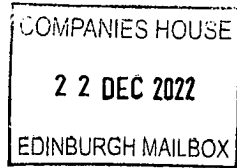


**REGISTERED COMPANY NUMBER: SC245379 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC034201**



**GLASGOW EAST ARTS COMPANY LIMITED**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**



Martin Aitken & Co Ltd  
Statutory Auditor  
Chartered Accountants  
Caledonia House  
89 Seaward Street  
Glasgow  
G41 1HJ

**GLASGOW EAST ARTS COMPANY LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2022**

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# **GLASGOW EAST ARTS COMPANY LIMITED**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### **An Introduction from the Chair**

When the financial year began in April 2021, Platform and The Bridge were closed and strict public health restrictions were in place preventing opportunities for people to meet indoors in order to minimise virus transmission. As the year ended in late March 2022, public audiences had returned to the auditorium, and our Taking Part programme of workshops and classes are back meeting in person and the future is looking a lot more positive.

Just like the year that preceded it, 2021/22 presented unique operating challenges for Glasgow East Arts Company. For much of the year the staff team were unable to access the venue and once able to return, access was limited and demands on individuals and resources high.

Similarly to 2020/21, Glasgow East Arts Company proved itself adept at responding flexibly to changing circumstances - perhaps most notably during the winter months when the Omicron variant emerged and forced plans and projects to change.

Classes and workshops continued to provide much needed opportunities for communities to meet, connect and create, art packs were distributed to over 2,000 local primary school children, and the Children's Holiday Food Programme returned as a takeaway service providing 10,510 meals to local children and young people across the year.

Whilst the venue was unable to open to the public until well into the third quarter of the year, Glasgow East Arts Company adapted their approach to project planning and delivery, taking live performances to school playgrounds and care home car parks - finding new ways to connect with people across North East Glasgow.

The year also saw a change in leadership as Arts Manager Jenny Crowe left the organisation after five years to take up a new challenge. The Board of Trustees are thankful for everything that Jenny brought to the Arts Company in her five years at the helm and the year ends under new leadership, looking forward to tackling the challenges we face and supporting the communities we serve to recover and thrive.

**Cllr Laura Doherty**  
**Chairperson**

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The principal objectives of the charity as set out by the company's Articles of Association are to operate within its operating area - currently defined as Glasgow East - and provide the following:

- to advance the arts and culture;
- to provide recreational facilities and/or to organise the recreational activities;
- such facilities/activities being available to members of the public at large with the object of improving their conditions of life;
- to advance education through (a) promotion of the arts, and (b) the promotion of training and with particular relevance to skills associated with employment in the cultural industries;
- to advance citizenship and community development, primarily within its operating area;
- to promote, establish, operate and/or support other similar projects and programmes which further charitable purposes for the benefit of the community.

## **GLASGOW EAST ARTS COMPANY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

Glasgow East Arts Company [GEAC] is an independent charity limited by guarantee.

GEAC is based at The Bridge, an award-winning building home to a variety of public services including Glasgow Kelvin College and a public library and swimming pool both managed by Glasgow Life.

A variety of spaces at the facility including the Auditorium, Studio Theatre, offices, workshops and storage spaces comprise Platform - the arts centre at The Bridge.

GEAC manages Platform and programmes workshops, classes and live events in the arts centre and across North East Glasgow.

GEAC exists in order to:

- Advance the arts and culture, primarily within North East Glasgow
- Advance education throughout the promotion of the arts, particularly among residents of North East Glasgow and the promotion of training with particular relevance to skills associated in the cultural industries
- Provide recreational facilities and activities, with the object of improving the conditions of life
- Advance citizenship and community development
- Support other similar projects and programmes which further charitable purposes for the benefit of the community

In order to achieve these objectives, our activity is planned and delivered in three main strands:

- Taking Part - our programme of participatory workshops and classes for all ages and a range of access needs
- Creative Programme - music, visual art and performance hosted at Platform
- Outreach - an extensive programme of workshops and live events located outwith the arts centre, delivered across North East Glasgow

#### **2021/2022 Highlights**

- 10,510 meals distributed through the Children's Holiday Food Programme
- 317 artists supported across all strands of activity
- 2,007 Art Packs distributed - one for every pupil at 6 local primary schools
- 2,921 total attendance from 568 individuals for Taking Part activities
- 2,783 people engaged with Dear Green Place activity - many participating in conversations and events around the Climate Crisis for the first time
- 132,773 hits on the Platform website in 21/22
- 42 performances delivered in school playgrounds and care home car parks

#### **Introduction**

With the vaccine roll out in full swing and public health restrictions easing, 2021/2022 saw a welcome return of indoor live events, public audiences returning to Platform and our Taking Part programme of workshops and classes move back to a model of in person delivery. The year still presented plenty of operational challenges however, not least in December with the emergence and rapid spread of the Omicron variant which threatened to derail the easing of public health restrictions.

With virus transmission rates still high across throughout the year, the challenge of providing a safe working environment for clients, guests and visitors has never been greater and this summary of GEAC activity in 21/22 begins by paying tribute to the work produced by all members of staff - core and freelance. The team worked tirelessly to prepare rooms and public spaces across the venue, rigorously cleaning these in between bookings to minimise the risk of transmission.

