

WHALE, THE ARTS AGENCY
FINANCIAL STATEMENTS
FOR
31 MARCH 2022



Company Registration Number SC180118
Charity Number SC020305

**WHALE, THE ARTS AGENCY
ANNUAL REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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**WHALE, THE ARTS AGENCY
ANNUAL REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022**

The Board of Trustees (Board) are pleased to present their annual Trustees' Report together with the Financial Statements of the Charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

The Financial Statements comply with the Charities and Trustee Investment (Scotland) Act 2005, Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102).

Objectives and Activities

The objects of the charity as described in its governing document are:

- To advance education and knowledge of the arts among the people of Wester Hailes and the surrounding area, by delivering lifelong learning, training and inclusive routes into further education and by becoming a best practice model of arts service.
- To promote establish and operate other schemes of a charitable nature for the benefit of the said people.

We achieve these objectives by:

- Providing a broad range of professionally led arts and learning activities for all ages.
- Being actively inclusive and aiming to remove any barrier to participation in the arts faced by local people.
- Consulting and engaging with the community to make sure our activities meet and address local needs.
- Engaging professional artists and working with respected cultural institutions and educational establishments to ensure the highest quality of delivery.

In November 2022 the Memorandum and Articles of Association will be updated. This is to align with the Community Empowerment (Scotland) Act 2015 and is a requirement for us to proceed with the Community Asset Transfer with funding from Scottish Land Fund.

Grant Making policy

The charity supports local community groups in their work by acting as the lead partner, submitting funding applications on their behalf and passing funds across to them.

Achievements and Performance

2021 into 2022, due to some continued restrictions and challenges related to covid, posed several challenges. However, it was a rewarding year and despite the challenges we have continued to programme activities and groups. We have continued to facilitate participation across Health & Wellbeing, Creative Learning & Skills Development and Placemaking and the data below demonstrates that we have remained proactive within the programmes over the year.

Across all of WHALE Arts activities in 2021/22 there were a total of 2028 participants and 6,050 participations over the year in a range of building based and outreach activities.

926 people participated in 456 regular sessions, online and in-person, offering a diverse range of creative activities for all ages and abilities.

1102 people participated in 199 holiday, partnership and one-off events, at WHALE Arts Centre and in other community spaces and places.

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The footfall in the building was 10,412.

53 volunteers worked with us contributing 162 hours of volunteering.

Our regular activities included:

Adult Arts & Wellbeing Programme:

- Let's Create – therapeutic Art group for women with mental health problems
- Stitch n Time- Social sewing and textiles group for women
- Mums into Business – A highly supportive group for mums wanting to set up their own businesses
- Men's Makers – Social & creative making group for men, predominantly woodwork
- Art in the Open - Therapeutic outdoor art group for people with mild to moderate mental health issues
- smARTcraft – Arts & craft group for adults with additional & complex needs.
- Open Studio - Drop-in sessions for adults, an open space for people to work on their own projects with facilitator support.
- Riso Studio - Riso printing project and service delivering workshops for WHALE Arts and External groups

Youth Programme:

- Street Arts – creative youth sessions every Thursday evening in four locations across Wester Hailes
- smARTies – artist-led after-school club for primary age children
- Play Sense Create – artist-led sessions for primary age children with Additional Support Needs/ disabilities and their families
- Explore artist-led sessions for primary age children with Additional Support Needs/ disabilities and their families
- Holiday programmes – Easter and Summer school holiday sessions for children and young people.

Community Programme:

- Community Meal – our usual sit-in meal continued as a takeaway for the majority of 21/22 with a few sit-down meals programmed, working towards March 2022 when the meal returned to regular sit-down event
- Membership Development and Community Development – events and activities with members to increase and develop membership. Outreach activity across the area with community development
- Community Garden - regular gardening sessions with volunteers and a variety of sessions for adults and young people.
- Community Asset Transfer – we consulted with our membership and the community, developed a business plan and worked with an architect to develop our future plans for the building.
- Café –We started a pilot project for a Community Café based in the WHALE Arts building.

Digital Skills:

- Introduction to digital skills programme for adults – drop in offering basic digital skill and employment support
- Advanced digital skills programme for young people – school and WHALE workshops covering coding , video editing and creative uses for digital technology.

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Volunteering:

- In the year WHALE engaged 53 volunteers who contributed 162 hours of activity across a range of areas including supporting the preparation and delivery of community meals, gardening, art and wellbeing packs. We are extremely grateful to all of those who volunteered their time and expertise especially during such a challenging year.

Networks, Partnerships, Covid Support:

- We continued and further developed the work of Go Beyond with partners, the network made up of small-area networks, across South-West Edinburgh. We continued to co-chair Living Well Wester Hailes, our thriving local network which meets regularly and works collaboratively, and the South West Voluntary Sector Forum. We continue to support the Wester Hailes Community Trust and in worked on the collaborative projects Seven Kingdoms, led by Napier University and Wester Hailes Connects, led by Prospect Housing. We see this collaborative approach as key to supporting local people to thrive.
- In addition to our regular programmes, we have worked on a range of projects with partners including Edinburgh Art Festival, Starcatchers, Puppet Animation Scotland, Edinburgh Festival Fringe, Napier University, Prospect Housing, SCOREScotland, Living Well Wester Hailes, Go Beyond Network, Edinburgh International Science Festival, Edinburgh Book Festival, Theiya Arts, The Health Agency and Wester Hailes Community Trust, amongst many others
- We continued to work collaboratively with Wester Hailes Community Trust, City of Edinburgh Council and local community organisations on the continuation and completion of a Local Place Plan for Wester Hailes, aligning this with the council-led master planning project.

We continue to work closely with the City of Edinburgh Council, Scottish Government and a wide range of other funders to ensure that target outcomes are achieved and to support the co-production of future project and service delivery.

Financial Review

The Board's continued focus on both income generation and control of expenses has again provided the organisation with a positive outcome for the financial year ending 31 March 2022 although the Board fully recognise the continued challenge that securing funding, particularly in relation to core costs, and controlling costs will present in the coming years particularly in relation to both local and central government funding.

As outlined in the Income and Expenditure Account on page 16, net surplus in Non-Capital Restricted funds for the Financial Year is £21,741 (2021: £274,761), Capital Restricted Funds have been reduced by £20,475 (2021: £20,475) primarily due to depreciation, with Unrestricted funds net movement of £31,414 (following project transfers) (2021: deficit £419) providing a total positive uplift of £32,680 (2021 £253,867). The expected result was due to be a deficit as a number of projects delivery and expenditure occurred this year, but the funding was recognised in the previous year. However, new project funding was secured just prior to the year- end resulting in a modest surplus at 31 March 2022. Whilst still in receipt of grant funding for programme delivery and core costs from City of Edinburgh Council the organisation has become less reliant on this with a spread of grant funding in place across City of Edinburgh Council, Scottish Government, Lottery, Creative Scotland and others. It is recognised that the level of funding from City of Edinburgh Council and Scottish Government for future years is not guaranteed it is none the less seen as core to the longer-term success of the organisation and delivering core programmes for WHALE Arts users.

