



STILLS LIMITED

Registered Company Number SC063316

Directors' Report and Unaudited Financial Statements

For the year ended 31 March 2022



STILLS LIMITED
Directors' Report and Financial Statements
For the year ended 31 March 2022

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Directors

Antonia Laurence-Allen (appointed 4 August 2021)
Graham Berry
Martin Lewis Blackwell (appointed 1 April 2021)
Janice Cutting
Elaine Sibbald Howie (appointed 3 August 2021)
Moyra Diaz Limaco
Antony Sojka-Metcalf (appointed 3 August 2021)
Shaminder Sandhu (appointed 14 June 2022)
Anthony Schrag (resigned 15th March 2022)
Donald MacKenzie Taylor
Diane Walters
Elizabeth Williamson (resigned 15th March 2022)

Chief Executive

Ben Harman

Independent Examiner

Paul Hutchison ACA
Azets Audit Services
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Registered office

23 Cockburn Street
Edinburgh
EH1 1BP

Scottish Charity No. SC 014136

STILLS LIMITED
Directors' Report
For the year ended 31 March 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

Aims and activities

Stills is a centre for photography based in the heart of Edinburgh. Founded in 1977, we are the only photography gallery in Edinburgh and we play a key strategic role within the visual arts sector in Scotland and the UK. Our vision is to be one of the world's leading centres for photography.

Our work is the delivery of exhibitions and creative learning activities and the provision of courses and photography production facilities. We operate from a building that is leased from the City of Edinburgh Council and houses a gallery, offices, a photography reference library and a communal area for events and meetings. Our production facilities include photography darkrooms and a digital lab equipped with Mac workstations, printers and scanners.

Each year we present a balanced programme of three gallery exhibitions to celebrate photography's history, showcase the best practice from around the world and support exciting and innovative new talent. Our Creative Learning programme is centred on the Stills School, a free, alternative photography school, annually supporting approximately 40 young people aged 16-25 who face barriers to accessing the arts. Since its inception in 2018, the Stills School has evolved into a flexible, bespoke programme of learning, shaped by the young people it seeks to reach. Other learning activities typically include tutor-led workshops for groups such as Edinburgh Women's Aid and Edinburgh Young Carers or events in collaboration with partners such as Edinburgh Art Festival, Doors Open Day or National Museums of Scotland. Stills' courses and production facilities offer affordable access to high-end equipment, advice and teaching on subjects such as darkroom photography, alternative photographic processes, sound recording and editing, self-publishing, digital SLR photography and Photoshop, for public audiences of all abilities. Courses are taught by a range of experienced freelance Tutors.

Purpose

Our purpose is to be locally valued and internationally recognised for the advancement, understanding, practice and enjoyment of photography. We are champions for photography. We empower diverse communities through our education courses and programmes. We provide a foundation for the future development of the photography sector in Scotland by supporting recent graduates and promoting new photography.

Aims

1. Exhibition & production

To curate innovative photography exhibitions of the highest standards; provide high quality resources for production, experimentation and critical debate; to nurture best practice in all we do; to be global in outlook and cultivate international collaborations and connections.

2. Education & learning

To foster a learning environment that is imaginative, inspiring and progressive in its vision. To provide a place that is socially and culturally inclusive, where people of diverse profiles, backgrounds and levels of ability can have valued experiences in photography, access to high quality skills development and shared passion for the medium.

3. Audiences & communications

To expand audiences for our work and articulate our purpose and values. To be an advocate for photography as a cultural form and expand our sphere of influence.

4. Infrastructure

To build strategic confidence and create a stable business and financial foundation that supports the full range of Stills' ambition.