The support of the groups and individuals that attended performances, weekly classes, gigs, exhibitions and events was just as crucial to our operations across the year. Support from local schools, third sector partners and public audiences allowed GEAC to strengthen existing partnerships, forge new ones and continue to deliver on our core mission even when access to the arts centre itself remained deeply challenging. Working closely with our partners from Glasgow Life, core staff were permitted access to our spaces at The Bridge for just six hours a day Monday to Friday for the majority of the financial year. Greater access was granted from late January 2022 onwards, allowing for more classes and activities to return to the venue but a lack of time in the building to plan and host programme activity meant a continuation of the community touring and outdoor working that had formed such a large part of our delivery the previous year. Whilst we all look forward to evening gigs and weekend performances to full houses returning, the joy of bringing live events to audiences in care home car parks, primary school playgrounds and centres across the community cannot be overstated.

## GLASGOW EAST ARTS COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

#### Taking Part

Sessions were delivered entirely online for the first quarter of the year with a phased return to in person delivery commencing from September onwards. Clack & Yak, our resident knitting group were the first to return with weekly sessions held in the café every Monday. This larger space was picked as it is large, well ventilated and allows for one-way systems and social distancing to be maintained. An unintended consequence of leading workshops in such a public and prominent part of the building was to raise awareness of our programme and some of the activities we deliver - much of which usually takes place behind closed doors in The Den or Studio.

Further groups returned to the building throughout the autumn and winter until, in late February, Platform Singers - our community choir - the final Taking Part group to resume sessions in person, resumed their weekly meetings.

In total, 81 performance workshops, 118 visual art sessions and 374 music classes were delivered online over the course of the year by 28 freelance artists, generating a total attendance of 2,921 from 568 individuals.

Year	Number of sessions	Actual attending sessions	Capacity as %	Income generated from ticket sales	% attending from Local Links postcodes
2021/22	573	2,921	64%	£0	71%
2020/21	504	2,613	56%	£0	67%
2019/20	784	5,261	68%	£18,115	73%
2018/19	765	4,311	75%	£23,635	75%
2017/18	725	3,557	57%	£14,138	75%
2016/17	823	4,957	67%	£23,635	79%
2015/16	837	4,719	70%	£22,815	82%
2014/15	854	5,763	81%	£24,815	88%
2013/14	882	6,140	83%	£25,423	91%
2012/13	864	5,598	67%	£20,415	73%
2011/12	771	5,433	67%	£18,957	68%
2010/11	831	5,752	58%	£16,148	64%
2009/10	790	6,612	77%	£16,399	80%
2008/09	643	5,993	78%	£15,232	83%
2007/08	422	5,475	67%	£10,843	79%

At 64% of total capacity, Taking Part attendances have been positive in 21/22 - especially since returning in person - performance workshops, for example, saw numbers rise by a fifth, with online workshops during the first term of the year around 50% full rising to 71% of spaces taken for the in-person sessions during the third and final term of the year. Many new group members arrived at workshops having engaged with our Children's Holiday Food Programme. This is welcome trend we welcome and are keen to see increase over the weeks and months ahead. In order to encourage greater numbers of people to participate in Taking Part activity we continued to offer activity free at the point of access, even as we moved from online back to in person models of delivery. During the 21/22 year we received £732 in donations and much of this was offered from those participating in Taking Part activity.

As our Taking Part activity returned to the building, our Mail Art project, designed to provide a means by which for people to stay in touch when the building was closed, came to an end with the twenty-fifth and final issue produced and mailed out to 262 homes just before Christmas. Project partners from the Southbank Centre in London opened an exhibition of works created during the project in September - featuring the work of numerous community members - 80-year-old Kit, a retired nurse that lives opposite the arts centre was profiled prominently with her work and a photo portrait also featuring as part of a Mail Art exhibition commissioned by the World Health Organisation in Geneva, Switzerland.

#### Outreach

Outreach was central to our activity in 2021/22. With the arts centre closed to the public until well into the autumn, having the opportunity to hire a van and present live music and performances outdoors allowed us to continue working towards our organisational aims and objectives.

## GLASGOW EAST ARTS COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

A grant of £50k from Creative Scotland allowed us to deliver **Dear Green Place** an ambitious creative engagement programme of workshops, performances and ceilidhs across North East Glasgow. Activity offered opportunities for the communities we serve to think about the Climate Crisis, consider what they would like from their city in the future and what they will need to do in order to adapt to the challenges ahead. Fifty-six events were planned and delivered as part of **Dear Green Place** during September, October and November as the city prepared to host COP26 - the International Climate Summit. A total attendance of 3,159 from 2,783 individuals was recorded with many individuals and families feedbacking that it was the 'first time we have been to anything like this, anything to do with the climate'. Activity ranged from whole school performance events like **The Climate Crisis Cannot Be Cancelled** - which ended each day with pupils and teachers staging their own COP26 style event in the playground to small creative writing workshops in which adults from across North East Glasgow worked with a playwright and climate scientists to write letters to the city of tomorrow outlining their hopes and fears addressing them - **Dear Green Place**. The project culminated in two fully booked Climate Ceilidh events held in the Auditorium for the families of children from Aultmore Park and St Benedict's who had participated throughout and created some unique ceilidh dances for the event.