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Total expenditure for the year was £635,034 (2021: £499,413) of which 49% (2021: 50%) was staff costs and 51% (2021: 50%) was non-staff costs. Both staffing and activities have increased during the year, reflecting the increased level of funding.

Unrestricted funds had a surplus before transfers of £50,405 (2021: surplus £24,435). This surplus in unrestricted funds is again encouraging and is principally due to the recovery of rental and administration income following the easing of lockdown and the continued increased capacity to recover core overheads via project funding. The organisation's strategy has regained focus on additional income generation and rental income (both short and long term) to support ongoing financial demands and it is encouraging to see this reflected in the income figures. This strategy also allows the organisation to continue to utilise its core asset, the building, in the most appropriate way to support WHALE Arts overall aims.

Unrestricted funds at the year-end stood at £203,539 (2021: £172,125) and restricted funds stood at £1,024,743 (2021: £1,023,477).

As outlined above, the Board and Management Team will continue to focus on alternative sources of income to support core costs although the Board recognises that this will continue to be challenging given the structure and restrictions of many alternative funding sources, and the impact that covid lockdowns have had on our earned income. The Board are pleased to report the continuing positive impact of employing a part time fundraiser on the number of increased funding successes and maintaining sustainable levels of unrestricted funding income.

Cost control will also continue to be a focus for the Board. Staff costs are and will continue to be the primary expense of the organisation. The Board recognises the need to continue to support and develop capability within the team.

The Board remains committed to the financial control regime and financial governance practices developed and implemented over the past 5 years and are committed to continuing to focus tight control over both costs and income generation and management of both Restricted and Unrestricted Funds.

Investment Powers

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the directors wish.

Risk Management

WHALE Arts' Board review the organisational risk register on a regular basis with the last review being undertaken and approved by the board in November 2021. Within the risk register the potential impact of already known risks, along with those that are identified as part of the running of the organisation are considered along with the likelihood of them materialising. The response to the risks identified determines what action will be taken to control, mitigate or accept the risk, where it is reasonable to do so. This process aids the prioritisation of risk and, in doing so, helps WHALE Arts adopt a fully risk-focused approach in the way that it conducts its operations.

The Board consider that the principal risks are:

Risk Description: Financial
WHALE Arts is reliant on a mix of funding streams to contribute towards its core costs. Withdrawal of any of these funding streams would significantly impact on the continuing operation of the charity.

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Strategy to manage risk: WHALE Arts has implemented a robust funding strategy to seek out new funding sources and develop and maintain close working relationships with funders. It also prioritises the development of links with key influencers to promote the work of WHALE Arts. The Board also targets increasing its general reserves to build financial resilience in the event of funding shortfalls.
Risk Description: Operational
WHALE Arts suffers a loss of credibility from its funders or loss of confidence from the local community or deterioration of the building making it unsafe to operate.
Strategy to manage risk: WHALE Arts maintains its relevance with a strong public profile and aims to regularly gather public views and new ideas through consultation. It adopts a quality assurance framework to ensure that its work is adequately monitored and evaluated to maintain standards and deliver its outcomes. The building is subject to a rigorous annual maintenance programme to ensure that it is a safe and pleasant environment to operate from.
Risk Description: IT
WHALE Arts is reliant on its IT system to manage operational activity.
Strategy to manage risk: Regular backups of information and cloud-based file architecture. Outsourcing to access expert support and ongoing maintenance to ensure integrity of systems.
Risk Description: People
Failure to retain and develop staff or develop a long-term succession plan could impact detrimentally on the ability of WHALE Arts to deliver its services, maintain standards and potentially risks funding opportunities.
Strategy to manage risk: Develop and maintain effective HR and staff management procedures, benchmarking of job roles to ensure competitive and affordable salaries to aid staff retention. Investment in training to promote staff development and a focus on staff wellbeing through a range of approaches including a wellbeing week, an Employee Assistance Programme and related training around mental health and wellbeing in the workplace.

Reserves Policy

The Board recognise their corporate responsibility to ensure that the company has sufficient reserves to fund present and future liabilities. The Board considers that maintaining unrestricted funds of approximately 3-6 months running costs is appropriate. The Charity's costs are currently in the region of £53,000 per month of which some £26,000 relates to salaries and pensions. The general funds at 31 March 2022, are standing at approximately £177,000 which represents a reserve of approximately 3 ½ months running costs. The Board are pleased to report that the target level of reserves have been maintained in 2022 however recognise the continued need for good financial governance in light of funding challenges, restrictions currently being experienced particularly from local government sources and the ongoing impact of Covid-19. The Board are also pleased to report that sufficient funding has been secured for at least the 12 months following April 2022.

Plans for Future Periods

During 2019/20 we completed and launched WHALE Arts new 5-year Strategic Plan. This was developed over the course of a year with members, trustees, staff and local partners and sets out high level aims taking us to 2024. Our key strategic priorities are set out below. This is underpinned by an operational plan progress of which is reviewed regularly by staff and board.

Our key themes and outcomes between 2019 – 2024 are:

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Health, Wellbeing, Happiness

- a. To improve health, wellbeing and happiness of local citizens and members through arts, creativity and innovation
- b. To support the wellbeing of our people

Economy, Enterprise, Learning, Skills

- c. To improve economic prospects of local citizens and members through developing creative enterprise, learning, and skills development opportunities
- d. To improve the economic sustainability of our organisation

Places and Spaces

- e. To increase and sustain the pride that local citizens feel for the local geographical area through community-based participation in the arts and creative placemaking
- f. To improve the environmental sustainability of our organisation

Development and Improvement

- g. To maintain good governance and improve professional and practice development of our people and improve our physical assets

Data, Design, Evaluation, Innovation

- h. To improve the way we use data and evaluation to design and drive incremental and transformative innovation

Communication, Conversation, Coproduction

- i. To sustain open and regular communication and conversation on a local, national and international level with many and varied voices so that we are genuinely good at co-production, and we become a leader in our field using our voice to influence policy and strategy and advocate for our community and our work

The period of 2020 – 2022 has been challenging in ways no one could ever have predicted. However, our significant efforts over recent years to diversify and maximise our income as well as to tightly control our costs has helped us greatly during a challenging time and Covid-19 notwithstanding this approach will continue in 2022 -23 and beyond.

We have continued to be supported by City of Edinburgh Council to deliver children and families services locally – this funding continues to be hugely important as it allows us to leverage in significant other funding streams.

