impact of COVID 19, the continued level of government support and the underlying trading assumptions used in forecasting are extremely judgemental and difficult to predict and could be subject to significant variation.

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

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

**d) Group financial statements**

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

**e) Operating Leases**

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

**NOTES ON THE FINANCIAL STATEMENTS**  
**30 November 2020**

**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 2020**

**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 2020

**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 (2019: £26,713) to the Trading Company.
- The Trading Company made Gift Aid payments of £80,416 (2019: £124,962) to the Society.
- At the balance sheet date, there was a balance of £4,708 due from the Trading Company to the Society. (2019: £123,684 due to the Society).

One of the Society's directors, Anthony Alderson, is a director 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 director declared an interest to the Chair and was subsequently excluded from all Board discussions regarding this contract. There were no payments in relation to his role as a Trustee. During the year amounts of £731,351 (inc VAT) were invoiced by Red61. At the year end there was a balance of £61,276 due to Red61 and a balance of £nil due from Red61 included in creditors and other debtors respectively.

**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:

	2020	2019
	£	£
Turnover	198,296	686,374
Cost of sales and administrative expenses	(117,880)	(583,779)
Interest receivable	0	0
<b>Net profit</b>	<b>80,416</b>	<b>102,595</b>
Taxation charge	0	0
Distributions paid to the charity	(80,416)	(124,962)
<b>Accumulated Profit</b>	<b>0</b>	<b>(22,367)</b>
<b>The assets and liabilities of the subsidiary were:</b>		
Current assets	24,520	143,593
Current liabilities	(6,981)	(126,054)
	<b>17,539</b>	<b>17,539</b>
<b>Represented by:</b>		
Share capital	100	100
Retained profits	17,439	17,439
	<b>17,539</b>	<b>17,539</b>

**NOTES ON THE FINANCIAL STATEMENTS**  
**30 November 2020**

**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, 2020: £80,416 (2019: £124,962). There is a £26,713 (2019: £26,713) Management Charge from the Society to the Trading Company. The charity owns the entire share capital of 100 ordinary shares of £1 each.

**4 Donations and Legacies - Group and Charity**

	Unrestricted Income	Restricted Income	Unrestricted Income	Restricted Income
	2020	2020	2019	2019
	£	£	£	£
Company Membership	3,988	-	5,220	-
Donations	183,195	72,128	156,572	-
Grants - Creative Scotland	-	-	-	-
Grants - City of Edinburgh Council	75,000	-	85,941	-
	<b>262,183</b>	<b>72,128</b>	<b>247,733</b>	-

**5 Incoming resources from charitable activities**

Income from charitable activities comes from box office commission and handling fees of £19,287 (2019 - £1,908,033) as well as Fringe registration fees of £nil (2019 - £954,202), advertising income of £nil (2019 - £419,928), friends scheme subscriptions of £105,982 (2019 - £460,602) and other Fringe related income of £4,285 (2019 - £233,582). Grant income of £1,100,330 (2019 - £673,938) relates to grants. Restricted income is as detailed in note 22 received for specific projects, most of this years funding was repurposed in agreement with our funders towards our resilience.

Income from the operation of festival activities totalled £1,203,438 (2019 £4,650,285) of which £1,203,438 was unrestricted (2019 £3,983,347) and £nil was restricted (2019 £666,938).

**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 £161,127 (2019 £576,615) and trading income of £44,963 (2019 £135,121). All income from other trading activities was unrestricted in 2020 and 2019.

**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 2020 and 2019.

**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	2020 Total	2019 Total
	Unrestricted				
	£	£	£	£	£
General administration	39,267	-	-	39,267	73,045
Premises	71,594	-	-	71,594	146,037
Society IT and communications	104,669	-	-	104,669	174,906
Training, recruitment and travel	23,749	-	-	23,749	53,394
Depreciation/gain/loss on sale	123,540	-	-	123,540	123,692
Other expenses	532	3,554	1,234	5,320	55,072
Non governance legal expenses	16,631	-	-	16,631	18,148
Governance costs	40,102	-	-	40,102	68,812
<b>Total Charity</b>	<b>420,084</b>	<b>3,554</b>	<b>1,234</b>	<b>424,872</b>	<b>713,106</b>
Subsidiary trading costs	-	-	89,168	89,168	554,642
Subsidiary external audit	-	-	2,000	2,000	2,425
Subsidiary taxation charge	-	-	-	0	0
<b>Total Group</b>	<b>420,084</b>	<b>3,554</b>	<b>92,402</b>	<b>516,040</b>	<b>1,270,173</b>

