

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

GLASGOW EAST ARTS COMPANY LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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

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FOR THE YEAR ENDED 31 MARCH 2021**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

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 2021. 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).

Chair's report

Two weeks before the beginning of the 2020/2021 financial year, Glasgow East Arts Company closed the doors at Platform and did not return to The Bridge for many months.

Classes, workshops and live events were postponed and cancelled as the world moved into lockdown. The Coronavirus pandemic: an unprecedented global, public health crisis, had a significant and far-reaching impact on every level of operations and presented deeply concerning and challenging conditions for the communities we serve.

Despite the complex and unpredictable operating conditions, the organisation proved flexible and adaptable; pivoting to respond to the new landscape created by the pandemic and the measure taken to counter transmission of the virus.

Whilst nowhere near the levels of engagement seen in previous years; there is still much for the organisation to take pride from having found a way to host well over 500 workshops, events and performances, engaging with a total attendance of over 10,000 from 3.5k individuals in this most challenging and trying twelve-month period.

Continued support from core funders was greatly appreciated and allowed the team to consider how best to adapt to the new reality and continue to work as a leader in the arts with a focus on community engagement and the provision of a high-quality music, visual art and performance programme.

Glasgow East Arts Company displayed a high degree of resilience throughout 2020/2021, a quality that will continue to be required as we move forward to support our communities in recovery from the virus and the impact it has had on every area of life.

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.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Without the possibility to earn income at box office or from the hire of the spaces we manage, significant sources of income were lost overnight and, like many organisations across the UK, we turned to the Job Retention Scheme to ensure operational sustainability, furloughing the majority of the staff team for most of the financial year. A core team comprised of the Arts Manager, Finance Officer, Programme Lead and Press and Marketing Officer worked throughout with other members of the team returning at key intervals to build capacity and support the projects, events and initiatives that we were able to plan and deliver.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENTS AND PERFORMANCE (cont'd)

What follows is a summary of the organisation's objectives, as outlined in our Articles of Association and featured here in **bold**, with a brief outline of work delivered in each area during the 2020/2021 financial year.

Glasgow East Arts Company Ltd exists to **advance the arts and culture, primarily within North East Glasgow**. Throughout the year, the question of how we could do this, disconnected from the building, our operating area and the people that call it home, was ever-present in our thoughts, planning and delivery. Everything changed overnight as we were forced to consider how to keep in touch with the communities we serve and deliver activity from our homes.

One of our first responses, was to support the artists we had contracted to deliver our Taking Part programme to move their weekly sessions online and maintain engagement with children and adults from across North East Glasgow and citywide. Our youth theatre groups - Creation Station, Lab Station and Platform Young Company supported children and young people from 8 to 25 years to meet every Monday and Saturday. Our team of freelance musicians continued to support people of all ages to continue singing and learning guitar, fiddle and drums.

With Nu:Gen, Saturday Art Club and Art Factory moving online, visual artists working across a variety of media worked with groups of children, young people and adults to develop skills and confidence. All of which worked towards **advancing 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**.

In total, 105 performance workshops, 118 visual art sessions and 281 music classes were delivered online over the course of the year by 19 freelance artists, generating a total attendance of 2,613 from 354 individuals.

Our core Taking Part offer was augmented by the Platform Young Company Open Studio programme and the LUX + BBC Scotland film-making project, both of which featured bespoke training opportunities for young people to develop skills in areas they identified interest in. A tiny glimmer of light in a dark and challenging year, video conferencing technology allowed for collaborations and partnerships to develop that would have been difficult to support in person due to the resource and time required. As it was, we were able to support young people based in Easterhouse to meet, connect and learn with artists from across the UK and Europe.

Without our building and the possibility of supporting people to meet in person, **providing recreational facilities and activities, with the object of improving the conditions of life** for the communities we serve took a different shape and form this year - perhaps best exemplified by our mail art project.

As part of moving our weekly participatory programme online, we were able to support a handful of local residents with tablets and internet access. It quickly became clear however, that for a significant proportion of those regularly visiting the venue, meeting online had little or no appeal. Keen to find ways to continue engaging with this cohort, we tried communicating with regular activities via the postal service instead. From mid-May onwards, art materials and letters were sent out every two weeks containing prompts and provocations along with a printed collection of pictures, poems, photographs, stories and jokes generated by individuals across the community. From a core of around forty, comprised of those that were regularly visiting the venue prior to lockdown, the mailing list peaked at 262 as we worked with Blairtummock Housing Association, supporting copies to be sent to local residents they felt might be particularly vulnerable and isolated.