STILLS LIMITED
Directors' Report (Continued)
For the year ended 31 March 2022

Objectives to 2023

- Deliver our strategic plan for 2022-23 that will see our activities restart and move the organisation back to pre-pandemic levels of delivery and audience participation with the aid of the Covid Relief funding that we have raised.
- Develop, deliver and closely monitor a fundraising strategy, to reflect the post-pandemic funding landscape and move the organisation closer to financial sustainability. The strategy will incorporate support from Trusts & Foundations, Sponsorship, Donations, and the Stills Friends & Patrons scheme. It will include new in-house and online income generation activities enabled by investment from Covid Relief funds raised in 2021-22.
- Develop a new business plan and vision for 2022-27 and make a successful application to Creative Scotland for the next round of Regular Funding from April 2024 onwards.
- Secure annual Third Party Grant funding from City of Edinburgh Council.
- Develop a new marketing and communications strategy to enhance on-street and inhouse communications and increase local, national and international visibility for our work. The strategy will include continuing our partnership with an external PR company.
- Maintain and develop existing connections with key stakeholders, funders and strategic partners such as City of Edinburgh Council, Creative Scotland, Baillie Gifford, Edinburgh Art Festival, Street Level Photoworks, Photography Scotland, SCAN, Scotland's Workshops and the Edinburgh Visual Arts group.
- Continue to deliver a programme of three major exhibitions per year. These will highlight new talent in photography from Scotland and the UK, showcase a major body of work in Scotland for the first time and explore historic archives and collections of photography. Exhibitions will be accompanied by a range of related events, such as talks and tours, aimed at people of differing ages, abilities and areas of interest.
- Deliver the Stills School including the two stages: Contact & Stills Academy and continue the activity for 12-15 year-olds that was piloted in 2021-22 with No Filter, a project funded by Creative Scotland's Youth Arts Access fund.
- Produce a balanced and integrated programme of courses for people of differing ages, abilities and interests suited to one-time and returning participants and provide access to 'pathways' of learning through all aspects of photography. Courses will continue to be delivered by expert freelance tutors with a minimum of 3 years' teaching experience.
- Maintain affordable public access to high-end photography production equipment such as darkrooms, Mac workstations, printers and scanners, along with staffing to provide expert on-hand advice for users. Our production facilities will maintain a strong digital provision but we will develop our analogue equipment and expertise to strengthen our analogue offer and become more specialist in this area. We will continue to provide access to sought-after equipment processes and techniques that are popular but becoming overlooked, discontinued or obsolete.
- Deliver on the aims and objectives of the action plans accompanying our policies on Equalities, Diversity & Inclusion and Environmental Sustainability and develop a new Fair Work policy. Ensure that all other organisational policies are in place to deliver best practice and to conform with any legal obligations.
- Undertake any necessary Board recruitment to maintain existing levels of relevant expertise in key areas such as finance, marketing, PR, legal, art and photography.
- Seek to provide at least two entry-level employment opportunities at front of house following the success of our involvement in the UK government's Kickstart scheme in 2020-21.
- Ensure that regular documentation, monitoring and evaluation of Stills' activities takes place throughout each year to inform and improve future services.

Achievements and performance during 2021/22

This was another challenging year due to the impact of Covid. Whilst we were able to safely reopen our premises in May 2021, Covid safety restrictions remained in place and were on and off for the remainder of the year limiting our audience capacity and leading to visitor numbers and income figures that were lower than forecast. Despite this, we were able to deliver our full programme of work. Our success with raising Covid resilience and recovery funding has helped to protect jobs and provide us with the opportunity to invest in some areas of activity putting us in a strong position to recover to pre-pandemic levels of income and activity in 2022-23. Key aspects of our achievements and performance include:

- With some limitations on capacity, we were able to complete a full programme of work consisting of three major gallery exhibitions, a year-round creative learning programme, three terms of Tutor-led courses and public access to our production facilities. Where access to our premises was restricted, we were able to offer activity online.
- Our funding from Creative Scotland and City of Edinburgh Council continued and has been confirmed for 2022-23. We also had noteworthy successes with fundraising, achieving higher than expected grants towards Covid relief and recovery activity. Our new Development Manager left the post after eight months but we were still able to successfully fundraise for a new Assisted Places scheme with support from John Watson's Trust, Nancie Massey CT and Leith Benevolent Fund.