We worked closely with **Jon Ritchie & That Swing Sensation** and the creative teams behind **Sprog Rock** and **Buff & Sheen** to tour their work into local nurseries, schools and care homes. Investing in some colourful, study gazebos, traffic cones and outdoor audio equipment allowed us to be responsive and plan performances and tours as soon as public health restrictions allowed. 1,850 people attended these outdoor performance events and these visits and, for many, it was a first opportunity to engage with live performance in well over a year.

In 2021/2022, a total of 202 outreach events were delivered with over 6k people attending.

Year	Number of events	Numbers attending & participating
2021/22	202	5,576
2020/21	14	2,988
2019/20	1054	23,820
2018/19	911	25,895
2017/18	730	21,207
2016/17	904	23,221
2015/16	1153	33,038
2014/15	704	23,593
2013/14	806	30,823
2012/13	797	34,019
2011/12	725	26,547
2010/11	416	24,468
2009/10	463	34,946
2008/09	223	12,231
2007/08	540	13,295

Absent from these figures but worthy of mention was our Art Packs project. Thanks to funds raised by outgoing Arts Manager Jenny Crowe, the team were able to collaborate with visual artist Alice Dansey-Wright to create Art Packs for schools. Full of quality pens, pencils, crayons, sketch books and activities, 2007 packs were produced with one distributed to every single child attending six local primary schools including Oakwood, St Benedict's, Avenue End, St Rose of Lima, Aultmore Park and Sunnyside.

"It's fantastic that every one of our pupils has been gifted a kit of their own to keep at home or use at school. They will help provide resources for our pupils to express themselves and get creative, which is an important part of their learning journey. A big thank you to Platform from everyone at St Benedict's Primary".

**Mrs G. Parkinson, Headteacher, St Benedict's Primary School**

#### Creative Programme

It would be October before a first public performance was staged indoors at Platform but the first six months of the year saw our Creative Programme move outdoors as we repurposed the car park at The Bridge into a site for new, original and exciting music, performance and visual art.

## GLASGOW EAST ARTS COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

**Jimmy Cauty**, formerly of the chart-topping band KLF, visited with **ESTATE** - a dystopian installation of a set of high-rise flats crafted on a miniature scale and housed in a shipping container, visited for over a month. The work proved popular with audiences arriving from across the city and further afield. Tenterhooks' **MESS**, an innovative new live performance for children and young people with profound and multiple learning difficulties premiered outdoors at The Bridge before heading off on a citywide tour. And our Fun Fridays programme, presented throughout the summer school holidays hosted numerous live performances including **The Swings**, **City Breakz** and **The Unicorn Dance Party**.

Access to The Unit, a large making and rehearsal space outwith the main building at The Bridge allowed us to host numerous R&D and rehearsal processes, perhaps most notably for **Sanctuary Queer Arts** who were able to develop and film content for their inaugural festival and **Fuora Dance Project** who produced a beautiful film of their show **Songs from the Other Side** as part of the Scottish Mental Health Arts Festival.

Alongside all the work GEAC was engaged with outside of the arts centre, activity was also taking place inside the building. A brand-new stage floor, the first since the building opened in 2006, was installed and GEAC staff members worked closely with our partners from Glasgow Life to ensure our First Aid and Fire Warden training was up to date and ready for audiences and artists to return.

**BOY'S KHAYA** a dance theatre show created by Bawren Tavazia was the first indoor public performance we were able to stage in the Auditorium. Inspired by his experience of growing up in Zimbabwe and informed by recent global events including the murder of George Floyd, the performance was presented to a capacity audience of 80. **Making Tracks**, a music project pairing Scottish artists with collaborators from across the globe and numerous touring productions including **Like Animals** from SUPERFAN and **Stand By** produced by Utter + Scottish Theatre Producers, breathing life back into the building.

Public health restrictions in place to mitigate virus transmission led to a significantly higher level of ticketed events at box office. Admission to numerous events was offered to a single household at a time - **ESTATE** for instance, accounts for over 300 of the ticketed events across the year alone. A total of 3,122 people attended ticketed events generating just under £4k in ticket sales.

Year	Number of ticketed events	Actual attending performances	Capacity as %	Income generated from ticket sales	Numbers attending as Local Links ticket holders as %
2021/22	409	3,122	84%	£3,727	52%
2020/21	4	367	91%	£0	44%
2019/20	121	10,640	80%	£45,646	68%
2018/19	134	9,524	86%	£32,106	70%
2017/18	117	10,816	94%	£40,746	69%
2016/17	114	10,148	82%	£33,888	67%
2015/16	106	10,002	80%	£33,155	66%
2014/15	82	7,345	71%	£25,526	64%
2013/14	67	6,316	67%	£22,136	64%
2012/13	80	7,084	74%	£23,265	61%
2011/12	85	7,306	74%	£25,647	59%
2010/11	92	8,233	77%	£25,574	58%
2009/10	97	9,970	73%	£29,717	68%
2008/09	109	9,287	75%	£25,598	64%
2007/08	105	9,673	64%	£26,747	75%

It should be noted that, although a capacity of 84% was recorded across all performances, the capacity for many shows was significantly reduced on pre-pandemic levels as part of our approach to mitigate virus transmission. When the Auditorium reopened in the autumn, 80 tickets for each event were made available, less than half of the 210 seats the space holds. By the end of the financial year the capacity had risen to 100 and this phased approach to reopening will continue in 2022/2023.

