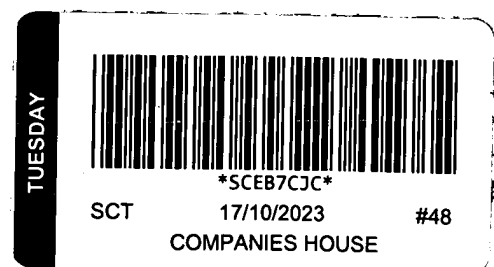


WHALE, THE ARTS AGENCY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

Company Registration Number SC180118
Charity Number SC020305



**WHALE, THE ARTS AGENCY
ANNUAL REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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**WHALE, THE ARTS AGENCY
ANNUAL REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2023**

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 2023 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 were updated. This was 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

WHALE Arts celebrated 30 years at a Birthday Party attended by community , partners, staff and supporters in August 2022. The event was part of a programme of activity that included exhibitions, archive material and a special edition print run of the Digital Sentinel. We were delighted to receive a commendation in the Scottish Parliament for our work developing and delivering creative programmes in Wester Hailes over the past 30 years.

2022 to 2023 marked a return to our regular programme of activity and the development of our programme in response to the needs of the community. The underlying challenges experienced pre-covid, impacts of covid and lockdowns on long term mental and physical health were exacerbated by the cost of living crisis – this combination of issues meant we saw a significant rise in demand for our services, which, with additional funding streams, we were mostly able to address.

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Across all of WHALE Arts activities in 2022/23 there were a total of 5248 participants and 8452 participations over the year in a range of building based and outreach activities.

646 People participated in 533 regular sessions, offering a diverse range of creative activities for all ages and abilities.

1210 people participated in 134 holiday, partnership and one-off events, at WHALE Arts Centre and in other community spaces and places.

The footfall in the building was 14066 – our highest ever.

66 volunteers worked with us contributing 908 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.
- Performances and productions – 3 performances and workshops attended by local schools and nurseries and young people groups, along with 3 shows that were part of the Puppet Animation Festival.

Community Programme:

- Community Meal – the meal returned to regular sit-down event in 2022/23
- 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 – developing on our earlier work we were successful in achieving funding from the Scottish Land Fund to support our Community Asset Transfer. In January 2023 we were

**WHALE, THE ARTS AGENCY
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granted permission to purchase from the City of Edinburgh Council, with the purchase to take place in autumn 2023

- Café –Our pop up Community Café pilot continued – it required further building adaptations and work will continue to develop the café along with other enterprises in future.

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 and creative uses for digital technology.

Volunteering:

- In the year WHALE engaged 66 volunteers who contributed 908 hours of activity across a range of areas including supporting the preparation and serving of community meals, gardening, art and wellbeing activities. We are extremely grateful to all of those who volunteered their time and expertise .

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. 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, SCORE Scotland, 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 completion and launch 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

It has been a challenging year due to rising costs and reduced funding income for core and project costs, resulting in a deficit for the financial year ending 31 March 2023. The Board will continue to focus on both income generation and control of expenses to deliver a better position for 2023/24.

As outlined in the Income and Expenditure Account on page 16, the net deficit in Non-Capital Restricted funds for the Financial Year is £95,769 (2022: surplus £21,741), Capital Restricted Funds have been reduced by £4,074 (2022: £20,475), with unrestricted funds net outflow of £23,410 (following project transfers) (2022:

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surplus £31,414) giving a total deficit for the year of £123,253 (2022 surplus £32,680). The expected result was a deficit as a number of projects delivery and expenditure occurred this year, but the funding was recognised in the previous year.

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.

Total expenditure for the year was £928,356 (2022: £635,034) of which 46% (2022: 49%) was staff costs and 54% (2022: 51%) was non-staff costs. Both staffing and activities have increased during the year, reflecting the increased level of funding.

Unrestricted funds had a deficit before transfers of £17,488 (2022: surplus £50,405). This deficit in unrestricted funds was due to significantly reduced general donations compared to previous years, this is in part due to increased competition for funding across third sector organisations. Moving forward we will continue to push forward with increased room rental and additional income generation using our core asset of the building.