We have continued to sustain our relationships with funders such as The William Grant Foundation and Creative Scotland who have supported our creative wellbeing programmes for adults, young people and their families over the last year. In 2019/20 we secured new grant for 2.5 years from the Scottish Government Investing in Communities Fund which has helped to develop our existing wellbeing and enterprise and skills programmes locally and to support our work on the Community Asset Transfer of the land the WHALE Arts building sits on. The Investing in Communities grant has been extended for an additional year covering 2022 – 2023. The capacity building aspect of the Investing in Communities grant has funded new income generating posts to focus on enterprise development and building of unrestricted income streams and a post to focus on developing long-term relationships with trusts and foundations. These two posts have been invaluable during lockdown, and we could not have supported the community in the way we were able to without this support.

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We continued to be supported in 21/22 by The Robertson Trust, RS MacDonald and Children in Need for work with young people including the award-winning Street Arts, and Play Sense Create and Explore, our programme of work with children with Additional Support Needs, and their families.

Our ambition to develop new community-led programming that extends beyond our physical walls to wider community spaces and places – Creative Placemaking – has continued through our Community Development and Membership Development programmes. Three years of community-led funding from The National Lottery Community Fund enabled this work to happen and over the project it has become a significant part of our outreach work and has informed the work we are doing across all our activities, work with partners on the Local Place Plan, and importantly, how we engage with, support and grow our Membership in a genuine and sustainable way.

During 2020/21 we have moved forward with our plans for Community Asset Transfer – to buy the land WHALE Arts sits on from City of Edinburgh Council. We were successful with a Stage 1 application to Scottish Land Fund and have been working with Community Enterprise on a business plan exploring various options for long-term financial sustainability. During this process we have decided to explore the possibility of bringing a small kickabout football pitch adjacent to WHALE Arts into community ownership as well. Currently – as part of this project – we are looking at possible future capital development, making improvements to the building and garden in line with the ideas and needs within the community.

One of our key challenges throughout the early days of lockdown in 2020 was loss of earned income through the building. We overcame this in 20/21 through generous support from funders. Projecting earned income confidently for 21/22 was a challenge, however we are slowly and gradually building this back up again.

The building is now open, and all our groups and staff are back working in-person. We are managing a number of repeat and one-off room bookings safely, and our small office is now rented out to new tenants, Starcatchers.

Our focus for 2022/23 is to secure investment in the core costs of the organisation and in capital development and to use the organisation's core asset (the building) to full advantage. As in previous years we will continue to focus our efforts in increasing social enterprise income, fundraising activities, and to closely monitor expenditure which we predict will have a positive impact on WHALE's sustainability.

This will be all the more challenging in light of the follow-on impacts of Covid-19 and the cost of living crisis on our community and on our organisation, however we are embedded well locally, supported locally and nationally, and feel confident about the months and years ahead.

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Reference and administrative details

Charity Name Whale, The Arts Agency (known as WHALE)

Company Number SC180118

Charity Number SC020305

**Registered office &
Operational Address** WHALE Learning Centre
30 Westburn Grove
Edinburgh
EH14 2SA

Senior Statutory Auditor Kevin Cattanach CA

Independent Auditors Whitelaw Wells
Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

Bankers: Bank of Scotland
206 St Johns Road, Edinburgh EH12 8SH

Directors/Board of Trustees:

G Williams	(Chair from 18/01/2022, previously Co-Chair)
K Fowler	(Co-Chair until 18/01/2022)
C Binstead	
A McNiven	(Vice Chair from 18/01/2022)
J Jackson	(Resigned 04/04/2022)
E Main	
V Stevenson	
R Campbell	
E Maclean	(Resigned 20/09/2022)
A McNaughton	(Appointed 04/04/2022)

**Key Management
Personnel**

Chief Executive Officer	Leah Black (secondment to EVOC from August 2022)
Interim Chief Executive	Kate Griffin (from August 2022)
Head of Operations	Zoe Squair (from August 2022)

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Structure, Governance and Management

Governing Document

WHALE, The Arts Agency, is a company limited by guarantee having no share capital and is governed by a Memorandum and Articles of Association. It is registered as a charity with the Office of the Scottish Charity Regulator. Every member of the company undertakes to contribute to the company's assets if it should be wound up while he is a member or within one year after he ceases to be a member, a sum not exceeding £1.

Recruitment, appointment and training of directors

Board members are recruited from participants, interested local people, and through targeted recruitment based on the skills required by the organisation. As participants, or parents of service users, some Board members bring first-hand knowledge of WHALE's activities while others bring a range of professional skills.

Through six-weekly Board meetings, voluntary work and regular attendance at activities and exhibitions, Board members are actively involved with WHALE. Expert advice is sought at Board meetings when new legislation impacts on the work of WHALE.

New Board members are introduced to WHALE through discussion with the Chief Executive, current Board members and attendance at activities and events. WHALE employs external agencies to run bespoke training for Board members, offering opportunities to explore issues.

Under the Articles of Association there shall be a minimum of four and a maximum of twelve directors of the company. It is desired that local directors should be in the majority and not more than six shall be from out with the area of Wester Hailes and the surrounding district. Nominations to the Board of Directors should be submitted in writing at least 2 weeks prior to the AGM or other GM if appropriate but at the discretion of the Chairperson nominations may be accepted by the floor. Any casual vacancies may be filled by the Board.

Organisational Structure

The Charity has a Board of up to 12 members who meet every 6 weeks (and no fewer than 6 times per year). Trustees will be invited to contribute their skills and expertise in agreed sub-groups for certain projects. In addition, the office-bearers communicate regularly for the purposes of taking forward specific work areas. The Board is responsible for the strategic direction and policy of the Charity. As at 31 March 2022, the Board has 9 members from a variety of backgrounds. The Chief Executive Officer, who acts as Company Secretary, also attends board meetings.

A scheme of delegation is in place. Day-to-day responsibility for the provision of the services rests with the Chief Executive Officer, who oversees operational management of the centre and individual supervision of the staff team, carries out fundraising activities, and ensures that the team continues to develop their skills and working practices in line with good practice.

As 31 March 2022, the Chief Executive Officer was supported by a staff team consisting of Head of Programmes and Projects, Arts and Wellbeing Manager, Digital and Communities Lead, Programming Assistant, Community Development Leads x 2, Fundraising Lead, Cleaners x 3, Enterprise and Facilities Manager, Operations and Marketing Coordinator, Front of House Administrators x2, Community Meal Chef and Community Garden Coordinator. All posts are part time, other than the Digital and Communities Lead, Operations and Marketing Coordinator, Chief Executive Officer and Arts and Wellbeing Lead. The Board would like to acknowledge the continued and valued contribution to the smooth running of the centre by its dedicated group of volunteers. Volunteers contribute to all aspects of service delivery for example reception support, communications,

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maintenance and gardening. The Board are also acting in a voluntary role and make considerable input to the direction of the organisation.

Pay Policy for Senior Staff

Senior staff are remunerated in line with industry norms along with any increments set out at time of recruitment or awarded as a result of any additional training, qualifications or responsibility. In line with WHALE Arts new Pay Structure Policy, increments are linked to annual cost of living increases and performance. This also applies across all pay grades.

RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Charity Trustees (who are also the directors of WHALE, The Arts Agency for the purposes of company law) are responsible for preparing a directors' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

A resolution to re-appoint Whitelaw Wells as auditors for the ensuing year will be proposed at the annual general meeting.

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SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions of Part 15 Companies Act 2006 relating to small companies.

Signed by order of the Board of Trustees:



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Grant Williams
Trustee

Registered office:
WHALE Learning Centre
30 Westburn Grove
Edinburgh EH14 2SA

Approved by the Board of Trustees on 27th October 2022

WHALE, THE ARTS AGENCY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF WHALE, THE ARTS AGENCY LTD FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Whale, The Arts Agency for the year ended 31 March 2022, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director' (who are also the trustees of the charitable company for charity law purposes) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in

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the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on matters prescribed by the Companies Act 2006

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

- the information given in the directors' report, prepared for the purposes of company law and included in the report of the trustees, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included with the report of the trustees, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemptions in preparing the directors' report, included within report of the trustees, and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 11, the director' (who are also the trustees of the charitable company for charity law purposes) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise

WHALE, THE ARTS AGENCY

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF WHALE, THE ARTS AGENCY LTD
FOR THE YEAR ENDED 31 MARCH 2022**

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high-level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high-level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We performed income and expenditure testing which was designed to identify any irregularities as a result of mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and the trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Cattnach

Senior Statutory Auditor

for and on behalf of Whitelaw Wells, Statutory Auditor

Whitelaw Wells is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

9 Ainslie Place

Edinburgh EH3 6AT

27th October 2022

WHALE, THE ARTS AGENCY

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)
YEAR ENDED 31 MARCH 2022**

		Unrestricted £	Restricted Non-Capital £	Restricted Capital £	2022 £	2021 £
INCOME						
Income and endowments from:						
Donations and legacies	(2)	23,234	4,000	-	27,234	23,310
Charitable activities	(3)	100,219	559,161	-	659,380	729,972
Income from other trading activities		-	-	-	-	852
Investment income		51	-	-	51	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOME		123,504	563,161	-	686,665	754,134
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE						
Expenditure on:						
Raising funds	(5)	26,635	3,356	-	29,991	36,547
Charitable activities	(6)	46,464	538,104	20,475	605,043	462,866
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE		73,099	541,460	20,475	635,034	499,413
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		50,405	21,701	(20,475)	51,631	254,721
Transfers	(14,15)	(40)	40	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		50,365	21,741	(20,475)	51,631	254,721
Other recognised gains/(losses)						
Actuarial (losses) on defined benefit pension schemes		(18,951)	-	-	(18,951)	(854)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS		31,414	21,741	(20,475)	32,680	253,867
Reconciliation of Funds:						
Balances brought forward at 1 March 2021		172,125	460,227	563,250	1,195,602	941,735
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balances carried forward at 31 March 2022		203,539	481,968	542,775	1,228,282	1,195,602
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the Charity are classed as continuing.

The notes on pages 19 to 38 form part of these financial statements.

WHALE, THE ARTS AGENCY

**BALANCE SHEET
31 MARCH 2022**

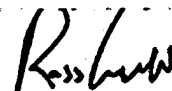
	Note	£	2022 £	2021 £
FIXED ASSETS				
Tangible assets	10		558,961	577,138
CURRENT ASSETS				
Debtors	11	84,147		70,828
Cash at bank and in hand		658,851		591,633
		742,998		662,461
CREDITORS: amounts falling due within one year	12	(47,536)		(30,287)
NET CURRENT ASSETS			695,462	632,174
TOTAL ASSETS less current Liabilities			1,254,423	1,209,312
Creditors : amounts due in greater than one year	12		(26,141)	(13,710)
TOTAL ASSETS			1,228,282	1,195,602
FUNDS				
Unrestricted:				
Designated funds	14	26,734		5,039
General funds	14	176,805		167,086
			203,539	172,125
Restricted Funds				
Capital	15	542,775		563,250
Non-Capital	15	481,968		460,227
			1,024,743	1,023,477
TOTAL FUNDS			1,228,282	1,195,602

These accounts are prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 27th October 2022, and are signed on their behalf by:



.....
G Williams



.....
R Campbell

The notes on pages 19 to 38 form part of these financial statements

WHALE, THE ARTS AGENCY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	<u>2022</u> £	<u>2021</u> £
Cash flows from operating activities:		
Net cash provided by operating activities	73,622	251,491
	<hr/>	<hr/>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(6,455)	-
Interest income	51	-
	<hr/>	<hr/>
Net cash (used) in investing activities	(6,404)	-
	<hr/>	<hr/>
Increase in cash and cash equivalents in the year	67,218	251,491
	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year	591,633	340,142
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	658,851	591,633
	<hr/> <hr/>	<hr/> <hr/>

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net movement in funds	32,680	253,867
Add back depreciation charge	24,632	23,018
Deduct interest income	(51)	-
(Increase) in debtors	(13,319)	(26,085)
Increase in creditors/provisions	29,680	691
	<hr/>	<hr/>
Net cash provided by operating activities	73,622	251,491
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 19 to 38 form part of these financial statements.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The accounts have been prepared in accordance with 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 (FRS102) (effective 1 January 2019) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

WHALE, The Arts Agency meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

The Directors consider that there are no material uncertainties about the ability of the Charity to continue as a going concern for the foreseeable future. Accordingly, the accounts have been prepared on a going concern basis. This assessment of going concern includes the expected impact of COVID-19 to the entity in the 12 months following the signing of these financial statements.

Income

Income is classified under the following headings:

Income from charitable activities which comprises income received under contract or where entitlement to grant funding is subject to particular service requirements. Such income is recognised as earned (as the related services are provided).

Income from donations and legacies comprises: all incoming resources from grants that provide core funding or are of a general nature together with donations. Grants which do not have particular service requirements are included within this category of incoming resources.

Income recognition policy

Income including government and other grants is recognised when WHALE:

- Has entitlement to the funds;
- it is probable that the income will be received; and
- the amount can be reliably measured.

Entitlement is determined by the terms and conditions of the income source and will include consideration of:

- requirements for matched funding;
- performance and output on subsequent years award;
- time period when the service can take place; and
- whether conditions to deliver the project/service are within WHALE's control

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (cont'd)

Probability is determined by consideration of:

- offer letters
- actual receipts; and
- evaluation that the conditions of the grant are within the charity's control and can be met

Measurement is determined by:

- the offer letter;
- timescale for the completion of individual projects; and
- estimation of costs, e.g., retrospective grants

Income is only deferred where the donor specifies that the grant or donation may only be expended in future accounting periods or conditions imposed by the donor must be met before WHALE has unconditional entitlement to the grant or donation. In such circumstances income is credited to deferred income and accounted for as a liability.

Donated professional services and donated facilities are recognised as income when WHALE has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by WHALE of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102) general volunteer time is not recognised in the accounts. Further information is available in the trustees' annual report about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to WHALE. The value is the amount that WHALE would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure

Expenditure is recognised when a liability is incurred i.e., there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and it can be measured reliably. Contractual arrangements are recognised as goods or services are supplied.