## **GLASGOW EAST ARTS COMPANY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

Throughout the year, our participation in the Children's Holiday Food Programme formed a significant part of our activity. Delivered as a takeaway service throughout the year as members of the public were unable to enter the building, a total of 10,510 meals were distributed throughout the Easter, Summer, October and February holidays with activity packs provided for 577 children and young people. During the summer, restrictions eased to allow art workshops and creative sessions to be delivered in person and outdoors which proved popular.

#### **FINANCIAL REVIEW**

##### **Reserves & going concern policy**

The trustees have set a reserve of 3 months of income as part of our risk management strategy. Based on current levels, this would amount to c.£125,000. At the balance sheet date, the amount of unrestricted reserves freely available to the charity was £126,260 (2021 - £115,847). The directors and trustees are considering options to allow a build-up of reserves in the future.

The restricted fund balance carried forward at 31 March 2022 is £nil (2021 - £nil) however as shown in note 13, there is deferred income totalling £68,333 (2021 - £163,439) in relation to income for which one or more of the criteria for recognition had not been met by the year-end. This income is available to fund on-going projects.

The trustees have considered the impacts of the ongoing Covid-19 pandemic and the effects on the organisation. They have worked closely with management, and been successful in implementing cost saving measures, and also sourcing new funding, to ensure the future viability of the charity.

In conclusion, the directors and trustees are satisfied that the charity remains a going concern and has adequate funds in place for its on-going operations.

#### **FUTURE PLANS**

Looking ahead, the impact of the pandemic, war in Ukraine and a cost-of-living crisis continue to create challenging operating conditions for Glasgow East Arts Company and the communities we serve. Despite unprecedented socio-economic challenges, there are, however, many reasons to be optimistic about the medium to long term future of the organisation. Significant support from Creative Scotland's Recovery Fund as well as successful fundraising from GCVS, Museums and Galleries Scotland and Glasgow City Council's Children's Holiday Food Programme allow the staff team to plan and deliver a wide range of events and activities.

Government and council funding to support an additional five individuals to join the staff team as part of the No-one Left Behind scheme, for the long term unemployed, is in place and the café bar will return to trading, initially on a project basis as part of GEAC. A refreshed staff handbook has been issued and a minor staffing restructure to increase productivity completed.

Funds to support an investment in numerous areas of the building have been generated with works to replace ropes and lighting bars in the Auditorium and flooring in the Studio and Loft scheduled.

A new partnership with Scotland's Street Orchestra - The Nevis Ensemble has been forged and the company will be in residence at Platform throughout 2022/2023 to rehearse and prepare performances across North East Glasgow. We will also host a Youth Employability Hub led by staff from the UK Department of Work and Pensions with pathways into placements and jobs hosted by GEAC and job fairs open to all young job seekers in the local area also under discussion.

As well as new partnerships, GEAC continues to work with partners from Glasgow Life and Glasgow Kelvin College to ensure The Bridge is busy, vibrant and thriving. Students from the college expected to form part of the cast for the Christmas show and GEAC is working with the library and swimming pool to explore how we can work together to provide welcoming spaces for the community during what promises to be a difficult winter ahead.

2022/2023 will see a return to pre-pandemic levels of live events, gigs and exhibitions as well as a return for large scale summer events like the Alexandra Park and Bridge Family Festival Days. A brand-new production of Sleeping Beauty has been commissioned for audiences to enjoy in December and a number of ancillary hires including Glasgow Kelvin College performance courses and a host of independent dance schools have also returned. Demand for our spaces has been high since public health restrictions eased and there is every indication that ancillary income and trade will continue to rise over the next twelve months.



## **GLASGOW EAST ARTS COMPANY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

Glasgow East Arts Company Ltd is a company limited by guarantee governed by its Articles of Association dated 10 March 2003 and amended to allow for the current governance arrangement at the AGM of 3 November 2009. Glasgow East Arts Company registered as a charity with HMRC with effect from 10 March 2003.

##### **Recruitment and appointment of new trustees**

The Chairperson is appointed by the Board of Directors with him / her being a Director of the Company. In addition:

- Glasgow City Council nominates up to three trustees
- Two trustees are nominated by Glasgow Kelvin College
- One trustee is nominated by Visual Statement
- The trustees currently have the power to co-opt up to five members to fill specialist roles

Trustees automatically cease to be a member on the conclusion of each AGM. Trustees may be re-nominated for membership by the unincorporated body, which previously nominated him / her for membership. When considering co-opting trustees, the Board may identify any specialist skills or themes not already represented on the Board. Nominees appointed by the member organisations are subject to the appointment processes of those bodies and the guidelines on the appointment to public office as they apply to Local Government nominees.

