

Edinburgh Science Ltd

Registered number: SC106331

Annual report

For the year ended 31 July 2023



EDINBURGH SCIENCE LTD

COMPANY INFORMATION

Directors	P Purvis M P Fourman A D Milne I J Wall S M Gage A Staniforth D Carter R Marshall A Mcneese-Mechan J M Brown B S Dick (appointed 28 August 2022) L A L Young (appointed 28 August 2022) V M Walker (appointed 28 August 2022) T Haque (appointed 26 May 2023)
Registered number	SC106331
Registered office	Harbourside House 110 Commercial Street Edinburgh EH6 6NF
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 5th Floor 3 Wellington Place Leeds LS1 4AP
Bankers	Bank of Scotland The Mound Edinburgh EH1 1QE
Solicitors	Wright Johnston & Mackenzie LLP 12/13 St Andrews Square Edinburgh EH2 2AF

EDINBURGH SCIENCE LTD

CONTENTS

	Page
Directors' report	1 - 5
Independent auditor's report	6 - 9
Statement of income and retained earnings	10
Balance sheet	11
Notes to the financial statements	12 - 19

EDINBURGH SCIENCE LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2023

The directors present their report and the financial statements for the year ended 31 July 2023.

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Principal activities and business review

Overview

Edinburgh Science sets out to improve the life chances and curiosity of our many audiences through fun and immersive engagements with science, technology, mathematics and engineering. The sum of a person's relationship with these subjects is often referred to as their 'science capital'. We seek to increase the science capital of our audiences so they may lead better, richer lives and contribute to a more equitable and sustainable world.

We serve the public, schools and enterprises.

We do our work in partnership with a wide range of stakeholders including schools and teachers, the research community, cultural bodies, private enterprises and government.

Edinburgh Science Festival

Under the theme of 'Let's Experiment,' the 2023 Edinburgh Science Festival embraced the concepts of experimentation, innovation, creativity, curiosity and invention that lie at the heart of all scientific disciplines. With 157 events there was something for all ages – young and old – taking over 28 venues across Edinburgh and beyond.

Our Experimental Life exhibition at National Museum of Scotland explored all aspects of life through activities and interactive displays, while the Cherish: Shaping of our Planet photo exhibition visually explored how human activity is impacting the world around us.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023**

Principal activities and business review (continued)

Prior to the start of Edinburgh Science Festival, we invite local schools to City Art Centre venue for free, engaging pupils who would normally not be able to attend the Festival. This year we welcomed 957 local primary school pupils to experience all the activities in our giant science playground for free over three days.

Our giant science playground at City Art Centre continued to delight visitors of all ages and FutureFest and EarthFest at the National Museum of Scotland offered two extra days each of family Festival fun. The Big Ideas series of events brought topical science to the forefront of discussions and a collection of Sociable Science events offered themed adult only evenings in unique venues across the city.

We are proud to report that 60% of the artists and speakers in the Festival programme were women.

Overall, attendances were strong with 144,000 visitors recorded. We were delighted to have made an impact on the lives of so many people, to have changed their relationship with science, technology, engineering and maths and to have made our events accessible to so many for free.

Edinburgh Science Learning

With programmes for primary and secondary schools and training and support for teachers, Edinburgh Science works year-round to engage young people and educational professionals all across Scotland.

Generation Science

We were excited to be back in-person in schools for our first full Generation Science tour around Scotland since 2019, visiting all 32 Local Scottish Authorities. This year we delivered 752 shows and workshops, covering 8 different STEM topics from chemistry to coding, reaching 26,077 pupils and their teachers. We continued to offer Generation Science at a heavily subsidised cost while over half of our shows and workshops were provided free to schools in areas of high deprivation or remote/rural locations, who would have otherwise been unable to afford the experience.

We are so pleased to be back in classrooms enabling pupils and teachers alike to explore STEM subjects in creative and fun ways they can't ordinarily do, aided by our touring staff and the kit and resources they travel with.

Careers Hive

November 2022 saw the return of Careers Hive, our free immersive careers event designed to give students between the ages of 11–14 a new way to think about STEM careers. During this week long event, 2,146 students got to try hands-on activities representing challenges they might experience in different STEM sectors. They also met young and early career STEM professionals to discover more about real life careers and be inspired by their experiences.

While Careers Hive continues to be free to attend, cost is still a barrier to schools due to rising travel costs, especially for those travelling from outside of Edinburgh. We provided travel bursaries to 12 schools, enabling pupils from as far away as Eyemouth to experience the event.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023**

Principal activities and business review (continued)**Community outreach**

We recruited a Community Engagement Manager, who leads the relationships and communications with local community groups ensuring they are supported year-round to engage with our science education and enrichment activities and events. Through our 'Beyond The Festival' project we provided bespoke Festival visits for 213 individuals from 11 local community groups, as well as activities before and after the Festival to continue with engaging STEM experiences.

Accessibility

We believe that there should be no barriers to science engagement and that it should be accessible for all. During the Festival we provided sensory backpacks at our family venues to help provide an enjoyable festival experience for all children. Some of our live events included a British Sign Language interpreter or were audio described.