- In line with our marketing and communications strategy, we worked with an external PR company this year and this gave our exhibitions programme much needed visibility in newspapers and magazines. Most noticeably, we achieved a very high number of positive reviews for our Sekai Machache exhibition in the Summer with articles and pictures in The Guardian, The Times and The Herald newspapers to mention a few.
- We have continued to maintain and develop our partnerships, working closely with networks and organisations such as SCAN, Scotland's Workshops, Photography Scotland, Edinburgh Art Festival and Street Level Photoworks. We have begun valuable new partnerships with organisations such as Format Festival, Derby; Photoworks; City Art Centre, Edinburgh and various artists with whom we are planning exhibitions in future years.
- We have had another successful year of creative learning activity, including new learning partnerships with organisations such as Edinburgh Women's Aid and the National Museums of Scotland. The Stills School ran to capacity with blended learning and we successfully completed an add-on pilot project for the school titled 'No Filter: photography for 12-15 year olds.' This was funded by the Youth Arts Access Fund and we have confirmed funding from Gannochy CT to run this part of the school for a second year.
- Board development and recruitment has continued with two Board members coming to the end of their terms and successful recruitment to replace them. This has given us additional expertise at governance level in areas such as Marketing, Communications and Photography.
- We have maintained our experienced staff team and undertaken development and recruitment as necessary. This has included the creation of a Creative Learning Manager job share post; recruitment for a Technical Assistant and recruitment for a new Development Manager (starting on May 2022). We have hosted three Kickstart posts this year (aimed at creating employment for 16-24 year olds) and all post-holders have successfully moved on to full-time employment before the end of their full terms at Stills.
- Our online activity has continued to grow with new talk events, live streaming and the addition of 14 new podcast episodes. We will continue to offer the opportunity for audiences to participate in our work online as well as in house.

Financial review

2021/22 proved to be another challenging year due to Covid lockdowns, which meant that the building was either closed or operating at a much-reduced capacity, resulting in a significant shortfall in revenues. Despite this shortfall, the organisation was able to maintain its full complement of core staff throughout the period by utilizing the government's Job Retention Scheme to the extent of £4,260 and accessing business support and Covid recovery funds amounting to £65,660.

The surplus on unrestricted funds for the year was £24,067 with unrestricted reserves carried-forward into 2022/23 of £147,533. It is anticipated that 2022/23 will be another challenging year in financial terms as the organisation seeks out new income streams and looks to recover organisational revenues to its post pandemic levels.

Reserves policy

The charitable company aims to maintain a minimum reserves balance of three months operating costs, where funds allow. Currently unrestricted reserves are in line with this objective.

Principal funding sources

The principal sources of funding for 2021/22 were regular funding of £147,000 from Creative Scotland and core funding from the City of Edinburgh Council of £16,203. Funding of £35,000 was received towards Stills School, with-sponsorship of £25,000 from Baillie Gifford and £10,000 from the Gannochy Trust. During the year the organisation furloughed frontline staff, claiming £4,260 from the government's Job Retention Fund. Further Covid recovery funds were received from the City of Edinburgh Council (£19,800), Creative Scotland's Culture Organisation and Venues Recovery Fund (£38,100) and their £7,760 from their Venues Cancellation Fund.

Investment policy

Stills was successful in securing three-year regular funding from 2018-21 of £147,000 per annum. In light of the uncertainties following the Covid lockdowns, Creative Scotland has maintained its current portfolio of regularly funded organisations, including Stills, for 2022/23 and will be announcing a new funding framework later in the year. It is anticipated that Stills will continue to receive Creative Scotland investment. Any surpluses generated from products and services will be allocated to reserves and re-invested.