##### **Organisational structure**

The Board, which can have up to 15 members, excluding its Secretary, administers the Charity. The Arts Manager has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and the arts programme.

##### **Induction and training of new trustees**

An induction process and pack is in place for new trustees and commences with an opportunity to visit the venue and meet staff. The pack includes the legal obligations of being a trustee and background information on the Company and its activities.

##### **Related parties**

The Bridge is the overarching name for four interlinking facilities:

- Glasgow Kelvin College
- Glasgow City Council's swimming pool and leisure suite managed via Glasgow Life
- Glasgow City Council's library managed via Glasgow Life
- GEAC the charity which operates Platform

Glasgow East Arts Company works in partnership with these organisations to manage the overall facility and to deliver an arts-based programme across The Bridge and North East Glasgow.

Furthermore, GEAC Trading Limited was established as a private company registered in Scotland 429340 on 30 July 2012 to take over the management of The Bridge Café Bar, which was formerly operated by Jobs and Business Glasgow. GEAC Trading Limited is a subsidiary of Glasgow East Arts Company. For the duration of the 2021/2022 financial year, The Bridge Café Bar remained closed to the public and GEAC Trading Limited was dormant. The Café Bar began operating again in May 2022.

##### **Risk management**

The trustees have a Risk Register, which is reviewed by the Board annually and by the Staffing and Finance Sub Committee 3 times each year. The Risk Register outlines control measures to mitigate risks identified and to identify any potential impact on the charity should those risks materialise.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

SC245379 (Scotland)

##### **Registered Charity number**

SC034201

## **GLASGOW EAST ARTS COMPANY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

#### **Registered office**

Platform  
The Bridge  
1000 Westerhouse Road  
Glasgow  
G34 9JW

#### **Trustees**

Ms M Burke (resigned 8/9/2022)  
Ms W J V Niblock  
Mr B D Kiloh  
Mr D Smeall  
Ms R McInnes  
Councillor R K Kelly (resigned 8/9/2022)  
Councillor L Doherty (Chairperson)  
Mr A Allan  
Mrs P F Aitken (resigned 6/7/2021)  
Ms J S Carver (appointed 8/3/2022)  
Ms S Greer (appointed 8/9/2022)  
Mr A J Kerr (appointed 8/9/2022)  
Ms W J V Niblock

#### **Company Secretary**

Ms S Taylor

#### **Auditors**

Martin Aitken & Co Ltd  
Statutory Auditor  
Chartered Accountants  
Caledonia House  
89 Seaward Street  
Glasgow  
G41 1HJ

#### **Solicitors**

Burness Paul LLP  
120 Bothwell Street  
Glasgow  
G2 7JL

#### **Bankers**

Bank of Scotland  
167-201 Argyle Street  
Glasgow  
G2 8BU

#### **Senior Management**

Matt Addicott, Arts Manager

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Glasgow East Arts Company Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and 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"

# GLASGOW EAST ARTS COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

### STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate 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 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### AUDITORS

The auditors, Martin Aitken & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 21/12/22 and signed on its behalf by:



.....  
Councillor L Doherty (Chairperson) - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF GLASGOW EAST ARTS COMPANY LIMITED**

### **Opinion**

We have audited the financial statements of Glasgow East Arts Company Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 18 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

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 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 Director's Report prepared for the purposes of company law and included in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report included in the Report of the Trustees, has been prepared in accordance with the applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF GLASGOW EAST ARTS COMPANY LIMITED**

### **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 Report of the Trustees.

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

- adequate and proper accounting records have not been kept or 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors 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 Act and relevant regulations made of 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 a Report of the Independent Auditors 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 aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF GLASGOW EAST ARTS COMPANY LIMITED

### Our responsibilities for the audit of the financial statements - continued

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

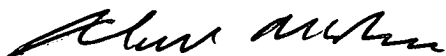
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### Other matters which we are required to address

The financial statements of the parent charitable company for the year ended 31 March 2021 were not audited as the parent charitable company was entitled to exemption under section 477 of the Companies Act 2006.

### Use of our report

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



Mark McRae CA (Senior Statutory Auditor)  
for and on behalf of Martin Aitken & Co Ltd  
Statutory Auditor  
Chartered Accountants  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Caledonia House  
89 Seaward Street  
Glasgow  
G41 1HJ

Date: 21/12/22

**GLASGOW EAST ARTS COMPANY LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>INCOME FROM</b>					
Donations and legacies	2	208,753	-	208,753	184,501
<b>Charitable activities</b>					
Arts development and programming		130,284	399,666	529,950	314,518
<b>Total</b>		<u>339,037</u>	<u>399,666</u>	<u>738,703</u>	<u>499,019</u>
<b>EXPENDITURE ON</b>					
<b>Direct charitable costs</b>	4				
Arts development and programming		311,902	399,666	711,568	498,672
<b>NET INCOME</b>		27,135	-	27,135	347
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		196,803	-	196,803	196,456
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>223,938</u>	<u>-</u>	<u>223,938</u>	<u>196,803</u>