Expenditure is classified under the following activity headings:

Expenditure on raising funds which is the expenditure incurred in attracting grants and donations;

Expenditure on charitable activities which is the expenditure associated with the various activities in furtherance of WHALE's objectives including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

WHALE is not registered for VAT, so VAT is charged as a cost against the activity for which the expenditure was incurred.

The value of services provided by volunteers has not been included in these accounts as the monetary value is not easily measured.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include finance, personnel, payroll and governance costs which support the Charity's activities. The bases on which support costs have been allocated are set out in note 6.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (cont'd)

Tangible Fixed Assets

Individual fixed assets costing in excess of the undernoted amounts are capitalised at cost:

Office equipment	£500
Fixtures and fittings	£1,000
Building	£2,500

Fixed assets are depreciated over their estimated useful lives on a straight line basis as follows:-

Buildings	44 years (except bike shed – 15 years and garden room – 10 years)
Fixtures, fittings and equipment	4-10 years

Financial Instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement value.

Designated Funds

Designated funds are unrestricted funds designated by the Board of Trustees for a specific purpose.

Unrestricted Funds

Unrestricted funds are grants and other income receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor and are split in the accounts to reflect purposes of a capital and non-capital nature.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

Pensions

The Charity operates a defined contribution pension scheme for all employees who have opted to participate. The assets of the schemes are held separately from those of the Charity in an independently administered fund.

WHALE also participates in The Pensions Trust - Scottish Voluntary Sector Pension Scheme (SVSPS) which is closed to new members. The SVSPS is a multi-employer defined benefit scheme in the UK, which provides benefits to some 102 non-associated employers. The Board is unable to confirm WHALE's share of the underlying assets and liabilities of the SVSPS therefore it accounts for the scheme as a defined contribution scheme.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Pensions (cont'd)

The scheme is classified as a 'last-man standing arrangement'. Therefore, WHALE is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. WHALE is also liable to contribute a share to deficits arising on the scheme through an agreed deficit recovery plan. Further information on this pension scheme can be found in note 16.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Donations	23,234	4,000	27,234	23,310

Income from donations and legacies was £27,234 (2021: £23,310) of which £23,234 (2021: £17,776) was unrestricted and £4,000 (2021: £5,534) was restricted.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2022	2021
	£	£	£	£
<u>Grants</u>				
Bailey Thomas Trust	-	-	-	5,000
Bank of Scotland Foundation	-	11,864	11,864	-
Batchworth Trust	-	-	-	5,000
BBC Children In Need	-	-	-	21,148
Capital City Partnership	-	-	-	52,500
City of Edinburgh Council - various	-	63,202	63,202	70,773
Creative Scotland	-	236,556	236,556	169,597
DTAS	-	13,000	13,000	10,000
Edinburgh Napier University	-	10,446	10,446	17,284
Foundation Scotland	-	-	-	5,000
Garfield Weston Foundation	20,000	-	20,000	-
McGlashan Charitable Trust	-	5,000	5,000	-
National Lottery Community Fund	-	-	-	104,753
One City Trust	-	-	-	5,000
Postcode Lottery	-	-	-	19,973
Robertson Trust	6,000	6,500	12,500	15,500
RS MacDonald Charitable Trust	-	11,667	11,667	11,666
Scottish Government	-	119,540	119,540	103,615
Scottish Land Trust	-	-	-	9,096
SCVO Community Wellbeing Fund	-	-	-	4,000
The Broomhouse Centre t/a Space	-	5,045	5,045	4,663
C/Fwd	26,000	482,820	508,820	634,568

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. INCOME FROM CHARITABLE ACTIVITIES (cont'd)

	Unrestricted £	Restricted £	2022 £	2021 £
Grant income b/fwd	26,000	482,820	508,820	634,568
The Health Agency	-	-	-	6,750
Thomas Wall Trust	-	4,828	4,828	-
William Grant Foundation	30,000	30,000	60,000	15,000
William Syson Trust	-	10,000	10,000	-
Youthlink Scotland	-	4,984	4,984	-
Other small grants < £3,000	99	12,485	12,584	20,989
Fees and other income	896	14,016	14,912	33,683
Rent and admin charges	43,224	28	43,252	18,982
	<hr/>	<hr/>	<hr/>	<hr/>
	100,219	559,161	659,380	729,972
	<hr/>	<hr/>	<hr/>	<hr/>

The company's income in respect of rent and admin charges is treated as income from charitable activities on the basis that the directors consider the charges are made to organisations which predominantly carry out activities that are in furtherance of the objects of the charity.

Income from charitable activities was £659,380 (2021: £729,972) of which £100,219 (2021: £59,144) was unrestricted and £559,161 (2021: £670,828) was restricted.

4. NET INCOME FOR THE YEAR

This is stated after charging: -	2022 £	2021 £
Auditor's remuneration	5,500	5,460
Depreciation	24,632	23,018
Operating lease rentals	2,318	2,318
	<hr/>	<hr/>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Fundraising consultancy	-	-	-	6,000
Staff costs (note 9)	26,635	3,356	29,991	30,547
	<u>26,635</u>	<u>3,356</u>	<u>29,991</u>	<u>36,547</u>

Expenditure on raising funds was £29,991 (2021: £36,547) of which £26,635 (2021: £28,918) was unrestricted and £3,356 (2021: £7,629) was restricted.

6. CHARITABLE EXPENDITURE

	Working with Adults £	Working with Young People £	Working in the community £	2022 £	2021 £
Direct costs allocated to activities:					
Staff costs (note 9)	93,254	61,166	127,786	282,206	220,182
Sessional staff costs	10,153	8,828	12,633	31,614	41,378
Volunteer costs	-	-	24	24	712
Other staff costs	142	64	158	364	202
Recruitment costs	59	-	519	578	-
Staff travel & training	2,810	2,543	3,272	8,625	3,788
Grants payable (note 8)	42,113	-	7,800	49,913	19,398
Project costs	59,982	29,864	18,234	108,080	98,489
Consultancy fees	5,582	2,509	7,953	16,044	-
Hospitality costs	757	945	1,231	2,933	621
Support cost allocated to activities:					
Premises costs	11,678	5,250	14,291	31,219	18,930
Office costs	3,700	1,657	5,681	11,038	7,981
Equipment/Equipment rental	3,990	1,680	7,293	12,963	10,990
Insurance	2,296	1,032	2,545	5,873	5,577
IT & Website costs	3,306	1,486	3,665	8,457	2,253
Marketing costs	750	181	2,751	3,682	3,191
HR & Payroll costs	507	228	563	1,298	696
Audit costs	2,150	967	2,383	5,500	5,460
Depreciation	9,629	4,329	10,674	24,632	23,018
	<u>252,858</u>	<u>122,728</u>	<u>229,457</u>	<u>605,043</u>	<u>462,866</u>