STILLS LIMITED
Directors' Report (Continued)
For the year ended 31 March 2022

Plans for future periods

Whilst Covid 19 and the subsequent restrictions on the delivery of our work in 2021-22 has presented significant challenges and had a negative impact on income and audience numbers, we have been able to continue our work and start to move closer to pre-pandemic levels of delivery and audience participation. With some financial investment in development and the establishment of new fundraising and communications strategies, we are confident that 2022-27 will be a period in which we achieve financial stability and a more sustainable way of operating in order to develop and futureproof our work in time for Stills' 50th anniversary in 2027. These ambitions and the process of achieving them will be articulated in our 2022-27 business plan.

Structure, governance and management

The governance of the charitable company is overseen by a board of voluntary directors. The directors of the charitable company have certain legal, financial and fiduciary duties under company law and must also comply with charity law. Although many of these duties are delegated to staff, the ultimate responsibility for every aspect of the charitable company's operation lies with the board of directors.

The charitable company is governed by its Memorandum and Articles of Association and directors are appointed in accordance with the relevant provisions of those articles. The board, through the Chair, is responsible for the line management and appraisal of the Chief Executive. The Chief Executive is responsible to the board for reporting on the day-to-day running of the organisation and, with the support and input of the board, is also responsible for strategic development, to ensure the future sustainability of the organisation. The Chief Executive is responsible for maintaining and developing systems of communications through a sub-committee structure that draws upon board expertise to inform and advise the board on specialist areas of activity and policy recommendations, as well as taking delegated decisions on operational issues. Ben Harman has served as Chief Executive since January 2014.

The Board has specifically strengthened organisational governance through the enhancement of the Finance & Personnel and Nominations sub-committees. These committees have formal remits which have been adopted by the Board. Other groups have been convened from the Board in 2020-21 to support the Chief Executive in the following areas: Programme Research; Equalities, Diversity & Inclusion and Premises.

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 19 October 1977 and registered as a charity on 19 October 1977. The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1 per member. There are currently 11 members.

Recruitment and appointment of Board of Directors

The directors of the charitable company are also charity trustees for the purposes of charity law and under the charitable company's Articles are known as members of the board of directors. Trustee positions are advertised as part of an open recruitment drive, seeking to achieve a diverse board of directors. Nominations to the board of directors are considered in the first instance by the Nominations Committee and recommendations made to the full board.

Induction and training

New directors are invited and encouraged to attend an introductory meeting with the Chair and Chief Executive to familiarise themselves with the charitable company and the context within which it operates. The meeting covers:

- the obligations of the board of directors and members;
- the main documents which set out the operational framework for the charitable company, including the Memorandum and Articles;
- resourcing and the current financial position, as set out in the latest published accounts; and future plan and objectives.

Risk management

The directors have considered and assessed the major risks to which the charitable company is exposed and have put in suitable procedures and controls to mitigate these risks.

STILLS LIMITED
Directors' Report (Continued)
For the year ended 31 March 2022

Organisational structure

Stills has a board of directors who meet quarterly and are responsible for the strategic direction and policy of the charitable company. Board members represent a variety of professional backgrounds relevant to the work of the charitable company. A scheme of delegation is in place and day-to-day responsibility for the provision of the services rests with the Chief Executive. The Chief Executive is responsible for ensuring that the charitable company delivers the services specified and that key performance indicators are met.

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state-of-affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP (FRS 102)
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for maintaining adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Members of the board of directors

Members of the board of directors, who are trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out in the contents page.

This report has been prepared in accordance with the accounting policies set out in note to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Provisions of 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) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the board on (date)



Martin Lewis Blackwell, Director (Chair)

and signed on its behalf by



STILLS LIMITED
(a company limited by guarantee)
Independent Examiner's report to the Members and Directors
For the year ended 31 March 2022

I report on the accounts of Stills Limited for the year ended 31st March 2022, which comprise of the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of directors and the Independent Examiner

The charitable company's trustees (who are also the directors of the charitable company 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. The charitable company's trustees consider that the audit requirement of Regulation 10 (1) (a) to (c) of the 2006 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 independent examiner's statement

My examination is 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 charitable company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of 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 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.