Unrestricted funds at the year-end stood at £180,129 (2022: £203,539) and restricted funds stood at £924,900 (2022: £1,024,743).

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 cost of living rises in utilities costs. 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

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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.
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 core costs are currently in the region of £29,000 per month of which some £20,000 relates to salaries and pensions. The general funds at 31 March 2023, are standing at approximately £155,000 which represents a reserve of approximately 5 months running costs. The Board are pleased to report that the target level of reserves have been maintained in 2023 however recognise the continued need for good financial governance in light of funding challenges, restrictions currently being experienced particularly from local government sources.

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

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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:

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 – 2023 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 and Cost of Living notwithstanding this approach will continue in 2023 -24 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. Funding for the next round of this fund opens in Autumn 2023 and we will be focusing on developing a compelling argument to support our application for 3 years further funding – both in terms of outcomes for young people but also for our ability to use it as a match funding for additional resources.

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.

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The Scottish Government Investing in Communities Fund grant was extended for an additional year covering 2022 – 2023 which allowed us to continue our work focusing on Enterprise development and Fundraising (Trusts and Foundations). We secured a new grant for 3 years from the Fund which will to develop our existing wellbeing and enterprise and skills programmes locally and our placed based partnership work during 2023-2026.

We were successful in our application to Development Trusts Scotland to fund a new 3 year Business Development post who will support our enterprise and income generating capacity, building of unrestricted income streams.

We continued to be supported in 22/23 by The Robertson Trust, RS MacDonald and Creative Scotland 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 do 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.

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 2 application to Scottish Land Fund and have secured the funds to make the land purchase, which is due to be completed in October 2023. During 23/24 we will build on our earlier development work to identify sustainable and financially viable possible future capital development, making improvements to the building and garden in line with the ideas and needs within the community. As part of this process we have held a number of Membership and Community engagement events and activities and updated our Memorandum and Articles in line with the changing needs of the organisation and the requirements of the Scottish Government.

We developed our building income by welcoming a new tenant Sistema Big Noise, bringing all our office space into multiyear tenancies. We continue to work to develop the building as a core income generation source, upgrading facilities, adapting spaces to maximise space and resources.

In 2023/24 we will continue our focus to secure investment in the core costs of the organisation and in capital development and to use the organisations 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.

The cost of living crisis, economic downturn and cost of utilities has had and will continue to have a significant impact on both our community and our organisation, however we are working hard to mitigate the impacts, working with our partners and are supported locally and nationally, so feel cautiously optimistic about the months and years ahead.

**WHALE, THE ARTS AGENCY
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FOR THE YEAR ENDED 31 MARCH 2023**

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 Cattnach 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	(Resigned 15/11/2022)
K Fowler	(Resigned 02/08/2023)
C Binstead	
A McNiven	(Vice Chair, Chair from 15/11/2022)
J Jackson	(Resigned 04/04/2022)
E Main	
V Stevenson	
R Campbell	(Resigned 07/03/2023)
E Maclean	(Resigned 20/09/2022)
A McNaughton	(Appointed 04/04/2022)
S Pryde	(Appointed 06/07/2023)
N Finlayson	(Appointed 08/02/2023)
C J Hughes	(Appointed 08/02/2023)

**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)

Company Secretary Kate Griffin (appointed 20/08/2022)

**WHALE, THE ARTS AGENCY
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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 eight-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 fifteen 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 15 members who meet every 8 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 2023, the Board has 6 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 2023, the Interim Chief Executive Officer was supported by a staff team consisting of Head of Operations, Arts and Wellbeing Manager, Digital and Communities Lead, Programming Assistant, Arts and Wellbeing Assistant, Young Peoples Programme Lead, Community Development Leads x 2, Fundraising Lead, Cleaners x2, Enterprise and Facilities Manager, Operations and Marketing Coordinator, Front of House Administrators x2, Community Meal Lead and Community Garden Coordinator. All posts are part time, other than the Digital and Communities Lead, Operations and Marketing Coordinator, Chief Executive Officer, Head of Operations 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