Total charitable expenditure was £605,043 (2021: £462,866) of which £46,464 (2021: £24,419) was unrestricted and £558,579 (2021: £438,447) was restricted.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

This table shows the cost of the three main charitable activities and the sources of income directly to support those activities:

	Working with Adults	Working with Young People	Working in the community	TOTAL
	£	£	£	£
Costs	(252,858)	(122,728)	(229,457)	(605,043)
Direct grant support	343,277	125,467	132,472	601,216
Other income	22,595	9,984	25,585	58,164
	<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)	113,014	12,723	(71,400)	54,337
	<hr/>	<hr/>	<hr/>	<hr/>

8. GRANTS PAYABLE

	2022 £	2021 £
About Youth	-	1,500
Big Hearts Community Trust	3,900	-
Calder Residents Association	-	3,500
Grass Roots Remedies	-	2,000
Holy Trinity Church	-	1,500
North Edinburgh Arts Centre	32,113	-
RCCG Open Heavens	-	1,000
Score Scotland	10,000	-
South West Edible Estates	-	1,500
The Broomhouse Centre t/a Space	3,900	-
The Dove Centre	-	1,000
Wester Hailes Health Agency	-	2,000
With Kids	-	2,000
Grants < £1,000	-	3,398
	<hr/>	<hr/>
	49,913	19,398
	<hr/>	<hr/>

During the years grants totalling £49,913 (2021: £19,398) were payable to 4 organisations (2021: 13 organisations and 4 individuals) supporting partnership working in the community.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. STAFF COSTS

The aggregate staff costs were:

	2022	2021
	£	£
Salaries	287,189	231,533
Employers' NI	15,773	11,622
Pension	9,235	7,574
	<hr/>	<hr/>
	312,197	250,729
	<hr/> <hr/>	<hr/> <hr/>

No employee received emoluments totalling more than £60,000 in the current or previous years. No directors received remuneration for services other than as a director/trustee during the year (2021: 1 director, £12,169) in accordance with Clause 5 of the Memorandum of Association. No expenses have been reimbursed to directors in either the current or previous year. Sessional staffing costs of £nil (2021: £1,038) were paid to a person related to a director during the year.

The total employee benefits of the key management personnel were £43,904 (2021: £42,827).

Particulars of employees:

The average number of staff, calculated on a head count basis, excluding directors, employed by the Charity during the financial year was:

	2022	2021
	No.	No.
Chief Executive Officer	1	1
Project staff	13	9
Admin staff	4	4
	<hr/>	<hr/>
	18	14
	<hr/> <hr/>	<hr/> <hr/>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. TANGIBLE FIXED ASSETS

	Buildings £	Fixtures, Fittings & Equipment £	Total £
COST			
At 1 April 2021	855,539	82,269	937,808
Additions	-	6,455	6,455
Disposals	-	(30,656)	(30,656)
	<hr/>	<hr/>	<hr/>
At 31 March 2022	855,539	58,068	913,607
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2021	289,067	71,603	360,670
Charge for the year	20,312	4,320	24,632
Released on disposal	-	(30,656)	(30,656)
	<hr/>	<hr/>	<hr/>
At 31 March 2022	309,379	45,267	354,646
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2022	546,160	12,801	558,961
	<hr/>	<hr/>	<hr/>
At 31 March 2021	566,472	10,666	577,138
	<hr/>	<hr/>	<hr/>

The company has granted a security over its building to the Scottish Arts Council (now Creative Scotland) in respect of all obligations undertaken in terms of the funding agreement between the company and SAC. The company's building is situated on land owned by the City of Edinburgh Council to whom a ground rent of £1 is payable per annum. The terms of the lease were 25 years from the date of entry, which was in 1999. Notwithstanding the foregoing, the directors consider it appropriate that the company's building is depreciated over 44 years from 1 April 2006.

11. DEBTORS

	2022 £	2021 £
Grants receivable	79,778	67,115
Other debtors	4,369	3,713
	<hr/>	<hr/>
	84,147	70,828
	<hr/>	<hr/>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	15,304	4,166
Other taxes and social security costs	6,246	4,961
Pension creditor	6,648	2,336
Other creditors & accruals	19,338	18,824
	<hr/>	<hr/>
	47,536	30,287
	<hr/>	<hr/>

CREDITORS: amounts falling due in greater than one year

	2022	2021
	£	£
Pension creditor	26,141	13,710
	<hr/>	<hr/>
	26,141	13,710
	<hr/>	<hr/>

13. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2022 the Charity had total commitments under non-cancellable operating leases (in respect of the lease of equipment) as set out below.

	Equipment	
	2022	2021
	£	£
Operating leases which expire:		
Due within 1 year	2,270	2,270
In 1-5 years	3,502	5,772
	<hr/>	<hr/>
	5,772	8,042
	<hr/>	<hr/>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. UNRESTRICTED FUNDS – CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Gain/(Loss) £	Balance at 31 March 2022 £
Designated Funds:						
Solar Panels	5,039	-	(1,682)	-	-	3,357
Anniversary Fund	-	-	-	5,000	-	5,000
Website Development Fund	-	-	-	18,377	-	18,377
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	5,039	-	(1,682)	23,377	-	26,734
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
General funds	167,086	123,504	(71,417)	(23,417)	(18,951)	176,805
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	172,125	123,504	(73,099)	(40)	(18,951)	203,539
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

PURPOSE OF DESIGNATED FUNDS

Solar panels fund: funded by the Community and Renewable Energy Scheme and the Robertson Trust to install solar panels on the roof at WHALE. Initially this was treated as restricted funds, but once the assets were acquired a designated fund has been created to reflect the book value of the assets which is reduced over their economic life.

Anniversary fund: Funds designated to support the plans to celebrate WHALE's 30th anniversary.

Website development fund: Funds designated to support the planned redesign of WHALE's website.

