Charity Registration No. SC038360

Company Registration No. SC314596 (Scotland)

EDINBURGH ART FESTIVAL

DIRECTORS' REPORT AND UNAUDITED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2009

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EDINBURGH ART FESTIVAL

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Fiona Bradley Catherine Holden Richard Ingleby Tessa Jackson Rosanne Lamont Kirsten Lloyd Philip Long Paul Nesbitt
Secretary	Rosanne Lamont
Charity number	SC038360
Company number	SC314596
Principal address	19 Rutland Square Edinburgh EH1 2BB
Accountants	McFadden Associates Limited 19 Rutland Square Edinburgh EH1 2BB

EDINBURGH ART FESTIVAL

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EDINBURGH ART FESTIVAL

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2009

The Directors present their report and accounts for the year ended 31 March 2009.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's memorandum and articles of association, the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management
The Charity is a company limited by guarantee.

The Directors, who are also the directors for the purpose of company law, and who served during the year were:
Fiona Bradley
Catherine Holden
Richard Ingleby
Tessa Jackson
Rosanne Lamont
Kirsten Lloyd
Philip Long
Paul Nesbitt

Edinburgh Art Festival was formally constituted in January 2007. At this point the former steering group was appointed as the first Festival Board.

It is a requirement of our public funders that their representatives observe our Board meetings.

Board and Observers, as of March 2009

Fiona Bradley - Director - Curator, public funded gallery - The Fruitmarket Gallery

Catherine Holden - Director of Marketing & Development - Marketing & development - National Museums Scotland

Richard Ingleby - Director - Commercial gallery representative, corporate fundraising - Ingleby Gallery

Tessa Jackson (Chair) - Director - Strategy, Curator, public policy, business and programme development - International Cultural Development

Ros Lamont (Company Secretary) - Chief Executive - Audience and organisational development - The Audience Business

Kirsten Lloyd - Artistic Programmer - Curator, artist led sector, production - Stills Gallery

Philip Long - Senior Curator - Curator, national gallery representative, national perspective - Scottish National Gallery of Modern Art

Paul Nesbitt - Director & Curator - Curator, producer, public funded gallery - Inverleith House

OBSERVERS

Amanda Catto - Head of Visual Arts - Funder - Scottish Arts Council

Iain O'Riordan - Manager - City Art Centre

Tracy Scodellaro - Arts Officer - Funder - City Edinburgh Council

Established in 2004, the Edinburgh Art Festival exists to bring together the city's visual art sector characterised by a belief in art as inspirational and enlightening, to promote and enhance the work of this sector, and to encourage innovative approaches to the presentation and interpretation of visual art.

Running from 31 July - 31 August, the 5th Edinburgh Art Festival brought together over 40 of the city's galleries, museums and visual artists to present the best, exciting and most intriguing in historical, modern and contemporary visual art. The wide-ranging programme of over 50 exhibitions featured 278 artists and120 associated events.

The thrust of our organsiational development in 2008 has been to complete the five year business plan, which was adopted by the Board in November. The Board continues to evolve to include the skills and expertise required to deliver the Business Plan.

Joanne S. Brown was appointed Director of the Edinburgh Art Festival, for one year from April 2008 - March 2009, on an annually renewable contract. The remit for this post was to manage the day to day running of the charity and deliver the 2008 Festival in line with the draft Business Plan. The organisation also benefits part time from a freelance administrator and engaged the services of a freelance fundraiser.

Objectives and activities
The Business plan identifies the following purpose and vision for EAF:

Purpose
The Edinburgh Art Festival is a publicly funded organisation which exists to bring together organisations and individuals characterised by a belief in art as inspirational and enlightening, to promote and enhance the work of these organisations, and to encourage innovative approaches to the presentation and interpretation of art that celebrates and develops the interface between art and audiences.

Vision
We will celebrate and enhance the visual arts in Edinburgh, inspiring audiences and contributing to the unique atmosphere and reputation of the city. By 2013 Edinburgh Art Festival will be recognised as an important event in the international visual art landscape.