The notes form part of these financial statements

**GLASGOW EAST ARTS COMPANY LIMITED (REGISTERED NUMBER: SC245379)**

**BALANCE SHEET  
31 MARCH 2022**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	10	21,966	26,456
Investments	11	1	1
		<u>21,967</u>	<u>26,457</u>
<b>CURRENT ASSETS</b>			
Debtors	12	111,848	168,310
Cash at bank and in hand		218,630	214,166
		<u>330,478</u>	<u>382,476</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	(128,507)	(212,130)
<b>NET CURRENT ASSETS</b>		<u>201,971</u>	<u>170,346</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>223,938</u>	<u>196,803</u>
<b>NET ASSETS</b>		<u>223,938</u>	<u>196,803</u>
<b>FUNDS</b>	16		
Unrestricted funds		223,938	196,803
<b>TOTAL FUNDS</b>		<u>223,938</u>	<u>196,803</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21/12/22 and were signed on its behalf by:



.....  
Councillor L Doherty (Chairperson) - Trustee



**GLASGOW EAST ARTS COMPANY LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	17,780	44,368
Net cash provided by operating activities		17,780	44,368
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(5,511)	(19,997)
Loan (to)/from subsidiary company		(7,805)	-
Net cash used in investing activities		(13,316)	(19,997)
<b>Change in cash and cash equivalents in the reporting period</b>		4,464	24,371
<b>Cash and cash equivalents at the beginning of the reporting period</b>		214,166	189,795
<b>Cash and cash equivalents at the end of the reporting period</b>		218,630	214,166

The notes form part of these financial statements

**GLASGOW EAST ARTS COMPANY LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>27,135</b>	<b>347</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>10,001</b>	<b>10,261</b>
Decrease/(increase) in debtors	<b>64,267</b>	<b>(77,994)</b>
(Decrease)/increase in creditors	<b>(83,623)</b>	<b>111,754</b>
<b>Net cash provided by operations</b>	<b>17,780</b>	<b>44,368</b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1/4/21</b>	<b>Cash flow</b>	<b>At 31/3/22</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank and in hand	<b>214,166</b>	<b>4,464</b>	<b>218,630</b>
	<b>214,166</b>	<b>4,464</b>	<b>218,630</b>
<b>Total</b>	<b>214,166</b>	<b>4,464</b>	<b>218,630</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£).

**Going concern**

The Trustees and Key Management Personnel have assessed the potential future of Glasgow East Arts Company Limited and whether it can continue as a going concern. After assessing the potential impacts and future commitments, the Trustees have a reasonable expectation that the charity has adequate resources and reserves to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

**Preparation of consolidated financial statements**

The financial statements show information about Glasgow East Arts Company Limited as an individual charity and do not contain consolidated financial information as the parent of a group. The accounts have not been consolidated as the results of the subsidiary undertaking are not material to the group.

**Judgements**

The charity considers on an annual basis the judgements that are made by management when applying its significant accounting policies that would have the most significant effect on amounts that are recognised in the financial statements. The trustees consider there are no such significant judgements.

**Information and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make estimates and assumptions about the carrying amounts 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. The charity does not have any key assumptions concerning the future, or other key sources of estimation uncertainty in the reporting year that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**Deferred income**

Income is deferred when payment is made for services that cannot be performed until the following year, due to factors outwith the control of the charity.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - continued

**Charitable activities**

Costs of charitable activities are incurred on the charity's Community Arts programme operations, including the support costs and costs relating to the governance of the charity apportioned to charitable activities.

**Allocation and apportionment of costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs have been apportioned on a time spent basis by members of staff.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures & fittings	- 25% on cost
Digital development	- 33% on cost
Office equipment	- 25% on cost

Fixed assets are included in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Expenses under £750 are not capitalised.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Unrestricted designated funds are funds which have been placed in reserves by the trustees to meet future specified costs or projects.

Restricted funds can only be used for particular restricted purposes within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to and from related parties.

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and trade creditors, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in profit or loss.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

**GLASGOW EAST ARTS COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES - continued**

**Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**2. DONATIONS AND LEGACIES**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Grants	<b>208,753</b>	<b>184,501</b>

Grants received, included in the above, are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
GCC Integrated Grant	<b>208,753</b>	<b>184,501</b>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Grants	<b>470,527</b>	<b>287,602</b>
Ticket income	<b>7,741</b>	<b>739</b>
Ancillary trading	<b>38,169</b>	<b>9,033</b>
Arts development income	<b>-</b>	<b>17,144</b>
Theatre tax relief	<b>13,513</b>	<b>-</b>
	<b>529,950</b>	<b>314,518</b>

Grants received, included in the above, are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
GCC Seasonal Programme	<b>3,399</b>	<b>44,073</b>
Creative Scotland SLA	<b>211,968</b>	<b>75,400</b>
Outreach Project Funding	<b>94,914</b>	<b>35,573</b>
Creative Scotland PAVRF	<b>87,000</b>	<b>-</b>
Glasgow City Council Holiday Hunger	<b>56,562</b>	<b>-</b>
Wellbeing Funds	<b>-</b>	<b>10,000</b>
HMRC Coronavirus Job Retention Scheme	<b>16,684</b>	<b>78,455</b>
	<b>470,527</b>	<b>243,501</b>