Meanwhile EdSciFest on Demand provided a host of free online content, including make at home workshops, discussions on demand and self-guided walks and trails for people to enjoy, no matter wherever they are. These were also translated to Ukrainian, Arabic and Romanian to help make them accessible to those with English as a second language.

Edinburgh Science climate

We are convening, encouraging, supporting and facilitating a group of senior leaders from business, academia, third and public sectors, as they address the challenges and opportunities that the climate revolution will bring. Our Climate Co-Lab events, curated round table meetings, bring together cross-sector senior leaders with the aim to generate innovative tangible ideas to create change on subjects such as Accelerating Public and Private Sector Collaboration for Net Zero.

One of the first ideas to come out of our Climate Co-Labs in 2021 was the NetZeroToolkit, an online resource which gives small and medium enterprises the tools and confidence to tackle carbon emissions and work towards Net Zero. This continues to grow, with 851 users and a number of spin-off events including workshops. During this year our climate work received a number of prestigious awards.

Plans for future periods

During this year the staff and board were involved in drafting a 5 year strategy which has since been adopted. This outlines the areas where we seek to innovate and put emphasis. Some initial funding was put against these initiatives but we anticipate the delivery will take a number of years.

We are unable to ignore the increasingly difficult funding environment in which we are working. Public sector grants remain static or decrease. The private sector whilst enthusiastic is cautious about the current economic state. Together these make future revenues hard to win. Meanwhile the high levels of cost and wage inflation are rapidly reducing our spending power. The next year we expect to be one of our most challenging.

EDINBURGH SCIENCE LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

Directors

The directors who served during the year were:

P Purvis
M P Fourman
A D Milne
I J Wall
M Valenti (resigned 1 September 2023)
C B Rose (resigned 28 August 2022)
S M Gage
A Staniforth
D Carter
R Marshall
M Mickel (resigned 22 September 2022)
A Mcneese-Mechan
D Wilson (resigned 28 August 2022)
J M Brown
B S Dick (appointed 28 August 2022)
L A L Young (appointed 28 August 2022)
V M Walker (appointed 28 August 2022)
T Haque (appointed 26 May 2023)

Economic impacts of global events

UK businesses are currently facing many uncertainties such as the consequences of Brexit, Covid 19, environmental sustainability and geopolitical events such as the Russian invasion of Ukraine. These uncertainties have contributed to an environment where there exists a range of issues and risks, including inflation, rising interest rates, labour shortages, disrupted supply chains and new ways of working.

The Directors have carried out an assessment of the potential impact of these uncertainties on the business, including the impact of mitigation measures, and have concluded that these are non-adjusting events with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessment.

The Company continues to work with its partners to minimise any impacts of these events and maximise the realisation of any opportunities they may provide to the business.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

EDINBURGH SCIENCE LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023**

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.

Brendan S. Dick
Brendan S. Dick (Apr 29, 2024 16:12 GMT+1)

B S Dick
Director

Date: Apr 29, 2024

EDINBURGH SCIENCE LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDINBURGH SCIENCE LTD

Opinion

We have audited the financial statements of Edinburgh Science Limited (the 'Company') for the year ended 31 July 2023 which comprise the statement of income and retained earnings, the balance sheet 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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 July 2023 and of its profit 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

EDINBURGH SCIENCE LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDINBURGH SCIENCE LTD

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption 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 set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 AUDITOR'S REPORT TO THE MEMBERS OF EDINBURGH SCIENCE LTD

Auditor's responsibilities for the audit of the financial statements

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 the financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation and non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

EDINBURGH SCIENCE LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDINBURGH SCIENCE LTD

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.

Michael Speight

Michael Speight (Apr 30, 2024 11:40 GMT+1)

Michael Speight (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date: Apr 30, 2024

EDINBURGH SCIENCE LTD

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 JULY 2023**

	Note	2023 £	2022 £
Turnover		2,696,649	2,672,101
Cost of sales		(1,780,644)	(1,513,511)
Gross profit		<u>916,005</u>	<u>1,158,590</u>
Administrative expenses		(558,165)	(410,112)
Other operating income		45,153	75,364
Operating profit		<u>402,993</u>	<u>823,842</u>
Profit after tax		<u>402,993</u>	<u>823,842</u>
Retained earnings at the beginning of the year		433,269	229,427
Profit for the year		402,993	823,842
Gift aid paid to parent		(820,000)	(620,000)
Retained earnings at the end of the year		<u>16,262</u>	<u>433,269</u>
The notes on pages 12 to 19 form part of these financial statements.			