**WHALE, THE ARTS AGENCY
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to all aspects of service delivery for example reception support, communications, 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:



.....
Dr Andrew McNiven
Trustee

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

Approved by the Board of Trustees on 10th October 2023

WHALE, THE ARTS AGENCY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF WHALE, THE ARTS AGENCY LTD FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Whale, The Arts Agency for the year ended 31 March 2023, 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 2023 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

WHALE, THE ARTS AGENCY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF WHALE, THE ARTS AGENCY LTD FOR THE YEAR ENDED 31 MARCH 2023

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 2023

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

10th October 2023

WHALE, THE ARTS AGENCY
STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)
YEAR ENDED 31 MARCH 2023

		Unrestricted	Restricted	Restricted	2023	2022
		£	Non-Capital	Capital	£	£
		£	£	£		
INCOME						
Income and endowments from:						
Donations and legacies	(2)	12,015	147	-	12,162	27,234
Charitable activities	(3)	92,209	698,312	-	790,521	659,380
Income from other trading activities		-	60	-	60	-
Investment income		878	-	-	878	51
TOTAL INCOME		105,102	698,519	-	803,621	686,665
EXPENDITURE						
Expenditure on:						
Raising funds	(5)	30,878	-	-	30,878	29,991
Charitable activities	(6)	91,712	784,684	21,082	897,478	605,043
TOTAL EXPENDITURE		122,590	784,684	21,082	928,356	635,034
NET (EXPENDITURE)/INCOME FOR THE YEAR BEFORE TRANSFERS		(17,488)	(86,165)	(21,082)	(124,735)	51,631
Transfers	(14,15)	(7,404)	(9,604)	17,008	-	-
		(24,892)	(95,769)	(4,074)	(124,735)	51,631
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes		1,482	-	-	1,482	(18,951)
NET MOVEMENT IN FUNDS		(23,410)	(95,769)	(4,074)	(123,253)	32,680
Reconciliation of Funds:						
Balances brought forward at 1 March 2022		203,539	481,968	542,775	1,228,282	1,195,602
Balances carried forward at 31 March 2023		180,129	386,199	538,701	1,105,029	1,228,282

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 2023**

	Note	£	2023 £	2022 £
FIXED ASSETS				
Tangible assets	10		551,371	558,961
CURRENT ASSETS				
Stock		567		-
Debtors	11	98,101		84,147
Cash at bank and in hand		539,484		658,851
		638,152		742,998
CREDITORS: amounts falling due within one year	12	(66,009)		(47,536)
NET CURRENT ASSETS			572,143	695,462
TOTAL ASSETS less current Liabilities			1,123,514	1,254,423
Creditors : amounts due in greater than one year	12		(18,485)	(26,141)
TOTAL ASSETS			1,105,029	1,228,282
FUNDS				
Unrestricted:				
Designated funds	14	20,054		26,734
General funds	14	160,075		176,805
			180,129	203,539
Restricted Funds				
Capital	15	538,701		542,775
Non-Capital	15	386,199		481,968
			924,900	1,024,743
TOTAL FUNDS			1,105,029	1,228,282

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 10th October 2023, and are signed on their behalf by:



.....
A McNiven



.....
A McNaughton

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 2023

	<u>2023</u> £	<u>2022</u> £
Cash flows from operating activities:		
Net cash (used in)/provided by operating activities	(102,173)	73,622
	<hr/>	<hr/>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(18,072)	(6,455)
Interest income	878	51
	<hr/>	<hr/>
Net cash (used) in investing activities	(17,194)	(6,404)
	<hr/>	<hr/>
Increase in cash and cash equivalents in the year	(119,367)	67,218
	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year	658,851	591,633
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u><u>539,484</u></u>	<u><u>658,851</u></u>

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

	<u>2023</u> £	<u>2022</u> £
Net movement in funds	(123,253)	32,680
Add back depreciation charge	25,322	24,632
Add back loss on disposal of fixed assets	340	-
Deduct interest income	(878)	(51)
(Increase) in stock	(567)	-
(Increase) in debtors	(13,954)	(13,319)
Increase in creditors/provisions	10,817	29,680
	<hr/>	<hr/>
Net cash (used in)/ provided by operating activities	(102,173)	73,622
	<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 2023

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.