2008 Objectives
To deliver the 2008 Edinburgh Art Festival
To produce a five year Business Plan 2008 - 2013

EDINBURGH ART FESTIVAL

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

Achievements and performance

The 2008 Festival was an eclectic showcase of artistic talent from the internationally significant such as Janet Cardiff and George Bures Miller, Tracey Emin, Richard Wilson and Richard Hamilton, to fresh new talent from Edinburgh's artist-led collectives, such as echo, the Embassy Gallery and TotalKunst; a line-up reflective of the depth and strength of Edinburgh's visual art sector.

The EAF is dedicated to strengthening the visual arts infrastructure in Edinburgh, actively promoting and enhancing the work of this sector and recognising artists at every stage of their career. With a view to encouraging collaboration, critical debate and the exchange of ideas among the resident visual arts community, we structured sector-wide meetings and less formal networking events through the year.

Central to EAF's core activity is developing and engaging audiences for the visual arts therefore we place emphasis on selecting a programme and developing activity which best brings art and audiences together. Working in partnership with The Audience Business, we were able to gain a greater understanding of our audience profile, motivations and barriers, and subsequently develop a programme of special events to meet the needs of these audiences, both existing and new.

Over **3500** people took part in this extended special events programme, with Art Late emerging as one of the main talking points of the 2008 Festival. To complement the events delivered by the gallery network we also commissioned young Edinburgh based artists and an art historian to develop activities which would encourage attendees to visit multiple venues; helping to broaden audiences experience and understanding of the visual arts in Edinburgh.

In 2008 we also:

- Increased AVE from **1.2 Mill** in 2007 to **2 Mill** in 2008 (+ 40%)
- Increased audience attendance to **650,000** visitors (+ 8%)
- Increased events attendance to **3500** participants (+ 74%)
- Extended the marketing and advertising of the Festival programme to outside of Scotland
- Re-launched the EAF website to make it more accessible and at all times relevant
- Successfully bid for an Audience Development intern from TAB to work with EAF over a period of 6 months
- Secured Government funding to enable the Scottish premiere of Jim Lambie's *Secret Affair* at the Royal Botanic Garden Edinburgh
- Secured larger, long-term office accommodation that will accommodate the growth of the Festival
- Enhanced the EAF selection panel through the inclusion of two non-Edinburgh based visual art professionals
- Adopted the EAF 2008 - 2013 Business Plan
- Enhanced understanding of visual art audiences' profiles, motivations and barriers

Financial review

The EAF is annually funded there are no commitments from current funders to support the work of the Festival after the end of each financial year. It is the job of the Board and Festival Director to secure funding on an annual basis. The Scottish Arts Council and City of Edinburgh Council have regularly supported the EAF for several years.

We intend to make applications to the Scottish Arts Council and City of Edinburgh Council for public funding for 2009, and to the Scottish Government Expo Fund for a major commissioning project in 2009.

On behalf of the board of Directors

V.T. Vallen

Tessa Jackson
Director
Dated: 21 December 2009

EDINBURGH ART FESTIVAL

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF EDINBURGH ART FESTIVAL

We report on the accounts of the Charity for the year ended 31 March 2009, which are set out on pages 5 to 10.

Respective responsibilities of Directors and examiner

The Directors, who are also the directors of Edinburgh Art Festival for the purposes of company law, 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, and they consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is our responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to our attention.

Basis of independent examiner's report

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants and 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, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of our examination, no matter has come to our attention:

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

   have not been met, or

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

In our opinion the accounts for the financial year are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985, and having regard only to, and on the basis of, the information contained in those accounting records, those accounts have been drawn up in a manner consistent with the provisions of section 249(C) of the Act and the charitable company satisfied the requirements of section 249A(4) (as modified by section 249A(5)) for the financial year in question, and did not fall within section 249B(1) at any time within the financial year.