14. UNRESTRICTED FUNDS – PREVIOUS YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Gain/(Loss) £	Balance at 31 March 2021 £
Designated Funds:						
Solar Panels	6,720	-	(1,681)	-	-	5,039
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,720	-	(1,681)	-	-	5,039
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
General funds	165,824	77,772	(51,656)	(24,000)	(854)	167,086
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	172,544	77,772	(53,337)	(24,000)	(854)	172,125
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. RESTRICTED FUNDS – CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Restricted income – non-capital					
<u>Working with Young People:</u>					
Street Arts	28,783	7,502	(25,911)	-	10,374
smARTies	12,339	3,000	(9,737)	-	5,602
Play, Sense, Create	16,373	19,837	(23,188)	7	13,029
Inspire Dance	7	-	-	(7)	-
Easter/Summer Programme	33	9,294	(7,881)	-	1,446
CEC Creative Programmes	-	27,772	(27,772)	-	-
<u>Working with adults:</u>					
Adult Art & Wellbeing	22,043	43,585	(34,553)	420	31,495
Growing Your Own Artists	155	5,378	(5,113)	(420)	-
Art In The Open	19,973	-	(13,044)	-	6,929
Culture Collective	150,000	182,400	(92,055)	-	240,345
Mum's Into Business	11,527	10,000	(10,981)	-	10,546
<u>Working in the community:</u>					
Digital Communities	16,313	45,485	(40,236)	-	21,562
Community Development	916	-	(980)	1,500	1,436
Garden Group	8,712	-	-	(8,712)	-
Grow, Cook, Eat, Repeat	49,343	3,000	(41,073)	8,645	19,915
Café & Workshop	32,800	-	(9,017)	(1,620)	22,163
Community Wealth Building	52,500	1,052	(31,248)	-	22,304
Explorathon (Napier)	2,556	1,000	(1,000)	-	2,556
Place Plan Development	7,850	35	(800)	(1,500)	5,585
Investing in Communities	11,635	106,340	(117,672)	-	303
Community Cultural Hubs	-	18,000	(16,453)	-	1,547
SCSP Pathways	-	8,000	(7,986)	-	14
Art Works	-	46,586	-	-	46,586
Pod Press	-	15,800	(7,595)	4,000	12,205
Other small projects	16,369	9,095	(17,165)	(2,273)	6,026
	<u>460,227</u>	<u>563,161</u>	<u>(541,460)</u>	<u>40</u>	<u>481,968</u>
Restricted income – capital					
Building Fund	536,716	-	(18,509)	-	518,207
Refurbishment Fund	14,236	-	(491)	-	13,745
Westburn CAN	12,298	-	(1,475)	-	10,823
	<u>563,250</u>	<u>-</u>	<u>(20,475)</u>	<u>-</u>	<u>542,775</u>
TOTAL RESTRICTED FUNDS	<u>1,023,477</u>	<u>563,161</u>	<u>(561,935)</u>	<u>40</u>	<u>1,024,743</u>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. RESTRICTED FUNDS (cont'd)

PURPOSE OF RESTRICTED FUNDS:

Street Arts: This is an outreach arts project working with young people in different community areas in Wester Hailes and principally funded by Children In Need, Creative Scotland & The Broomhouse Centre t/a Space.

smARTies: Visual arts group for children & young people supported principally by the Robertson Trust.

Play, Sense, Create: Multi-arts project for primary aged young people with Additional Support Needs/Disabilities and their families funded by RS MacDonald Charitable Trust, and CEC Department of Children & Families.

Inspire Dance: Indian dance, choreography, set design, costumes for young people working towards a show at the Festival Theatre. This programme has ceased.

Easter/Summer Programme: Funding from City of Edinburgh Council and Youthlink Scotland for small scale funded projects to provide a programme of creative activities throughout the Easter and Summer school holidays.

City of Edinburgh Council (CEC) Creative Programmes: Funds from CEC Department of Children & Families to support a range of creative programmes aimed at improving outcomes of children, families and young people in Wester Hailes.

Adult Art & Wellbeing: Funding from the Scottish Government Investing in Communities Fund and the William Grant Foundation towards a range of regular adult wellbeing programmes including smART Craft, Stitch 'n' Time, Men's Makers and Let's Create.

Growing Your Own Artists: Funded by Creative Scotland and William Grant Foundation for an artist residency looking at creative progression pathways for over 16's into, through and from our adult creative programme.

Art In The Open: Funding from the Postcode Lottery for short blocks of creative outdoor therapeutic art sessions.

Culture Collective: Funding from Creative Scotland for an 18 month project working in partnership with North Edinburgh Arts, SCOREscotland, Passion4Fusion to support local people in Wester Hailes and Muirhouse to develop products and services and be supported to take these to market. One of the routes to market will be community street markets in Wester Hailes and Muirhouse.

Mum's Into Business: Funding from Development Trusts Associations Scotland to support Mums into Business for two years until December 2023.

Digital Communities: Funding from the Robertson Trust, Bank of Scotland Foundation, Prospect Community Housing and Edinburgh Napier University to continue to support the community news site and provide outreach support for IT and online services in Wester Hailes and Clovenstone.

Community Development: Funding from the National Lottery Community Fund, Police Scotland & Capital City Partnership for a regular programme of creative activities, one off events and participatory public art installations that respond to local assets and aspirations.

Garden Group: Supported by funding from the City of Edinburgh Council and National Lottery for gardening activities led by volunteers. This project merged with Grow, Cook, Eat, Repeat and the balance of funding was transferred to this project during the year.

Grow, Cook, Eat, Repeat: Income from the National Lottery Community Fund and small private Trusts to employ new staff to work alongside volunteers in the community garden, the community meal and to develop volunteering opportunities across the organisation.

Café & Workshop: Income from Awards for All, Robertson Trust Capital Fund and private Trusts to develop a café at WHALE in 21/22. This is ongoing and the Café is due to open in 22/23.

Community Wealth Building: Funding from Capital City Partnership for the Go Beyond network to work in partnership with CCP, West Lothian Council to explore Community Wealth Building from a grassroots perspective. WHALE is holding the funds and hosting the member of staff on behalf of the Go Beyond Network. The project area covers South-West Edinburgh.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. RESTRICTED FUNDS (cont'd)

Explorathon: With Napier University; a fun, interactive event which brings research to life with food and music at WHALE Arts for children and families.

Place Plan Development: A local collaborative of organisations and residents working towards the development of a Local Place Plan for Wester Hailes, funded by City of Edinburgh Council and Edinburgh Napier University.

Investing in Communities: Funding from the Scottish Government towards income generating posts, arts and wellbeing programmes, digital skills programmes and community empowerment projects such as community asset transfer.

Community Cultural Hubs: Funding from City of Edinburgh Council Culture Fund for a project researching ways to support a network of creative cultural hubs across Edinburgh.

SCSP Pathways: Funding from City of Edinburgh Council supporting WHALE's 'Considerate Path User' campaign which is running in conjunction with CEC's Paths For Everyone campaign and is about encouraging people to use the shared paths in a way that is more considerate to other users. At WHALE we are focusing on the Wester Hailes area of Edinburgh as the project idea came from the Wester Hailes, Sighthill and Broomhouse Active Travel Behaviour Change Action plan, co-produced by Sustrans and a steering group of local organisations, including WHALE.

Art Works!: A new project funded by Creative Scotland which aims to bring together a number of our existing projects for children, young people and adults into a single Arts and Wellbeing Programme to deliver therapeutic interventions for vulnerable and marginalised groups.

Pod Press: Funding principally from private trusts towards a new publishing house in the West of Edinburgh. Pod Press will be publishing artworks, maps, guides, stories, books, leaflets and more – capturing and sharing the wealth of creativity in Wester Hailes.

Other Small Projects: Smaller scale funds aimed at delivering a range of creative projects.

Building Fund: Grant funding received in relation to the construction of the WHALE Learning Centre.