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 2023

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 2023

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

Stock

Stock is held at the lower of cost or net realisable value.

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 2023

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	2023	2022
	£	£	£	£
Donations	12,015	147	12,162	27,234
	<hr/>	<hr/>	<hr/>	<hr/>

Income from donations and legacies was £12,162 (2022: £27,234) of which £12,015 (2022: £23,234) was unrestricted and £147 (2022: £4,000) was restricted.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2023	2022
	£	£	£	£
<u>Grants</u>				
Bank of Scotland Foundation	-	-	-	11,864
Capital City Partnership	-	20,000	20,000	-
City of Edinburgh Council – various	-	197,002	197,002	63,202
Creative Scotland	-	253,897	253,897	236,556
DTAS	-	-	-	13,000
Edinburgh Napier University	-	7,898	7,898	10,446
Garfield Weston Foundation	-	-	-	20,000
McGlashan Charitable Trust	-	-	-	5,000
National Lottery Community Fund	-	52,400	52,400	-
NHS Lothian	-	24,990	24,990	-
Robertson Trust	-	-	-	12,500
RS MacDonald Charitable Trust	-	11,667	11,667	11,667
Scottish Children's Lottery	-	4,545	4,545	-
Scottish Government	-	118,336	118,336	119,540
The Broomhouse Centre t/a Space	-	-	-	5,045
Thomas Wall Trust	-	-	-	4,828
William Grant Foundation	-	-	-	60,000
William Syson Trust	-	2,500	2,500	10,000
Youthlink Scotland	-	-	-	4,984
Other small grants < £3,000	2,500	3,010	5,510	12,584
	<hr/>	<hr/>	<hr/>	<hr/>
C/Fwd	2,500	696,245	698,745	508,820

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. INCOME FROM CHARITABLE ACTIVITIES (cont'd)

	Unrestricted £	Restricted £	2023 £	2022 £
Grant income b/fwd	2,500	696,245	698,745	508,820
Fees and other income	41,026	2,067	43,093	14,912
Rent and admin charges	48,683	-	48,683	43,252
	<u>92,209</u>	<u>698,312</u>	<u>790,521</u>	<u>659,380</u>

The company's income in respect of rent, catering 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 £790,521 (2022: £659,380) of which £92,209 (2022: £100,219) was unrestricted and £698,312 (2022: £559,161) was restricted.

4. NET (EXPENDITURE)/INCOME FOR THE YEAR

This is stated after charging: -	2023 £	2022 £
Auditor's remuneration	6,300	5,500
Depreciation	25,322	24,632
Loss on disposal of fixed assets	340	-
Operating lease rentals	3,416	2,318
	<u>35,378</u>	<u>32,450</u>

5. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Staff costs (note 9)	30,878	-	30,878	29,991
	<u>30,878</u>	<u>-</u>	<u>30,878</u>	<u>29,991</u>

Expenditure on raising funds was £30,878 (2022: £29,991) of which £30,878 (2022: £26,635) was unrestricted and £nil (2022: £3,356) was restricted.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. CHARITABLE EXPENDITURE