Paul Hutchison ACA,
Azets Audit Services
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

30 NOVEMBER 2022

STILLS LIMITED
Statement of Financial Activities and
Income and Expenditure Account
For the year ended 31 March 2022

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from					
Donations and legacies	4	38,100	206,978	245,078	355,995
Charitable activities	5	56,445	48,058	104,503	79,033
Investments		-	21	21	26
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		94,545	255,057	349,602	435,054
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure					
	7				
Raising funds		-	7,780	7,780	9,512
Charitable activities		136,384	223,210	359,594	284,628
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		136,384	230,990	367,374	294,140
		<hr/>	<hr/>	<hr/>	<hr/>
Net (expenditure)/income	3	(41,839)	24,067	(17,772)	140,914
 Funds at 1 April 2021					
		69,258	123,466	192,724	51,810
		<hr/>	<hr/>	<hr/>	<hr/>
Funds at 31 March 2022					
		27,419	147,533	174,952	192,724
		<hr/>	<hr/>	<hr/>	<hr/>

All the results relate to continuing activities. There were no recognised gains and losses other than those included above.

The notes on pages 9 to 16 form part of these financial statements.

STILLS LIMITED
Balance Sheet
As at 31 March 2022

	Notes	£	2022	£	£	2021	£
Fixed assets							
Tangible assets	8			4,240			2,461
Current assets							
Stock			3,913			3,632	
Debtors	9		12,720			8,816	
Bank and Cash			189,711			189,986	
			<u>206,344</u>			<u>202,434</u>	
Creditors: Amounts falling due within one year	10		<u>(35,632)</u>			<u>(12,171)</u>	
Net current assets				170,712			190,263
Net assets				<u>174,952</u>			<u>192,724</u>
Funds							
Restricted funds	12		27,419			69,258	
Unrestricted funds			147,533			123,466	
			<u>174,952</u>			<u>192,724</u>	

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

For the year ended 31 March 2021 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the charitable company to obtain an audit in accordance with section 476 of the Companies Act. The directors acknowledge their responsibility to comply with the requirements of the act with respect to accounting records and for the preparation of financial statements.

These financial statements were approved and authorised for issue by the board of directors on X 2022 and signed on its behalf by:


Martin Lewis Blackwell, Director (Chair)
Company Registration No. SC063316



The notes on pages 9 to 16 form part of these financial statements

STILLS LIMITED
Notes to the Financial Statements
For the year ended 31 March 2022

1. Accounting policies

General information

Stills Limited is a charitable company limited by guarantee registered in Scotland, registration number SC063316.

The address of the charitable company's registered office is 23 Cockburn Street, Edinburgh, EH1 1BP.

The continuing activity of the charitable company is as a centre for photography in the heart of Edinburgh

Stills Limited meets the definition of a public benefit entity under FRS102.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. Monetary amounts in these financial statements are rounded to the nearest £. They comprise the financial statements of the charitable company drawn up for the year ended 31 March 2022.

Basis of preparation

The accounts have been prepared in accordance the charitable company's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the provisions of the Companies Act 2006 applicable to small companies and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (effective 1 January 2019).

Statement of cash flows

The charitable company has taken advantage of the provisions in the SORP not to prepare a Statement of Cash Flows.

Going Concern

The financial statements are prepared on a going concern basis. The Directors are confident that the charitable company will continue to benefit from support from key funders, being Creative Scotland, the City of Edinburgh Council, Trusts and Foundations and Sponsors with whom an ongoing relationship has been developed. The directors are delighted to have received Regularly Funded Organisation (RFO) status from Creative Scotland for the three-year period 2018-21 which has been extended in 2022/23. As noted in the Financial Review, 2021/22 proved to be another challenging year due to Covid lockdowns, which meant that the building was either closed or operating at a much-reduced capacity, resulting in a significant shortfall in revenues, however, support from Covid Recovery Funding and the Job retention Fund allowed the organization to maintain a profitable year. 2022/23 looks to be another equally challenging year, with income yet to return to post-pandemic levels. The organization has managed to secure funding over this period to support additional business and marketing activities to stimulate economic activity. Whilst the organization has fixed its energy prices until April 2024, the Directors are aware that there will be additional cost pressures to consider in light of the impending cost of living crisis and this is a matter that will be kept under continual monitoring and review.