**GLASGOW EAST ARTS COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**4. CHARITABLE ACTIVITIES COSTS**

	<b>Direct Costs £</b>	<b>Support costs (see note 5) £</b>	<b>Totals £</b>
Arts development and programming	<u>687,221</u>	<u>24,347</u>	<u>711,568</u>

**5. SUPPORT COSTS**

	<b>Finance £</b>	<b>Governance costs £</b>	<b>Totals £</b>
Arts development and programming	<u>86</u>	<u>24,261</u>	<u>24,347</u>

Support costs, included in the above, are as follows:

	<b>2022 Arts development and programming £</b>	<b>2021 Total activities £</b>
Bank charges	86	105
Auditors' remuneration	7,200	-
Accountancy	8,216	11,095
Independent examiner's fee	-	2,100
Legal and professional fees	8,845	2,163
	<u>24,347</u>	<u>15,463</u>

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2022 £</b>	<b>2021 £</b>
Auditors' remuneration	7,200	-
Depreciation - owned assets	10,001	10,261
Independent examiner's fee	-	2,100
	<u></u>	<u></u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 (2021 - £nil).

**GLASGOW EAST ARTS COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**7. TRUSTEES' REMUNERATION AND BENEFITS - continued**

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2022 (2021 - £nil).

**8. STAFF COSTS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	229,039	226,257
Social security costs	19,105	16,798
Other pension costs	9,877	8,827
	<u>258,021</u>	<u>251,882</u>

During the year, total remuneration and consultancy fees of £37,379 (2021 - £24,374) were paid to key management personnel.

Key management personnel in the current and prior year included the Arts Manager and the external accountant.

The average monthly number of employees during the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>13</b>	<b>10</b>
Project staff	<u>13</u>	<u>10</u>

No employees received emoluments in excess of £60,000 (2021 - £nil).

During the year, the company incurred redundancy costs of £14,287 (2021: £nil).

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
<b>INCOME FROM</b>			
Donations and legacies	184,501	-	184,501
<b>Charitable activities</b>			
Arts development and programming	134,974	179,544	314,518
<b>Total</b>	<u>319,475</u>	<u>179,544</u>	<u>499,019</u>
<b>EXPENDITURE ON</b>			
<b>Direct charitable costs</b>			
Arts development and programming	319,128	179,544	498,672
<b>NET INCOME</b>	347	-	347
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	196,456	-	196,456
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>196,803</u>	<u>-</u>	<u>196,803</u>

**GLASGOW EAST ARTS COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**10. TANGIBLE FIXED ASSETS**

	Recording studio & equipment £	Fixtures & fittings £	Digital development £	Office equipment £	Totals £
<b>COST</b>					
At 1 April 2021	46,502	6,036	19,609	59,817	131,964
Additions	-	-	-	5,511	5,511
At 31 March 2022	46,502	6,036	19,609	65,328	137,475
<b>DEPRECIATION</b>					
At 1 April 2021	46,502	6,036	19,609	33,361	105,508
Charge for year	-	-	-	10,001	10,001
At 31 March 2022	46,502	6,036	19,609	43,362	115,509
<b>NET BOOK VALUE</b>					
At 31 March 2022	-	-	-	21,966	21,966
At 31 March 2021	-	-	-	26,456	26,456

**11. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 April 2021 and 31 March 2022	1
<b>NET BOOK VALUE</b>	
At 31 March 2022	1
At 31 March 2021	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**GEAC Trading Limited**

Registered office: Platform The Bridge, 1000 Westerhouse Road, Glasgow, G34 9WJ

Nature of business: Cafe & Bar

Class of share:	% holding	2022 £	2021 £
Ordinary	100		
Aggregate capital and reserves		(8,147)	(8,147)
Loss for the year		-	(19,673)



**GLASGOW EAST ARTS COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade debtors	53,978	3,132
Bad debt provision	(6,182)	(6,182)
Amounts owed by group undertakings	11,379	3,574
Other debtors	4,327	2,900
Prepayments	2,552	52,550
Accrued income	45,794	112,336
	<u>111,848</u>	<u>168,310</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade creditors	21,423	24,948
Other creditors	16,094	11,603
Accruals	22,657	12,140
Deferred income	68,333	163,439
	<u>128,507</u>	<u>212,130</u>

Included in creditors is deferred income totalling £68,333 (2021 - £163,439) in relation to grants for which one or more of the criteria for recognition had not been met by the year-end.