**EDINBURGH FESTIVAL FRINGE SOCIETY LIMITED**  
**NOTES ON THE FINANCIAL STATEMENTS**  
**30 November 2020**

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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 2020 (2019 - 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 2020 £	Restricted Expenses Costs of Festival Operations 2020 £	Total 2020 £	Total 2019 £
Support and gov costs (note 8)	420,084	-	420,084	697,098
Staff costs	1,417,060	-	1,417,060	1,660,016
Publications costs	-	-	-	291,142
Marketing costs	70,299	-	70,299	455,852
Projects and events	208,690	-	208,690	802,793
Box Office Costs	524,266	-	524,266	1,374,723
Digital and Online	105,099	-	105,099	236,400
Trading co: Event staff costs	-	-	-	(121,593)
Trading co: Projects and events	(51,612)	-	(51,612)	(359,700)
<b>Total Charitable Expenditure</b>	<b>2,693,886</b>	<b>-</b>	<b>2,693,886</b>	<b>5,036,731</b>

Total charitable expenditure was £2,693,886 (2019 - £5,036,731) of which £2,693,886 was unrestricted (2019 - £4,439,735) and £nil was restricted (2019 - £596,996).

**10 Analysis of staff costs (including key management personnel)**

	2020 £	2019 £
Wages and salaries	1,244,041	1,478,563
Social security costs	124,109	133,204
Other pension costs	48,909	48,246
	<b>1,417,059</b>	<b>1,660,013</b>

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 £265,153 (2019: £322,561).

No remuneration was paid to the directors for their services as Trustees to the Society. The directors received aggregate expenses of £7,094 (2019: £12,395) during the year.

One employee was paid between £50,000 - £60,000 during the year and one employee was paid between £100,000-£110,000 during the year.

Grant income from the job retention scheme was received of £265,746. This is shown within income but was used against staff costs. In 2020 there were £nil in redundancy costs (2019 - £15,000).

**11 Staff numbers (Group and Charity)**

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

	2020 No.	2019 No.
Administration	12	11
Marketing, press and publications	16	14
Digital and IT	2	2
Events	0	11
Access	5	4
Participant services	8	8
	<b>43</b>	<b>50</b>

The permanent team averaged at 36 (2019 - 30) staff. The above numbers include the seasonal temporary staff also.

**NOTES ON THE FINANCIAL STATEMENTS**  
30 November 2020

**12 Net Incoming resources**

	2020	2019
	£	£
This is stated after charging:		
Operating leases	14,953	14,820
Depreciation	123,540	124,383
(Gain)/Loss on disposal of fixed assets	0	(9,010)
Auditors remuneration-Audit (Group)	12,250	10,815
Auditor fee for non-audit services (Group)	800	800
Loan interest	<u>10,380</u>	<u>12,041</u>

£2,000 of the external audit fee relates to the Festival Fringe Trading Limited subsidiary.

**13 Lease Commitments**

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

	2020	2019
	£	£
Expiring in less than one year	5,193	153
Expiring between one and five years	18,900	14,973

Operating lease costs in the year were £16,386 (2019 £14,820).

**14 Taxation**

	2020	2019
	£	£
Taxation payable	<u>-</u>	<u>-</u>

The trading subsidiary annually gift aids the majority of its surplus to the Society, 2020 : £80,416 (2019 : £124,962).

**15 Tangible fixed assets - group and charity**

	Investment property	Freehold/ Leasehold Property	Computer Equipment	Fixtures & fittings	Total
	£	£	£	£	£
<b>Cost/Valuation</b>					
As at 1.12.19	435,000	1,177,557	170,057	357,287	2,139,901
Additions	-	-	4,070	-	4,070
Disposals	-	-	-	-	-
Revaluations	-	-	-	-	-
As at 30.11.20	<u>435,000</u>	<u>1,177,557</u>	<u>174,127</u>	<u>357,287</u>	<u>2,143,971</u>
<b>Depreciation</b>					
As at 1.12.19	-	537,410	114,758	155,188	807,356
Disposals	-	-	-	-	-
Charge for year	-	47,102	16,671	59,767	123,540
As at 30.11.20	<u>-</u>	<u>584,512</u>	<u>131,429</u>	<u>214,955</u>	<u>930,896</u>
<b>Net book value</b>					
As at 30.11.20	<u>435,000</u>	<u>593,045</u>	<u>42,698</u>	<u>142,332</u>	<u>1,213,075</u>
As at 1.12.19	<u>435,000</u>	<u>640,147</u>	<u>55,299</u>	<u>202,099</u>	<u>1,332,545</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 periodically. 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 2020. 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 2019

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

At 1 December 2019 and 30 November 2020

**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**

	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Stocks	<u>23,906</u>	<u>40,447</u>	<u>-</u>	<u>-</u>