Refurbishment Fund: Sponsorship in kind provided in prior years by Napier University and a grant from Creative Scotland for the refurbishment of the WHALE Learning Centre.

Wesburn CAN: Funding from the Climate Challenge Fund to support the development of a community garden at WHALE.

Transfers: £4,000 from general funds to restricted funds represents the expected future shortfall on the project Pod Press in 22/23.

£3,960 transferred to the general fixed asset fund on the purchase of equipment from restricted funds and the restriction now met.

WHALE, THE ARTS AGENCY

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

15. RESTRICTED FUNDS (cont'd)

PRIOR YEAR:

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Restricted income – non-capital					
<u>Working with Young People:</u>					
Street Arts	8,792	45,544	(25,553)	-	28,783
smARTies	7,258	8,000	(3,465)	546	12,339
Play, Sense, Create	3,622	26,841	(14,741)	651	16,373
40 x 40	612	-	(612)	-	-
Inspire Dance	7	-	-	-	7
Easter/Summer Programme	1	1,043	(1,011)	-	33
CEC Creative Programmes	-	42,690	(42,690)	-	-
<u>Working with adults:</u>					
smART Craft	907	46	(2,604)	2,925	1,274
Stitch 'n' Time	1,977	-	(3,217)	1,525	285
Digital Communities	9,829	46,426	(39,942)	-	16,313
Men's Makers	6,141	-	(3,772)	2,925	5,294
Growing Your Own Artists	34,287	-	(34,132)	-	155
Let's Create	6,702	-	(8,954)	4,100	1,848
Adult Wellbeing	3,300	15,200	(2,136)	(3,022)	13,342
Art In The Open	-	19,973	-	-	19,973
Culture Collective	-	150,000	-	-	150,000
Mum's Into Business	-	10,000	-	1,527	11,527
<u>Working in the community:</u>					
Creative Placemaking	45,437	2,000	(45,975)	(546)	916
Tasting Change	15	-	-	(15)	-
Garden Group	8,167	900	(6,632)	6,277	8,712
Café & Workshop	10,000	7,800	-	15,000	32,800
Grow, Cook, Eat, Repeat	-	49,343	-	-	49,343
Community Wealth Building	-	52,500	-	-	52,500
Explorathon (Napier)	2,556	-	-	-	2,556
Place Plan Development	10,398	16,534	(19,082)	-	7,850
Investing in Communities	8,477	90,415	(87,257)	-	11,635
Supporting Communities	-	33,897	(33,305)	(592)	-
Other small projects	16,981	57,210	(50,521)	(7,301)	16,369
	<u>185,466</u>	<u>676,362</u>	<u>(425,601)</u>	<u>24,000</u>	<u>460,227</u>
Restricted income – capital					
Building Fund	555,225	-	(18,509)	-	536,716
Refurbishment Fund	14,727	-	(491)	-	14,236
Westburn CAN	13,773	-	(1,475)	-	12,298
	<u>583,725</u>	<u>-</u>	<u>(20,475)</u>	<u>-</u>	<u>563,250</u>
TOTAL RESTRICTED FUNDS	<u>769,191</u>	<u>676,362</u>	<u>(446,076)</u>	<u>24,000</u>	<u>1,023,477</u>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022
	£	£	£
Tangible fixed assets	16,186	542,775	558,961
Net current assets	220,142	481,968	702,110
Provision for liabilities	(32,789)	-	(32,789)
	<hr/>	<hr/>	<hr/>
Net assets	203,539	1,024,743	1,228,282
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2021

	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021
	£	£	£
Tangible fixed assets	13,888	563,250	577,138
Net current assets	174,283	460,227	634,510
Provision for liabilities	(16,046)	-	(16,046)
	<hr/>	<hr/>	<hr/>
Net assets	172,125	1,023,477	1,195,602
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

17. PENSION SCHEME

TPT Retirement Solution – Scottish Voluntary Sector Pension Scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 82 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 21 December 2021 and showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 May 2024:	£1,507,960 per annum (payable monthly and increasing by 3% each year on 1 st April)
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Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 29 February 2028.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2026:	£1,404,638 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2019 to 30 September 2027:	£136,701 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

PRESENT VALUES OF PROVISION

	31 March 2022 (£s)	31 March 2021 (£s)	31 March 2020 (£s)
Present value of provision	32,789	16,046	17,054

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2022 (£s)	Period Ending 31 March 2021 (£s)
Provision at start of period	16,046	17,054
Unwinding of the discount factor (interest expense)	128	406
Deficit contribution paid	(2,336)	(2,268)
Remeasurements - impact of any change in assumptions	(1,155)	854
Remeasurements - amendments to the contribution schedule	20,106	-
Provision at end of period	32,789	16,046

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2022 (£s)	Period Ending 31 March 2021 (£s)
Interest expense	128	406
Remeasurements – impact of any change in assumptions	(1,155)	854
Remeasurements – amendments to the contribution schedule	20,106	-
Contributions paid in respect of future service*	9,107	7,168
Costs recognised in income and expenditure account	28,186	8,428

*includes defined contribution schemes and future service contributions (i.e., excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

	31 March 2022 % per annum	31 March 2021 % per annum	31 March 2020 % per annum
Rate of discount	2.30	0.86	2.57

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 March 2022 (£s)	31 March 2021 (£s)	31 March 2020 (£s)
Year 1	6,648	2,336	2,268
Year 2	6,847	2,406	2,336
Year 3	7,052	2,478	2,406
Year 4	7,264	2,553	2,478
Year 5	6,858	2,629	2,553
Year 6	-	2,708	2,629
Year 7	-	1,395	2,708
Year 8	-	-	1,395
Year 9	-	-	-
Year 10	-	-	-
Year 11	-	-	-
Year 12	-	-	-
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

**WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022**

17. PENSION SCHEME (Cont'd)

Defined Contribution Pension Scheme

The company also participates in the People's Pension defined contribution pension scheme. The charity's contribution to this scheme is 3% of participants' salaries which is charged to the Statement of Financial Activities in the year to which the payments relate. This scheme is open to all qualifying employees.

Contributions payable during the year were £9,235 (2021: £7,574) of which £1,480 (2021: £1,082) were outstanding at the year end.

18. EMPLOYER DEBT ON WITHDRAWAL

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scottish Voluntary Sector Pension Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

WHALE Arts has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Scheme as at 30 September 2021. As of this date the estimated employer debt was £206,463.

19. COMPANY LIMITED BY GUARANTEE

The members have each agreed to contribute £1 in the event of the company being wound up.

20. RELATED PARTY TRANSACTIONS

During the year the company received £nil (2021: £6,750) funding from The Health Agency, a charity in which one of the WHALE board directors is also a director and other than disclosed in note 9, no other director or a person related to a director had any personal interest in any other contract or transaction entered into by the Charity during the year.

21. TAXATION

The company has charitable status and is therefore exempt from tax on its charitable income under the provision of section 505 of the Income and Corporation Taxes Act 1988.