McFadden Associates Limited

19 Rutland Square
Edinburgh
EH1 2BB

Dated: 21 December 2009

EDINBURGH ART FESTIVAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2009

	Notes	2009 £	2008 £
Incoming resources from generated funds			
Donations and legacies	2	**103,849**	56,000
Investment income	3	**330**	-
		104,179	56,000
Incoming resources from charitable activities	4	**7,965**	31,096
Other incoming resources	5	**100**	-
Total incoming resources		**112,244**	87,096
Resources expended	6		
Charitable activities			
Co-ordination of Art Festival		**121,933**	78,999
Governance costs		**1,194**	3,061
Total resources expended		**123,127**	82,060
Net (expenditure)/income for the year/ Net movement in funds		**(10,883)**	5,036
Fund balances at 1 April 2008		**5,036**	-
Fund balances at 31 March 2009		**(5,847)**	5,036

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

EDINBURGH ART FESTIVAL

BALANCE SHEET

AS AT 31 MARCH 2009

	Notes	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Tangible assets	**11**		**271**		403
Current assets					
Debtors	**12**	**2,997**		4,986	
		2,997		4,986	
Creditors: amounts falling due within one year	**13**	**(9,115)**		(353)	
Net current (liabilities)/assets			**(6,118)**		4,633
Total assets less current liabilities			**(5,847)**		5,036
Income funds					
Unrestricted funds			**(5,847)**		5,036
			(5,847)		5,036

The company is entitled to the exemption from the audit requirement contained in section 249A(1) of the Companies Act 1985, for the year ended 31 March 2009. No member of the company has deposited a notice, pursuant to section 249B(2), requiring an audit of these accounts.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with section 221 of the Act; and

(b) preparing accounts which give a true and fair view of the state of affairs of the company at 31 March 2009 and of its loss for the year then ended in accordance with section 226, and otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

The accounts were approved by the Board on 21 December 2009

V.T. Vhelm

Tessa Jackson
Director

EDINBURGH ART FESTIVAL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2009

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Income from charitable activities includes sponsorship and advertising income which is recognised as earned. Grant income included in this category provides funding to support th charity's activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

1.3 Resources expended

Expenditure is recognised when a liability is incurred.

Charitable activities include expenditure associated with the organisation of arts festivals in Edinburgh and include both direct and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to the charitable activity on a basis consistent with their use.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	Straight line 33.33%

2 Donations and legacies

	2009	2008
	£	£
Donations and gifts	**6,000**	-
Grants receivable for core activities	**97,849**	56,000
	103,849	56,000

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

3 Investment income

	2009 £	2008 £
Interest receivable	**330**	-

4 Incoming resources from charitable activities

	2009 £	2008 £
Corporate sponsorship and other income	**7,965**	31,096

5 Other incoming resources

	2009 £	2008 £
Other income	**100**	-

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2009 £	Total 2008 £
Charitable activities					
Co-ordination of Art Festival					
Activities undertaken directly	20,302	236	95,295	115,833	71,200
Support costs	-	-	6,100	6,100	7,799
Total	**20,302**	**236**	**101,395**	**121,933**	78,999
Governance costs	**-**	**-**	**1,194**	**1,194**	3,061
	20,302	**236**	**102,589**	**123,127**	82,060

Auditors' remuneration

Fees payable to the auditor for the audit of the Charity's annual accounts	**-**	-

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

7 Activities undertaken directly

	2009	2008
	£	£
Other costs relating to co-ordination of art festival comprise:		
Marketing and public relations	61,410	39,712
Artistic programme	33,885	9,179
	95,295	48,891

8 Support costs

	2009	2008
	£	£
Administration	**6,100**	7,799
	6,100	7,799

9 Directors

None of the Directors (or any persons connected with them) received any remuneration during the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2009	2008
	Number	Number
Administration	**1**	-

Employment costs	2009	2008
	£	£
Wages and salaries	**20,302**	22,108

There were no employees whose annual emoluments were £60,000 or more.

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

11 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 April 2008	604
Additions	104
At 31 March 2009	**708**
Depreciation	
At 1 April 2008	201
Charge for the year	236
At 31 March 2009	**437**
Net book value	
At 31 March 2009	**271**
At 31 March 2008	403

12 Debtors

	2009 £	2008 £
Other debtors	-	4,986
Prepayments and accrued income	**2,997**	-
	2,997	4,986

13 Creditors: amounts falling due within one year

	2009 £	2008 £
Bank overdrafts	**3,744**	-
Other creditors	**2,886**	-
Accruals	**2,485**	353
	9,115	353