**18 Debtors**

	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Due within one year</b>				
Trade debtors	4,792	143,698	4,792	41,840
Amounts owed by group undertakings	-	-	4,708	123,684
VAT debtor	46,853	124,038	47,213	124,033
Other debtors	-	-	-	-
Prepayments and accrued income	131,220	62,922	131,220	62,922
<b>Total debtors</b>	<u>182,865</u>	<u>330,658</u>	<u>187,933</u>	<u>352,479</u>

**NOTES ON THE FINANCIAL STATEMENTS**  
30 November 2020

**19 Cash at Bank and in Hand**

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£	£	£	£
Funds held for own use	1,175,700	893,843	1,175,086	892,557
Funds held for third party box offices	0	151,693	0	151,693
	<u>1,175,700</u>	<u>1,045,536</u>	<u>1,175,086</u>	<u>1,044,250</u>

**20 Creditors: amounts falling due within one year**

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£	£	£	£
Trade Creditors	114,999	220,961	114,744	220,636
Tax and social security costs	34,503	43,246	34,503	43,246
Loans (note 21)	33,209	33,209	33,209	33,209
Accruals and deferred income	486,123	521,949	484,462	519,898
	<u>668,834</u>	<u>819,365</u>	<u>666,918</u>	<u>816,989</u>

Included within accruals and deferred income is an amount of £nil (2019: £151,693) 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 2020	Group 2019	Charity 2020	Charity 2019
	£	£	£	£
Balance as start of year	320,984	149,950	320,984	149,950
Amounts added in current year	253,183	320,984	253,183	320,984
Amounts released to income	(320,984)	(149,950)	(320,984)	(149,950)
Balance at end of year	<u>253,183</u>	<u>320,984</u>	<u>253,183</u>	<u>320,984</u>

**21 Creditors: amounts falling due after more than one year**

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£	£	£	£
Loans	<u>1,150,842</u>	<u>150,842</u>	<u>1,150,842</u>	<u>150,842</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 £150,842 was outstanding at 30 November 2020.

The Scottish Government provided a loan to the organisation to secure the future of the Fringe Society after the withdrawal of the physical Fringe in 2020. The loan is interest free and over a term of 10 years with repayments starting from 2025.

	Group 2020	Group 2019
	£	£
Amounts payable within 1 year	<u>33,209</u>	<u>33,209</u>
Amounts payable between 2 and 5 years	150,842	150,842
Amounts payable after more than 5 years	1,000,000	0
Total falling due after more than one year	<u>1,150,842</u>	<u>150,842</u>
Total loan	<u>1,184,051</u>	<u>184,051</u>

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

**NOTES ON THE FINANCIAL STATEMENTS**  
30 November 2020

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

	Fund at 1.12.19 £	Incoming resources £	Resources expended £	Transfers £	Fund at 30.11.20 £
Made in Scotland Grant	-	-	-	-	-
PLACE funding	59,942	-	-	(59,942)	-
Artist and Venue Recovery	-	72,128	-	-	72,128
<b>Total restricted funds</b>	<b>59,942</b>	<b>72,128</b>	<b>-</b>	<b>(59,942)</b>	<b>72,128</b>

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 PLACE [Platforms for Creative Excellence] programme is funded by the Scottish Government - through Creative Scotland - the City of Edinburgh Council, and the Edinburgh Festivals. Funding supports the development of Scottish talent, engagement with schools and community in Edinburgh and developing new initiatives to support the Fringe's long term future.

The Fringe Artist and Venue Recovery Fund was created through crowdfunding and a contribution from AJ Bell and will be used to provide grants in 2021 to assist a progressive return.

The transfer of PLACE funding brought forward represents the repurposing of those funds agreed with the funder for resilience in this 2020 year.

**Analysis of unrestricted fund movement - group**

	Fund at 1.12.19 £	Incoming resources £	Resources expended £	Transfers/ Revaluation	Fund at 30.11.20 £
General fund	1,362,037	1,714,605	(2,789,842)	59,942	346,742
Revaluation reserve	357,000	-	-	-	357,000
	<b>1,719,037</b>	<b>1,714,605</b>	<b>(2,789,842)</b>	<b>59,942</b>	<b>703,742</b>
<b>Total Funds</b>	<b>1,778,979</b>	<b>1,786,733</b>	<b>(2,789,842)</b>	<b>-</b>	<b>775,870</b>