The mail art project was aided via a collaboration with Art by Post, a UK wide initiative led by the Southbank Centre in London. This allowed our resource to stretch much further and sustainably maintain connection with an increasing mailing list. In total 4,009 newsletters were printed and posted, 360 submissions received and the project was nominated for the 2020 Achatas Prize as "an example of good practice in the way that arts and cultural organisations have responded to the needs of their communities in these difficult times and how their communities have responded to this work."

Thanks to the continued support of funders at Glasgow City Council and partners from Glasgow Life at The Bridge, we were able to continue delivering our Holiday Food Programme offer for local families during the summer and October week school holidays. The programme was repurposed as a takeaway, providing up to 200 bags a day - each containing breakfast, lunch and snacks. The offer was supported with art materials and activity booklets designed by professional artists. In total 6,115 bags were distributed, and 1,677 art packs shared.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENTS AND PERFORMANCE (cont'd)

When, during the summer and autumn, restrictions lifted enough to permit live performances to be staged outdoors, we hosted performances from Scottish Opera in the car park at The Bridge and visited half a dozen nurseries and schools with a programme of live music and performance - engaging with 270 pupils and staff.

Emerging from a summer dominated by conversations around civil rights and racial equality we were delighted to form part of the Black Lives Matter Mural Trail with original artwork from Etienne Kubwabo installed on the windows of the Studio Theatre from October and throughout the remainder of the year. Online workshops allowed Etienne to share his practice and made space for conversations around **advancing citizenship and community development**. As did HOTLINE, a performance piece challenging racial inequality, developed in collaboration with Produced Moon and the Tron Theatre and featuring participants of Clack and Yak, our group of knitters and young people from across North East Glasgow.

500 copies of Let Us Act for Ourselves, a collection of poems, stories, excerpts from plays and essays by Freddy Anderson, collected and edited by Social Historian Joey Simons were also produced during lockdown. This collection of works was generated through a residency Joey conducted prior to the pandemic and is a model we would be keen to replicate in the future. Not only did it allow us to celebrate the work of former Garthamlock resident Freddy and his work but it also provided numerous opportunities for members of the community to meet and [re]connect with one another.

Finally, Glasgow East Arts Company also seeks to **promote, establish, operate and support other similar projects and programmes which further charitable purposes for the benefit of the community**.

We utilised our website and social media channels to regularly share and communicate the inspiring work of our numerous third sector partners as they worked tirelessly to ensure that residents had things to eat, drink and keep them active. We also worked closely with Tortoise in a Nutshell and Dirleybane Theatre Company as they created and trialled a variety of different resources designed to find ways to connect audiences whilst venues were closed and develop resources to promote positive mental health and well-being for children and their families.

Our plans at Christmas changed several times but ultimately, we worked with staff from the Urban Fox Programme based in Parkhead to present 2,800 children from eight primary schools with sweet festive treats delivered by a pair of dancing unicorns.

Performance management information

A review of attendances over the year for all performances reveals the following, set in the context of our overall business activity:

Year	Number of ticketed events	Actual attending performances	Capacity as %	Income generated from ticket sales	Numbers attending as Local Links ticket holders as %
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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENTS AND PERFORMANCE (cont'd)

With the venue closed to the public throughout the entire financial year, our ability to generate revenue from ticketed events at the arts centre was lost overnight. We did host four live, free but ticketed performance events online during the year and these we were well attended with an average audience of 90. Interesting to note that the % of those attending as from the immediate operational area dipped to 44% as online presentation allowed for those based further afield to engage.

Rather than spending time and the limited resource available on generating content to share online, we decided to focus our attention on supporting a continuation of our Taking Part programme and, when public health restrictions permitted, visiting schools and nurseries with live events and experiences. To offset the loss of ticket income, a successful application was made to the Creative Scotland Performing Arts Venue Relief Fund, resulting in an award of £75,400 that allowed us to support our ongoing overheads and avoid significant job losses.

Taking Part is the overarching name for our participative courses, classes and workshops. Over the year we achieved the following:

Year	Number of sessions	Actual attending sessions	Capacity as %	Income generated from ticket sales	% attending from Local Links postcodes
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	764	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

As mentioned above, we were able to continue much of our Taking Part programme by moving the classes and workshops online. Fees were waived as keeping in touch with as many people as possible was seen as the priority but a small number of donations totalling £739 were received.