Donations and legacies

Donations and legacies are included in full in the Statement of Financial Activities when the charitable company is entitled to it, there is reasonable certainty of receipt and the amount is quantifiable.

The value to the charitable company of donated goods and services is recognised as an income in the statement of financial activities where the benefit to the charitable company is reasonably quantifiable and measurable. An equivalent amount is included as expenditure under the appropriate heading in the Statement of Financial Activities.

Grants and subsidies

Revenue grants and subsidies are credited to the income and expenditure account and statement of financial activities when receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purchase of fixed assets

Capital grants are credited to restricted funds and depreciation charged in the year is debited to the appropriate fund.

STILLS LIMITED
Notes to the Financial Statements
For the year ended 31 March 2022

1. Accounting policies (continued)

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account as they fall due.

Expenditure

Expenditure is recognised when a legal or constructive obligation arises. Where possible, expenditure has been charged direct to cost of generating funds, charitable expenditure or governance costs. Where this is not possible the expenditure has been allocated based on time spent by staff on each activity:

- cost of raising funds comprises a resource allocation from staffing costs
- charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries; and
- governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and those costs linked to the strategic management of the charitable company.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, evenly over their expected useful lives as follows:

Tenant's improvements	5% to 33.3% straight line
Fixtures and fittings	20% straight line
Computers	33.3% straight line
Other equipment	25% straight line

Tangible fixed assets costing more than £500 are capitalised and included at cost or valuation where appropriate.

Fixed assets are reviewed for impairment annually by the board of directors.

Taxation

The charitable company is recognised as a charity and accordingly is not liable for corporation tax under Section 478 of the Corporation Taxes Act 2010. The charitable company is not registered for VAT and therefore expenditure is stated inclusive of VAT.

Stock

Stock is valued at the lower of cost and net realisable value.

Debtors

Debtors are amounts due from customers for purchased art works or subscriptions. Debtors are recognised at the undiscounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

Cash and cash equivalents

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

Creditors

Creditors and provisions are recognised when the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

STILLS LIMITED
Notes to the Financial Statements
For the year ended 31 March 2022

1. Accounting policies (continued)

Financial assets and financial liabilities

Financial instruments are recognised in the statement of financial position when the charitable company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are accounted for as set out below.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest method.

Restricted and unrestricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Unrestricted funds are to be used to carry out the core activities of the charitable company.

2. Critical judgements and estimates

There were no significant estimates and assumptions made in preparing these financial statements.

3. Net income/(expenditure)

This is stated after charging:

	2022 £	2021 £
Independent Examiner's fee	1,776	1,656
Depreciation	4,019	2,460
	<u>5,795</u>	<u>4,116</u>

4. Donations and legacies

	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £
Creative Scotland	-	147,000	147,000	-	147,000	147,000
City of Edinburgh Council	-	20,000	20,000	-	20,000	20,000
Covid-19 and Job	38,100	31,820	69,920	99,429	70,525	169,954
Retention Scheme funding	-	8,158	8,158	-	19,041	19,041
Other donations	-	8,158	8,158	-	19,041	19,041
	<u>38,100</u>	<u>206,978</u>	<u>245,078</u>	<u>99,429</u>	<u>256,566</u>	<u>355,995</u>

5. Income from charitable activities

	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £
Other project grants	56,445	-	56,445	54,002	-	54,002
Project income	-	48,058	48,058	-	25,031	25,031
	<u>56,445</u>	<u>48,058</u>	<u>104,503</u>	<u>54,002</u>	<u>25,031</u>	<u>79,033</u>

STILLS LIMITED
Notes to the Financial Statements
For the year ended 31 March 2022

6. Staff costs	2022 £	2021 £
Wages and salaries	193,461	181,882
Social security costs	7,235	8,458
Pension Costs	6,037	5,080
	<hr/>	<hr/>
	206,733	195,420
	<hr/>	<hr/>

The average number of employees during the year was 14 (2021: 13).