	Working with Adults £	Working with Young People £	Working in the community £	2023 £	2022 £
Direct costs allocated to activities:					
Staff costs (note 9)	129,296	79,362	185,507	394,165	282,206
Sessional staff costs	12,947	11,616	10,919	35,482	31,614
Volunteer costs	134	82	645	861	24
Other staff costs	555	341	797	1,693	364
Management & Admin fees	4,880	(1,416)	(3,464)	-	-
Recruitment costs	145	145	343	633	578
Staff travel & training	4,969	3,377	1,570	9,916	8,625
Grants payable (note 8)	26,660	-	57,983	84,643	49,913
Project costs	169,616	36,726	39,708	246,050	108,080
Consultancy fees	1,201	737	2,899	4,837	16,044
Hospitality costs	2,232	2,019	2,104	6,355	2,933
Support cost allocated to activities:					
Premises costs	13,874	8,999	18,439	41,312	31,219
Office costs	3,406	2,033	5,837	11,276	11,038
Equipment/Equipment rental	2,159	524	7,983	10,666	12,963
Insurance	2,048	1,257	2,938	6,243	5,873
IT & Website costs	1,980	1,216	2,861	6,057	8,457
Marketing costs	264	163	874	1,301	3,682
HR & Payroll costs	515	316	3,195	4,026	1,298
Audit costs	2,067	1,268	2,965	6,300	5,500
Depreciation	8,306	5,098	11,918	25,322	24,632
Loss on disposal of fixed assets	112	68	160	340	-
	<u>387,366</u>	<u>153,931</u>	<u>356,181</u>	<u>897,478</u>	<u>605,043</u>

Total charitable expenditure was £897,478 (2022: £605,043) of which £91,712 (2022: £46,464) was unrestricted and £805,766 (2022: £558,579) was restricted.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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	(387,366)	(153,931)	(356,181)	(897,478)
Direct grant support	239,029	96,386	363,330	698,745
Other income	27,845	17,263	46,668	91,776
	<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)	(120,492)	(40,282)	53,817	(106,957)
	<hr/>	<hr/>	<hr/>	<hr/>

8. GRANTS PAYABLE

	2023 £	2022 £
Big Hearts Community Trust	-	3,900
Craigmillar Now	7,000	-
Duncan Place	6,029	-
Edinburgh Old Town Development Trust	6,550	-
Granton Hub	7,000	-
Lyra Theatre	7,000	-
North Edinburgh Arts Centre	16,733	32,113
Out of The Blue	6,406	-
Score Scotland	8,000	10,000
The Broomhouse Centre t/a Space	-	3,900
Grants to organisations < £2,000	9,137	-
Grants to individuals < £2,000	10,788	-
	<hr/>	<hr/>
	84,643	49,913
	<hr/>	<hr/>

During the years grants totalling £84,643 (2022: £49,913) were payable to 21 organisations (2022: 4 organisations) and 21 individuals (2022: nil) supporting partnership working in the community.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. STAFF COSTS

The aggregate staff costs were:

	2023	2022
	£	£
Salaries	386,603	287,189
Employers' NI	25,354	15,773
Pension	13,086	9,235
	<hr/>	<hr/>
	425,043	312,197
	<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 current or previous year. No expenses have been reimbursed to directors in either the current or previous year.

The total employee benefits of the key management personnel were £69,592 (2022: £43,904).

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:

	2023	2022
	No.	No.
Chief Executive Officer (seconded)/Interim CEO	2	1
Project staff	15	13
Admin staff	4	4
	<hr/>	<hr/>
	21	18
	<hr/> <hr/>	<hr/> <hr/>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. TANGIBLE FIXED ASSETS

	Buildings £	Fixtures, Fittings & Equipment £	Total £
COST			
At 1 April 2022	855,539	58,068	913,607
Additions	17,008	1,064	18,072
Disposals	-	(4,529)	(4,529)
	<hr/>	<hr/>	<hr/>
At 31 March 2023	872,547	54,603	927,150
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2022	309,379	45,267	354,646
Charge for the year	20,919	4,403	25,322
Released on disposal	-	(4,189)	(4,189)
	<hr/>	<hr/>	<hr/>
At 31 March 2023	330,298	45,481	375,779
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2023	542,249	9,122	551,371
	<hr/>	<hr/>	<hr/>
At 31 March 2022	546,160	12,801	558,961
	<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

	2023 £	2022 £
Grants receivable	83,429	79,778
Other debtors	14,672	4,369
	<hr/>	<hr/>
	98,101	84,147
	<hr/>	<hr/>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	21,338	15,304
Other taxes and social security costs	9,403	6,246
Pension creditor	6,847	6,648
Other creditors & accruals	28,421	19,338
	<hr/>	<hr/>
	66,009	47,536
	<hr/>	<hr/>

CREDITORS: amounts falling due in greater than one year

	2023	2022
	£	£
Pension creditor	18,485	26,141
	<hr/>	<hr/>
	18,485	26,141
	<hr/>	<hr/>

13. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2023 the Charity had total commitments under non-cancellable operating leases (in respect of the lease of equipment) as set out below.