**14. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	1,448	-
Between one and five years	5,430	-
	<u>6,878</u>	<u>-</u>

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Fixed assets	21,966	-	21,966	26,456
Investments	1	-	1	1
Current assets	330,478	-	330,478	382,476
Current liabilities	(128,507)	-	(128,507)	(212,130)
	<u>223,938</u>	<u>-</u>	<u>223,938</u>	<u>196,803</u>

**GLASGOW EAST ARTS COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**16. MOVEMENT IN FUNDS**

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
<b>Unrestricted funds</b>				
General Fund	115,847	49,928	(39,515)	126,260
Fixed Asset Fund	26,456	(10,001)	5,511	21,966
Digital Development	10,000	-	(7,000)	3,000
Extraordinary Maintenance	30,000	(12,792)	13,228	30,436
Capital Investment	10,000	-	25,276	35,276
Environmental and Sustainability	2,000	-	5,000	7,000
Projector and PA Fund	2,500	-	(2,500)	-
	<u>196,803</u>	<u>27,135</u>	<u>-</u>	<u>223,938</u>
<b>TOTAL FUNDS</b>	<u>196,803</u>	<u>27,135</u>	<u>-</u>	<u>223,938</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	339,037	(289,109)	49,928
Fixed Asset Fund	-	(10,001)	(10,001)
Extraordinary Maintenance	-	(12,792)	(12,792)
	<u>339,037</u>	<u>(311,902)</u>	<u>27,135</u>
<b>Restricted funds</b>			
GCC Seasonal Programme	4,506	(4,506)	-
GCC Holiday Food Programme	46,192	(46,192)	-
Performing Arts Venue Relief Fund	87,000	(87,000)	-
Creative Scotland RFO	209,868	(209,868)	-
Creative Scotland Youth Access	2,100	(2,100)	-
Scottish Government COP26	50,000	(50,000)	-
	<u>399,666</u>	<u>(399,666)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>738,703</u>	<u>(711,568)</u>	<u>27,135</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

## 16. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
<b>Unrestricted funds</b>				
General Fund	125,236	(17,053)	7,664	115,847
Fixed Asset Fund	16,720	17,400	(7,664)	26,456
Digital Development	10,000	-	-	10,000
Extraordinary Maintenance	30,000	-	-	30,000
Capital Investment	10,000	-	-	10,000
Environmental and Sustainability	2,000	-	-	2,000
Projector and PA Fund	2,500	-	-	2,500
	<u>196,456</u>	<u>347</u>	<u>-</u>	<u>196,803</u>
<b>TOTAL FUNDS</b>	<u>196,456</u>	<u>347</u>	<u>-</u>	<u>196,803</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	302,075	(319,128)	(17,053)
Fixed Asset Fund	17,400	-	17,400
	<u>319,475</u>	<u>(319,128)</u>	<u>347</u>
<b>Restricted funds</b>			
Creative Scotland Service Level Agreement	45,132	(45,132)	-
GCC Seasonal Programme	8,494	(8,494)	-
GCC Holiday Food Programme	50,518	(50,518)	-
Performing Arts Venue Relief Fund	75,400	(75,400)	-
	<u>179,544</u>	<u>(179,544)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>499,019</u>	<u>(498,672)</u>	<u>347</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**16. MOVEMENT IN FUNDS - continued**

**Unrestricted funds**

General Fund

The General Fund can be used in accordance with the charitable activities of the charity at the discretion of the trustees.

Fixed Asset Fund

This fund represents the net book value of the charity's tangible fixed assets.

Digital Development

The Digital Development fund is a designated fund for website development and installation of an online ticket system.

Extraordinary Maintenance

Funds earmarked for less routine but essential maintenance of the physical fabric of the spaces we inhabit in the Bridge (our building)

Capital Investment

For development and improvement of the charity's fixed assets, equipment, and physical spaces

Environmental and Sustainability

Funds set aside in line with the charity's environmental aspirations, for example initially to carry out an environmental audit

Projector and PA Fund

Funds specifically earmarked for investment in new multimedia equipment

**17. RELATED PARTY DISCLOSURES**

Due to the nature of the company's activities and the composition of the Board of Trustees it is inevitable that transactions will take place with companies or other organisations in which a trustee may have an interest. All transactions involving companies or organisations in which a trustee may have an interest are conducted at arm's length and in accordance with the normal project rules. Trustees are not permitted to participate in discussions or decisions on transactions involving their related business or organisation.

The wholly owned trading subsidiary GEAC Trading Limited, which is incorporated in Scotland, operates The Bridge cafe and all commercial trading operations carried on at the Glasgow East Arts Company Limited premises. The charity owns the entire issued share capital comprising 1 ordinary share of £1.

At the balance sheet date, the amount due from GEAC Trading Limited was £11,379 (2021 - £3,574). The balance is unsecured, interest free and there are no fixed repayment terms.

**18. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

## **GLASGOW EAST ARTS COMPANY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022**

#### **19. COMPANY LIMITED BY GUARANTEE**

Glasgow East Arts Company Limited is a company limited by guarantee in terms of the Companies Act 2006 and is registered in Scotland. The liability of each member is limited to the sum of £1. In the event of the winding up or dissolution of the company, in terms of the Memorandum and Articles of Association, any surplus assets shall be transferred to some other charitable body or bodies operating for the benefit of the community of Greater Easterhouse, Glasgow, whose objects are altogether or in part similar to the objects of the company.

#### **20. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme, the assets of which are held in a separate fund. The amount paid in the year and charged to the Statement of Financial Activities amounted to £9,877 (2021 - £8,827). At the year-end, there were overpaid contributions of £4,327 (2021 - £2,900).