None of the employees received emoluments in excess of £60,000 (2021: none)

The key manager of the organisation is the Chief Executive, Ben Harman, who received emoluments of £39,646 (2021: £39,646)

None of the directors received any remuneration (2021: none)

None of the Board members claimed reimbursement of expenses during the year (2021: none).

7. Expenditure

	Raising Funds £	Charitable activities - projects £	Total 2022 £	Raising Funds £	Charitable activities - projects £	Total 2021 £
Project costs	-	61,006	61,006	-	19,859	19,859
Staff costs	7,780	198,952	206,732	9,512	185,908	195,420
Office and property costs	-	78,377	78,377	-	58,838	58,838
Administrative costs	-	15,260	15,260	-	15,886	15,886
Depreciation	-	4,019	4,019	-	2,460	2,460
<i>Governance costs:</i>						
Independent						
Examiner's fee	-	1,776	1,776	-	1,656	1,656
Board Expenses	-	204	204	-	21	21
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,780	359,594	367,374	9,512	284,628	294,140
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

STILLS LIMITED
Notes to the Financial Statements – continued
For the year ended 31 March 2022

8. Tangible fixed assets

	Other Equipment £	Tenants Improvements £	Fixtures & Fittings £	Computers £	Total £
Cost					
At 1 April 2021	132,731	1,053,797	19,437	77,730	1,283,695
Additions	-	-	2,812	2,986	5,798
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2022	132,731	1,053,797	22,249	80,716	1,289,493
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 April 2021	131,601	1,053,797	19,437	76,399	1,281,234
Charge for the year	1,130	-	562	2,327	4,019
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	132,731	1,053,797	19,999	78,726	1,285,253
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value					
At 31 March 2022	-	-	2,250	1,990	4,240
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	1,130	-	-	1,331	2,461
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

9. Debtors

	2022 £	2021 £
Trade debtors	3,229	6,819
Prepayments and accrued income	9,491	1,997
	<hr/>	<hr/>
	12,720	8,816
	<hr/>	<hr/>

10. Creditors - amounts falling due within one year

	2022 £	2021 £
Trade creditors	11,402	6,642
Accruals and deferred income	18,890	3,570
Social security and other taxes	2,440	935
Finance Lease	512	1,024
	<hr/>	<hr/>
	33,244	12,171
	<hr/>	<hr/>

STILLS LIMITED
Notes to the Financial Statements – continued
For the year ended 31 March 2022

11. Deferred Income	2022	2021
	£	£
Balance at 1 April	1,903	4,902
Less Income recognised during 2021/2022	(1,903)	(4,902)
Course fees received	2,388	1,903
	-	-
	<u>2,388</u>	<u>1,903</u>

Deferred income consists of course fees received in advance. The courses will run after the year end.

12. Analysis of funds

	Balance at 1 April 2021	Income	Expenditure	Balance at 31 March 2022
	£	£	£	£
Restricted funds				
<i>Project funds</i>				
Covid Support Funds	32,000	38,100	70,100	-
Stills School	6,996	35,000	28,390	13,606
No Filter	16,453	-	15,161	1,292
Kick Start	-	16,445	16,445	-
Business Development	486	-	486	-
Photographing Fairies	1,021	-	-	1,021
Promoting Access	4,606	-	4,606	-
Miyako Exhibition	6,500	-	-	6,500
Scope	1,196	-	1,196	-
Assisted Places	-	5,000	-	5,000
	<u>69,258</u>	<u>94,545</u>	<u>136,384</u>	<u>27,419</u>
Unrestricted funds				
General fund	123,466	255,057	230,990	147,533
	<u>192,724</u>	<u>349,602</u>	<u>367,374</u>	<u>174,952</u>