	Equipment	
	2023	2022
	£	£
Operating leases which expire:		
Due within 1 year	2,834	2,270
In 1-5 years	1,531	3,502
	<hr/>	<hr/>
	4,365	5,772
	<hr/>	<hr/>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. UNRESTRICTED FUNDS – CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Gain/(Loss) £	Balance at 31 March 2023 £
Designated Funds:						
Solar Panels	3,357	-	(1,680)	-	-	1,677
Anniversary Fund	5,000	-	-	(5,000)	-	-
Website Development Fund	18,377	-	-	-	-	18,377
	<u>26,734</u>	<u>-</u>	<u>(1,680)</u>	<u>-</u>	<u>-</u>	<u>20,054</u>
General funds	176,805	105,102	(120,910)	(2,404)	1,482	160,075
	<u>203,539</u>	<u>105,102</u>	<u>(122,590)</u>	<u>(7,404)</u>	<u>1,482</u>	<u>180,129</u>

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 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
	<u>5,039</u>	<u>-</u>	<u>(1,682)</u>	<u>23,377</u>	<u>-</u>	<u>26,734</u>
General funds	167,086	123,504	(71,417)	(23,417)	(18,951)	176,805
	<u>172,125</u>	<u>123,504</u>	<u>(73,099)</u>	<u>(40)</u>	<u>(18,951)</u>	<u>203,539</u>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. RESTRICTED FUNDS – CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
Restricted income – non-capital					
<u>Working with Young People:</u>					
Street Arts	10,374	-	(10,185)	-	189
smARTies	5,602	4,545	(8,788)	7,000	8,359
Play, Sense, Create	13,029	15,747	(16,061)	-	12,715
Easter/Summer Programme	1,446	7,492	(7,494)	-	1,444
CEC Creative Programmes	-	27,772	(27,772)	-	-
<u>Working with adults:</u>					
Adult Art & Wellbeing	31,495	15,147	(33,325)	-	13,317
Art In The Open	6,929	-	(8,573)	1,644	-
Culture Collective	240,345	162,116	(199,819)	-	202,642
Mum's Into Business	10,546	-	(8,847)	-	1,699
<u>Working in the community:</u>					
Digital Communities	21,562	5,932	(29,603)	2,109	-
Community Development	1,436	-	(1,038)	-	398
Grow, Cook, Eat, Repeat	19,915	52,400	(34,627)	(8,402)	29,286
Café & Workshop	22,163	24,710	(41,332)	10,173	15,714
Community Wealth Building	22,304	45,190	(41,532)	-	25,962
Cultural Recovery	-	53,368	(27,976)	(12,956)	12,436
Explorathon (Napier)	2,556	-	-	-	2,556
Place Plan Development	5,585	2,675	(110)	-	8,150
Investing in Communities	303	104,336	(105,164)	525	-
Community Cultural Hubs	1,547	128,000	(106,823)	(6,987)	15,737
Community Cinema	-	30,000	-	-	30,000
SCSP Pathways	14	-	-	(14)	-
Art Works	46,586	15,529	(56,883)	(2,707)	2,525
Pod Press	12,205	3,560	(13,765)	-	2,000
Other small projects	6,026	-	(4,967)	11	1,070
	<u>481,968</u>	<u>698,519</u>	<u>(784,684)</u>	<u>(9,604)</u>	<u>386,199</u>
Restricted income – capital					
Building Fund	518,207	-	(18,509)	-	499,698
Refurbishment Fund	13,745	-	(491)	-	13,254
Westburn CAN	10,823	-	(1,475)	-	9,348
Café Development	-	-	(607)	17,008	16,401
	<u>542,775</u>	<u>-</u>	<u>(21,082)</u>	<u>17,008</u>	<u>538,701</u>
TOTAL RESTRICTED FUNDS	<u>1,024,743</u>	<u>698,519</u>	<u>(805,766)</u>	<u>7,404</u>	<u>924,900</u>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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.