Although there were some individuals that arrived at classes and activities for the first-time during lockdown, the majority of those attending had been regular visitors to the building prior to March 2020 and the outbreak of the virus. Although a move online for much of the programme was possible, there were some notable absences as the well-attended Keyboard classes and Saturday Art Club felt unable to operate as weekly online activities.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENTS AND PERFORMANCE (cont'd)

Artreach is the umbrella name for the wide range of activities produced across the community and is usually comprised of gala days, festivals and workshop programmes. In 2020/2021, the fourteen events we were able to support include a series of online workshops, a handful of live performances and our festive offer to local nursery and primary schools delivered in partnership with Urban Fox.

Year	Number of events	Numbers attending & participating
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	735	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 are our postal projects and the activity packs shared with schools and during the Holiday Food Programme delivered during the Summer and October Week Holidays. During the year 4,009 newsletters were printed and posted featuring 360 submissions received from individuals across North East Glasgow and across the city. 1,677 creative packs were handed out during the Holiday Food Programme and 520 resource packs were shared with families via two local primary schools.

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 £115,846 (2020 - £125,235). 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 2021 is £nil (2020 - £nil) however as shown in note 13, there is deferred income totalling £163,439 (2020 - £36,212) 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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

FUTURE PLANS

2020 brought unprecedented, universal challenge and change. The impact of the Coronavirus public health crisis will continue to be felt well into 2021 and beyond as we move on from the height of the pandemic and into recovery.

Thanks to the continued support and flexibility of funders, notably Glasgow City Council and Creative Scotland, we have been able to grow operations and activity as restrictions lift. We continue to work closely with organisations across the partnership to support activity to safely return to The Bridge and have made a successful application for £50,000 of funding from the Creative Scotland and the Scottish Government to support a programme of climate inspired workshops and performances to be delivered across North East Glasgow.

A second round of support from Creative Scotland's Performing Arts Venue Relief Fund totalling £87,000 has also been received. In addition, finding a way to support Glasgow Kelvin College students and staff to return to the venue at the beginning of the academic year in late August 2021 has allowed for us to generate much needed ancillary income.

Although reduced access hours, steps taken to mitigate Covid transmission and the virus itself combine to present ongoing challenging operational conditions: Glasgow East Arts Company is well placed to emerge from the pandemic and support the communities we serve to reconnect, rebuild and recover.

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 the Inland Revenue with effect from 10 March 2003.

Recruitment and appointment of new trustees

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

- Glasgow City Council nominates up to 3 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 5 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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 Glasgow East.

In addition, one other organisation has a base at The Bridge during 2020/21; Visual Statement.

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.

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

Registered office

Platform
The Bridge
1000 Westerhouse Road
Glasgow
G34 9JW

Trustees

Ms M Burke (appointed 11/3/2021)
Councillor J Coleman (resigned 29/1/2021)
Ms W Niblock
Mr B D Kiloh
Mr D Smeall
Ms R McInnes (appointed 18/5/2020)
Councillor R K Kelly
Councillor L Doherty (Chairperson)
Mr A Allan
Mrs P F Aitken (resigned 6/7/2021)

Company Secretary

Ms S Taylor

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Martin Aitken & Co Ltd
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

Jenny Crowe, Arts Manager (resigned July 2021)
Matt Addicott, Arts Manager (appointed July 2021)

Approved by order of the board of trustees on 21 December 2021 and signed on its behalf by:

Councillor L Doherty (Chairperson) - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GLASGOW EAST ARTS COMPANY LIMITED

I report on the accounts for the year ended 31 March 2021 set out on pages ten to twenty three.

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention :

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Gavin Curr FCCA
Martin Aitken & Co Ltd
Chartered Accountants
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

21 December 2021

GLASGOW EAST ARTS COMPANY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME FROM					
Donations and legacies	2	184,501	-	184,501	218,128
Charitable activities	3				
Arts development and programming		134,974	179,544	314,518	503,583
Total		<u>319,475</u>	<u>179,544</u>	<u>499,019</u>	<u>721,711</u>
EXPENDITURE ON					
Direct charitable costs	4				
Arts development and programming		319,128	179,544	498,672	661,850
NET INCOME		<u>347</u>	<u>-</u>	<u>347</u>	<u>59,861</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		196,456	-	196,456	136,595
TOTAL FUNDS CARRIED FORWARD		<u>196,803</u>	<u>-</u>	<u>196,803</u>	<u>196,456</u>