STILLS LIMITED
Notes to the Financial Statements – continued
For the year ended 31 March 2022

13. Analysis of funds – 2020/21 comparative

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Restricted funds				
<i>Project funds</i>				
Covid Support Funds	-	99,429	67,429	32,000
Stills School	33,034	10,000	36,038	6,996
Business Development	974	-	488	486
Community Job Scotland	142	13,863	14,005	-
Photographing Fairies	-	5,580	4,559	1,021
No Filter	-	16,453	-	16,453
Miyako Ishiuchi Exhibition	3,000	3,500	-	6,500
Promoting Access	-	4,606	-	4,606
Scope	1,196	-	-	1,196
	<hr/> 38,346 <hr/>	<hr/> 153,431 <hr/>	<hr/> 122,519 <hr/>	<hr/> 69,258 <hr/>
Unrestricted funds				
General fund	13,464	281,623	171,621	123,466
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	<hr/> 51,810 <hr/>	<hr/> 435,054 <hr/>	<hr/> 294,140 <hr/>	<hr/> 192,724 <hr/>

Assisted Places – Funding towards assisted places on courses for participants from a low income background.

Stills School – a progressive series of creative learning projects for young people between 16-24, introducing them to, and then progressing, their photography skills.

Business Development – a project looking at the financial aspects of Stills work and how the organisation can become more financially sustainable.

Kick Start - Stills has participated in the Community Jobs Scotland scheme, an initiative between the Scottish Government, the Scottish Council for Voluntary Organisations and the City of Edinburgh Council, the key purpose of which is to support young people into sustainable employment by providing meaningful paid work experience within the ‘third’ sector.

Miyako Ishiuchi Exhibition – funding to support a personal appearance by Japanese photographer Miyako Ishiuchi during an exhibition of her work.

Scope – four-week photography project working with people with long term and chronic health conditions in the Craigmillar area.

Covid Support Funds – during the year Stills received business support grants to assist the organisation through the Covid pandemic.

No Filter – photography programme for 12-15 year olds funded through Creative Scotland’s youth access programme.

STILLS LIMITED
Notes to the Financial Statements – continued
For the year ended 31 March 2022

13. Analysis of Funds (continued)

Photographing Fairies - a programme of work undertaken with young people living in Edinburgh, reflecting on image-making and image-faking and producing their own work based on the Cottingley Fairy Photographs.

Promoting Access - photography project to promote access to the arts.

Community Jobs Scotland – Stills has participated in the Community Jobs Scotland scheme, an initiative between the Scottish Government, the Scottish Council for Voluntary Organisations and Social Enterprise Scotland, the key purpose of which is to support young people into sustainable employment by providing meaningful paid work experience with the ‘third’ sector.

14. Commitments

The charitable company has negotiated the renewal of a twenty-year operating lease with the City of Edinburgh Council for the rental of its premises. Heads of terms have been produced as follows:

	2022		2021	
	Land & Buildings	Other	Land & Buildings	Other
Within 1 year	17,500	-	17,500	-

Rent levels have been fixed until the 31st July 2024 and then will be reviewed thereafter. The lease is due to run until 31st July 2039, with a six-month break clause that can be applied at any time, limiting the charity’s liability.

15. Related parties

There were no related party transactions during the current or prior years that require to be disclosed.

16. Comparative statement of financial activities for the year ended 31 March 202

	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £
Income from			
Donations and legacies	99,429	256,566	355,995
Charitable activities	54,002	25,031	79,033
Investments	-	26	26
	<hr/>	<hr/>	<hr/>
Total income	153,431	281,623	435,054
	<hr/>	<hr/>	<hr/>
Expenditure			
Raising funds	-	9,512	9,512
Charitable activities	122,519	162,109	284,628
	<hr/>	<hr/>	<hr/>
Total expenditure	122,519	171,621	294,140
	<hr/>	<hr/>	<hr/>
Net income	30,912	110,002	140,914
	<hr/>	<hr/>	<hr/>