EDINBURGH SCIENCE LTD
REGISTERED NUMBER: SC106331

BALANCE SHEET
AS AT 31 JULY 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	5	50,932	26,785
		<u>50,932</u>	<u>26,785</u>
Current assets			
Debtors: amounts falling due within one year	6	1,876,798	1,872,021
Cash and cash equivalents	7	203,756	97,234
		<u>2,080,554</u>	<u>1,969,255</u>
Creditors: amounts falling due within one year	8	(2,115,222)	(1,562,769)
Net current (liabilities)/assets		<u>(34,668)</u>	<u>406,486</u>
Total assets less current liabilities		<u>16,264</u>	<u>433,271</u>
Net assets		<u>16,264</u>	<u>433,271</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	16,262	433,269
		<u>16,264</u>	<u>433,271</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Brendan S. Dick
Brendan S. Dick (Apr 29, 2024 16:12 GMT+1)

B S Dick
Director

Date: Apr 29, 2024

The notes on pages 12 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

1. General information

Edinburgh Science Ltd is a private Company limited by shares and registered in Scotland. Its principal place of business and registered office is Harbourside House, 110 Commercial Street, Edinburgh, EH6 6NF.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company's functional and presentational currency is GBP, with amounts rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Going concern

The Company made a profit of £402,993 (2022: £823,842) for the year and at the year end had net assets of £16,264 (2022: £433,271).

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future.

Edinburgh Science Foundation Limited (the parent undertaking) has committed to provide financial support for the operations of Edinburgh Science Ltd to enable them to meet their liabilities as they fall due, for a period of at least twelve months from the date the auditor's report was signed.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services in relation to science and technology events and programmes, is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. Accounting policies (continued)

2.3 Revenue (continued)

Donations

Donations are included as they are received, including from the parent charity.

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 August 2021 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the statement of income and retained earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the statement of income and retained earnings in the same period as the related expenditure.

2.6 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. Accounting policies (continued)

2.7 Taxation

Tax is recognised in the statement of income and retained earnings except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

The charge can be eliminated by payment of a gift aid distribution within nine months following the end of the financial year.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 33% straight line
Furniture and equipment	- 33% - 40% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. Accounting policies (continued)

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are considered to be no key sources of estimation uncertainty.

4. Employees

The average monthly number of employees, including directors, during the year was 41 (2022 - 37).

EDINBURGH SCIENCE LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

5. Tangible fixed assets

	Furniture and equipment £	Leasehold improvements £	Total £
Cost			
At 1 August 2022	221,300	18,300	239,600
Additions	44,732	-	44,732
At 31 July 2023	<u>266,032</u>	<u>18,300</u>	<u>284,332</u>
Depreciation			
At 1 August 2022	194,515	18,300	212,815
Charge for the year on owned assets	20,585	-	20,585
At 31 July 2023	<u>215,100</u>	<u>18,300</u>	<u>233,400</u>
Net book value			
At 31 July 2023	<u>50,932</u>	<u>-</u>	<u>50,932</u>
At 31 July 2022	<u>26,785</u>	<u>-</u>	<u>26,785</u>

EDINBURGH SCIENCE LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

6. Debtors

	2023 £	2022 £
Trade debtors	366,776	423,025
Amounts owed by group undertakings (note 13)	1,177,944	1,269,639
Other debtors	74,217	12,010
Prepayments and accrued income	257,861	167,347
	<u>1,876,798</u>	<u>1,872,021</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

7. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>203,756</u>	<u>97,234</u>

8. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	22,713	44,964
Amounts owed to group undertakings (note 13)	1,622,892	920,093
Other taxation and social security	22,778	23,512
Other creditors	8,255	33,719
Accruals and deferred income	438,584	540,481
	<u>2,115,222</u>	<u>1,562,769</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

9. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
2 (2022 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

10. Reserves**Profit & loss account**

This reserve includes all current and prior periods retained profits and losses net of dividends paid.

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £24,296 (2022: £21,039). Contributions totaling £5,500 (2022: £5,276) were payable to the fund at the balance sheet date and are included in other creditors.

12. Commitments under operating leases

At 31 July 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	54,000	64,000
Later than 1 year and not later than 5 years	63,333	50,000
	<u>117,333</u>	<u>114,000</u>

13. Related party transactions

As a wholly owned subsidiary of Edinburgh Science Foundation Ltd, a charitable Company registered in Scotland, advantage has been taken of the exemption granted by Financial Reporting Standard 102, not to report details of the transactions with the entities which are 100% controlled by a common parent undertaking.

Total directors' remuneration for the year was £69,264 (2022: £65,565). Defined contribution pension contributions of £1,321 (2022: £1,891) were paid on behalf of directors.

In common with many other charities some grant funding is received from City of Edinburgh Council. Three directors are also City of Edinburgh Council Councillors, but they have no involvement in the grant-making process.

EDINBURGH SCIENCE LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

14. Controlling party

The Company's ultimate parent undertaking is Edinburgh Science Foundation Ltd, a charitable Company registered in Scotland, which is the smallest and largest group of companies for which group financial statements are prepared. Copies of the group financial statements are available to the public from Companies House, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

The registered office of Edinburgh Science Foundation Ltd is Harbourside House, 110 Commercial Street, Edinburgh, EH6 6NF.

In the directors' opinion, the parent undertaking has no ultimate controlling party.