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	10	26,456	16,720
Investments	11	<u>1</u>	<u>1</u>
		26,457	16,721
CURRENT ASSETS			
Debtors	12	168,310	90,316
Cash at bank and in hand		<u>214,166</u>	<u>189,795</u>
		382,476	280,111
CREDITORS			
Amounts falling due within one year	13	(212,130)	(100,376)
NET CURRENT ASSETS		<u>170,346</u>	<u>179,735</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		196,803	196,456
NET ASSETS		<u>196,803</u>	<u>196,456</u>
FUNDS	16		
Unrestricted funds		<u>196,803</u>	<u>196,456</u>
TOTAL FUNDS		<u>196,803</u>	<u>196,456</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

BALANCE SHEET - continued
31 MARCH 2021

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 December 2021 and were signed on its behalf by:

Councillor L Doherty (Chairperson) - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

Due to the ongoing Coronavirus pandemic, 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 despite the uncertainty caused by the ongoing pandemic.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES - continued

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.

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.

The pension costs charged to the Statement of Financial Activities represent the amount of employer's contributions to the scheme 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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES - continued

Financial instruments

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.

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

	2021 £	2020 £
Donations	-	1,649
Grants	<u>184,501</u>	<u>216,479</u>
	<u>184,501</u>	<u>218,128</u>

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

	2021 £	2020 £
GCC Integrated Grant	<u>184,501</u>	<u>216,479</u>

GLASGOW EAST ARTS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Grants	Arts development and programming	287,602	290,929
Ticket income	Arts development and programming	739	59,067
Ancillary trading	Arts development and programming	9,033	47,983
Arts development income	Arts development and programming	17,144	48,839
Theatre tax relief	Arts development and programming	-	56,765
		<u>314,518</u>	<u>503,583</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Arts development and programming	<u>483,209</u>	<u>15,463</u>	<u>498,672</u>

5. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Arts development and programming	<u>105</u>	<u>15,358</u>	<u>15,463</u>

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

	2021 Arts development and programming £	2020 Total activities £
Bank charges	105	143
Auditors' remuneration	-	6,000
Accountancy	11,095	12,775
Independent examiner's fee	2,100	-
Legal and professional fees	<u>2,163</u>	<u>3,291</u>
	<u>15,463</u>	<u>22,209</u>

GLASGOW EAST ARTS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

6. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Auditors' remuneration	-	6,000
Depreciation - owned assets	10,261	3,505
Independent examiner's fee	<u>2,100</u>	<u>-</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 (2020 - £nil).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 (2020 - £nil).

8. STAFF COSTS

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

	2021	2020
	10	12
Project staff	<u>10</u>	<u>12</u>

No employees received emoluments in excess of £60,000 (2020 - £nil).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM			
Donations and legacies	218,128	-	218,128
Charitable activities			
Arts development and programming	245,928	257,655	503,583
Total	<u>464,056</u>	<u>257,655</u>	<u>721,711</u>
EXPENDITURE ON			
Direct charitable costs			
Arts development and programming	397,458	264,392	661,850
NET INCOME/(EXPENDITURE)	<u>66,598</u>	<u>(6,737)</u>	<u>59,861</u>
Transfers between funds	<u>(6,737)</u>	<u>6,737</u>	<u>-</u>
Net movement in funds	59,861	-	59,861
RECONCILIATION OF FUNDS			
Total funds brought forward	136,595	-	136,595

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>196,456</u>	<u>-</u>	<u>196,456</u>

10. TANGIBLE FIXED ASSETS

	Recording studio & equipment £	Fixtures & fittings £	Digital development £	Office equipment £	Totals £
COST					
At 1 April 2020	46,502	6,036	19,609	39,820	111,967
Additions	-	-	-	19,997	19,997
At 31 March 2021	<u>46,502</u>	<u>6,036</u>	<u>19,609</u>	<u>59,817</u>	<u>131,964</u>
DEPRECIATION					
At 1 April 2020	46,502	6,036	19,609	23,100	95,247
Charge for year	-	-	-	10,261	10,261
At 31 March 2021	<u>46,502</u>	<u>6,036</u>	<u>19,609</u>	<u>33,361</u>	<u>105,508</u>
NET BOOK VALUE					
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,456</u>	<u>26,456</u>
At 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,720</u>	<u>16,720</u>

11. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	<u>1</u>
NET BOOK VALUE	
At 31 March 2021	<u>1</u>
At 31 March 2020	<u>1</u>

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:

GLASGOW EAST ARTS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

11. FIXED ASSET INVESTMENTS - continued

GEAC Trading Limited

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

Nature of business: Cafe & Bar

Class of share:	% holding	31/3/21	31/3/20
Ordinary	100	£	£
Aggregate capital and reserves		(8,147)	11,526
Loss for the year		<u>(19,673)</u>	<u>-</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	3,132	28,934
Bad debt provision	(6,182)	(6,182)
Amounts owed by group undertakings	3,574	-
Other debtors	2,900	3,486
Prepayments	52,550	3,533
Accrued income	<u>112,336</u>	<u>60,545</u>
	<u>168,310</u>	<u>90,316</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	24,948	7,049
Social security and other taxes	-	10,412
Amounts owed to group undertakings	-	14,175
Other creditors	11,603	21,296
Accruals	12,140	11,232
Deferred income	<u>163,439</u>	<u>36,212</u>
	<u>212,130</u>	<u>100,376</u>

Included in creditors, is deferred income totalling £163,439 (2020 - £36,212) in relation to grants for which one or more of the criteria for recognition had not been met by the year-end.

GLASGOW EAST ARTS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

14. LEASING AGREEMENTS

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

	2021 £	2020 £
Within one year	<u>-</u>	<u>337</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	26,456	-	26,456	16,720
Investments	1	-	1	1
Current assets	382,476	-	382,476	280,111
Current liabilities	<u>(212,130)</u>	<u>-</u>	<u>(212,130)</u>	<u>(100,376)</u>
	<u>196,803</u>	<u>-</u>	<u>196,803</u>	<u>196,456</u>

16. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
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	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
	<u>196,456</u>	<u>347</u>	<u>-</u>	<u>196,803</u>
TOTAL FUNDS	<u>196,456</u>	<u>347</u>	<u>-</u>	<u>196,803</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
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>
Restricted funds			
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>
TOTAL FUNDS	<u>499,019</u>	<u>(498,672)</u>	<u>347</u>

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
Unrestricted funds				
General Fund	124,557	(21,358)	22,038	125,237
Ancillary Trading	-	91,461	(91,461)	-
Fixed Asset Fund	2,907	(3,505)	17,317	16,719
Digital Development	9,131	-	869	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>136,595</u>	<u>66,598</u>	<u>(6,737)</u>	<u>196,456</u>
Restricted funds				
Creative Scotland Service Level Agreement	-	(2,993)	2,993	-
NHS Platform to Health	-	(1,484)	1,484	-
GCC Seasonal Programme	-	2,079	(2,079)	-
NHS Thriving Places	-	300	(300)	-
Taking Part	-	(5,351)	5,351	-
Outreach Programme	-	126	(126)	-
Arts Development	-	586	(586)	-
	<u>-</u>	<u>(6,737)</u>	<u>6,737</u>	<u>-</u>
TOTAL FUNDS	<u>136,595</u>	<u>59,861</u>	<u>-</u>	<u>196,456</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	363,286	(384,644)	(21,358)
Ancillary Trading	100,770	(9,309)	91,461
Fixed Asset Fund	-	(3,505)	(3,505)
	<u>464,056</u>	<u>(397,458)</u>	<u>66,598</u>
Restricted funds			
Creative Scotland Service Level Agreement	95,281	(98,274)	(2,993)
NHS Platform to Health	20,399	(21,883)	(1,484)
GCC Seasonal Programme	28,025	(25,946)	2,079
NHS Thriving Places	4,451	(4,151)	300
Taking Part	28,710	(34,061)	(5,351)
Outreach Programme	37,340	(37,214)	126
Arts Development	43,449	(42,863)	586
	<u>257,655</u>	<u>(264,392)</u>	<u>(6,737)</u>
TOTAL FUNDS	<u>721,711</u>	<u>(661,850)</u>	<u>59,861</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

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 of 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 £3,574 (2020 - £14,175 due to the subsidiary). The balance is unsecured, interest free and there are no fixed repayment terms.

At the balance sheet date, a donation was accrued as receivable from GEAC Trading Limited of £Nil (2020 - £1,649).

18. 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 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.

19. 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 £8,827 (2020 - £10,230). At the year-end, there were overpaid contributions of £2,900 (2020 - £3,486).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.