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 31mart 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. This is ongoing and the Café is opened 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 on behalf of the Go Beyond Network. The project area covers South-West Edinburgh.

Cultural Recovery: Funding from Creative Scotland to support creative activities and organisational development.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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.

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

Community Cinema: Funding from City of Edinburgh Council for supporting community cinema events at Creative Community Hubs.

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.

Café Development: Funding from Creative Scotland (Cultural Recovery Fund) and National Lottery Community Fund to design and fit out a community café at WHALE Arts Centre.

Transfers: £8,468 from general funds to restricted funds to cover deficits on restricted funds in 22/23
£1,064 transferred to the general fixed asset fund on the purchase of equipment from restricted funds and the restriction now met.

A number of project-project transfers within restricted funds where funding permitted as a number of projects support similar outcomes: Art in The Open £1,644 (from Art Works), Smarties £7,000 (from Community Cultural Hubs), Café Workshop £8,402 (from Grow Cook Eat Repeat), Community Cultural Hubs £14 (from SCSP Pathways)

£17,008 transferred from Cultural Recovery (£12,956) & Café Workshop (£4,052) to the Café Development (Capital) fund representing the capitalisation of the café installation.

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. RESTRICTED FUNDS (cont'd)

PRIOR 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><u>1,023,477</u></u>	<u><u>563,161</u></u>	<u><u>(561,935)</u></u>	<u><u>40</u></u>	<u><u>1,024,743</u></u>

WHALE, THE ARTS AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023
	£	£	£
Tangible fixed assets	12,670	538,701	551,371
Net current assets	192,791	386,199	578,990
Provision for liabilities	(25,332)	-	(25,332)
	<hr/>	<hr/>	<hr/>
Net assets	180,129	924,900	1,105,029
	<hr/>	<hr/>	<hr/>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2022

	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/>

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 2023

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:	£1,473,969 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 28 February 2034.

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 2023

PRESENT VALUES OF PROVISION

	31 March 2023 (£s)	31 March 2022 (£s)	31 March 2021 (£s)
Present value of provision	25,332	32,789	16,046

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2023 (£s)	Period Ending 31 March 2022 (£s)
Provision at start of period	32,789	16,046
Unwinding of the discount factor (interest expense)	673	128
Deficit contribution paid	(6,648)	(2,336)
Remeasurements - impact of any change in assumptions	(1,482)	(1,155)
Remeasurements - amendments to the contribution schedule	-	20,106
Provision at end of period	25,332	32,789

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2023 (£s)	Period Ending 31 March 2022 (£s)
Interest expense	673	128
Remeasurements – impact of any change in assumptions	(1,482)	(1,155)
Remeasurements – amendments to the contribution schedule	-	20,106
Contributions paid in respect of future service*	12,413	9,107
Costs recognised in income and expenditure account	11,604	28,186

*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 2023 % per annum	31 March 2022 % per annum	31 March 2021 % per annum
Rate of discount	5.40	2.30	0.86

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 2023

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 2023 (£s)	31 March 2022 (£s)	31 March 2021 (£s)
Year 1	6,847	6,648	2,336
Year 2	7,052	6,847	2,406
Year 3	7,264	7,052	2,478
Year 4	6,858	7,264	2,553
Year 5	-	6,858	2,629
Year 6	-	-	2,708
Year 7	-	-	1,395
Year 8	-	-	-
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 2023**

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 £13,086 (2022: £9,235) of which £2,190 (2022: £1,480) 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 2022. As of this date the estimated employer debt was £123,830.

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

No directors or persons related to a director had any personal interest in any other contract or transaction entered into by the Charity during the current or previous years.

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.