**Analysis of unrestricted fund movement - charity only**

	Fund at 1.12.19 £	Incoming resources £	Resources expended £	Transfers/ Revaluation	Fund at 30.11.20 £
General fund	1,344,601	1,623,438	(2,698,674)	59,942	329,307
Revaluation reserve	357,000	-	-	-	357,000
	<b>1,701,601</b>	<b>1,623,438</b>	<b>(2,698,674)</b>	<b>59,942</b>	<b>686,307</b>
<b>Total Funds</b>	<b>1,761,543</b>	<b>1,695,566</b>	<b>(2,698,674)</b>	<b>-</b>	<b>758,435</b>

**NOTES ON THE FINANCIAL STATEMENTS**  
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**23 Analysis of charitable funds - Group and charity - previous year (2019)****Analysis of restricted fund movement - group and charity**

	Fund at 1.12.18	Incoming resources	Resources expended	Transfers	Fund at 30.11.19
	£	£	£	£	£
Made in Scotland Grant	-	166,082	(166,082)	-	-
Made in Scotland - Brussels	-	148,210	(148,210)	-	-
DCMS - Fringe Forward	-	226,609	(166,667)	-	59,942
Street Events Fund	-	126,037	(126,037)	-	-
<b>Total restricted funds</b>	<b>-</b>	<b>666,938</b>	<b>(606,996)</b>	<b>0</b>	<b>59,942</b>

**Analysis of unrestricted fund movement - group**

	Fund at 1.12.18	Incoming resources	Resources expended	Transfers/ Revaluation	Fund at 30.11.19
	£	£	£	£	£
General fund	1,372,600	4,992,247	(5,002,810)	-	1,362,037
Revaluation reserve	357,000	-	-	-	357,000
<b>Total Funds</b>	<b>1,729,600</b>	<b>4,992,247</b>	<b>(5,002,810)</b>	<b>-</b>	<b>1,719,037</b>

**Analysis of unrestricted fund movement - charity**

	Fund at 1.12.18	Incoming resources	Resources expended	Transfers/ Revaluation	Fund at 30.11.19
	£	£	£	£	£
General fund	1,332,797	4,457,547	(4,445,743)	-	1,344,601
Revaluation reserve	357,000	-	-	-	357,000
<b>Total Funds -</b>	<b>1,689,797</b>	<b>4,457,547</b>	<b>(4,445,743)</b>	<b>-</b>	<b>1,701,601</b>

**24 Analysis of net assets between funds - Group**

	Unrestricted 2020	Restricted 2020	Total 2020	Unrestricted 2019	Restricted 2019
	£	£	£	£	£
Tangible fixed assets	1,213,075	-	1,213,075	1,332,545	-
Net current assets	641,509	72,128	713,637	537,334	59,942
Long term liabilities	(1,150,842)	-	(1,150,842)	(150,842)	-
<b>Total</b>	<b>703,742</b>	<b>72,128</b>	<b>775,870</b>	<b>1,719,037</b>	<b>59,942</b>

**25 Analysis of net assets between funds - Charity**

	Unrestricted 2020	Restricted 2020	Total 2020	Unrestricted 2019	Restricted 2019
	£	£	£	£	£
Tangible fixed assets	1,213,175	-	1,213,175	1,332,645	-
Net current assets	623,973	72,128	696,101	519,798	59,942
Long term liabilities	(1,150,842)	-	(1,150,842)	(150,842)	-
<b>Total</b>	<b>686,306</b>	<b>72,128</b>	<b>758,434</b>	<b>1,701,601</b>	<b>59,942</b>

**26 Capital Commitments**

At 30 November 2020 there were no capital commitments.

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

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Charity 2020</b>	<b>Charity 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net movement in funds	(1,003,109)	49,379	(1,003,108)	71,746
Deduct revaluation gain	-	-	-	-
Add back depreciation charge	123,540	124,383	123,540	124,383
Add back loss on sale of assets	-	9,010	-	9,010
Deduct income from distributions from trading subsidiary.	-	-	(80,416)	(124,962)
Deduct interest income and rental income shown in investing activities	(16,448)	(49,431)	(16,447)	(49,430)
Add back interest paid	10,380	12,041	10,380	12,041
Decrease (increase) in stock	16,541	(4,435)	-	-
Decrease (increase) in debtors	147,792	16,398	45,566	114,941
Increase (decrease) in creditors	(150,531)	185,583	(150,071)	192,908
<b>Net cash provided by (used in) operating activities</b>	<b>(871,835)</b>	<b>342,928</b>	<b>(1,070,556)</b>	<b>350,637</b>

<b>28 Financial instruments</b>	<b>Group 2020</b>	<b>Charity 2020</b>	<b>Group 2019</b>	<b>Charity 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Carrying amount of financial assets				
Financial assets measured at fair value through profit and loss	435,000	435,000	435,000	435,000

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