



Registered Company No: SC238959
Registered Charity No: SC033733

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



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ABERDEEN PERFORMING ARTS
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COMPANY INFORMATION

DIRECTORS AND TRUSTEES

The directors of the charitable company ("the charity") are its trustees for the purposes of charity law. The directors are:

C Pike	Chairman
M Boulton *	
K Fowler	
D Burnside	
D Cockburn	
H Yorston	
Dame A Begg	Resigned 1 May 2020
S Duncan*	
C MacKenzie*	Resigned 29 August 2019
A Mackenzie*	
A Howie	
A Effendi	Appointed 19 February 2020
V Krishnan	Appointed 20 February 2020
N Morris	Appointed 19 February 2020
W Mutch	Appointed 19 February 2020

* Directors nominated by Aberdeen City Council

COMPANY SECRETARY

Lynne Macfarlan	Resigned 18 November 2019
Christopher Simpson	Appointed 18 November 2019 and resigned 20 May 2020
Jane Spiers	Appointed 20 May 2020

REGISTERED OFFICE & PRINCIPAL ADDRESS

His Majesty's Theatre
Rosemount Viaduct
Aberdeen
AB25 1GL

AUDITOR

Azeta Audit Services
Statutory Auditor
Chartered Accountants
25 Bothwell Street
Glasgow
G2 8NL

BANKERS

Clydesdale Bank
1 Queen's Cross
Aberdeen
AB15 4XU

SOLICITORS

Stronachs LLP
28 Albyn Place
Aberdeen
AB10 1YL

**ABERDEEN PERFORMING ARTS
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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

YEAR ENDED 31 MARCH 2020

The Board of Directors is pleased to present its report and the audited accounts of the group for the year ended 31 March 2020.

Legal and administrative information set out on page 1 forms part of this report.

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to the accounts and comply with the charity's Memorandum and Articles of Association, the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in accordance with the Companies Act 2006.

Objectives and Activities

The primary objectives of the company as set out in the Memorandum and Articles of Association of the company are:

- Present, provide or assist in the provision of facilities at reasonable cost for arts and cultural activities to the general public in Aberdeen and other parts of Scotland in the interests of social welfare and improving the conditions of life of the general public.
- Advance the education of the public in arts and cultural activities by presenting, promoting, sponsoring, supporting and assisting in the development of public interest in and awareness of arts and cultural activities through the use of outreach programmes, publications and other media promotion.
- Provide accessible and affordable opportunities for all members of the general public to participate in arts and cultural activities including people with protected characteristics and people experiencing socio economic deprivation and other forms of disadvantage and to encourage wider participation from all ages and minority groups.

Aberdeen Performing Arts is a creative hub and focal point for the arts, creative learning and talent development in the North-east. Our three iconic, city centre venues - the Music Hall, His Majesty's Theatre and The Lemon Tree - are all on a national and international touring circuit for the performing arts.

We are a vital part of the economic infrastructure in North-east Scotland, playing our part in the transition to a more balanced economy following the oil and gas downturn. We are a multi award winning and sector leading company and arts charity. In 2019 we were named Business of the Year in North-east Scotland for the contribution we make to place and people - to the visitor economy, to city centre regeneration, to placemaking, to the arts and to community cohesion and social welfare initiatives - all positioning Aberdeen and the North-east as a vibrant city with creative communities.

We run a production company that makes work and acts as a talent pipeline for artists and creative practitioners in the North-east, we run a digital art space and we support a creative learning team that works with young people and in vulnerable communities across the North-east.

We are active partners, networkers and collaborators across the city, Scotland and the UK, ambassadors not just for Aberdeen Performing Arts but for Aberdeen and the cultural sector in the North-east. Our expert team provides support for other arts organisations and companies in the region, extending understanding, appreciation of and participation in the arts and supporting audience and industry development. We are the network hub for more than 50 cultural venues and festivals across the North-east.

We contribute to the outcomes of the Local Outcome Improvement Plan (LOIP), we are on the Policy Council of the Aberdeen and Grampian Chamber of Commerce, active members of the City's Events 365 Group, sourcing, producing and curating significant events for the city, we are members of Culture Aberdeen, playing a leading role in the development and delivery of the cultural strategy for the city through positive action, we are on the Night-time Commission Panel and part of the Purple Flag Initiative ensuring a vibrant and safe city centre evenings and weekends. We work closely with Visit Aberdeenshire on tourism

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Objectives and Activities (continued)

initiatives and destination marketing campaign planning. In addition to our role as a cultural tourism destination our venues are also a key conference and events destination in the North-east. In 2019/20 we held 65 conferences and events attended by 32,000 delegates.

Our mission, vision, values, operational standards and goals are:

Our Mission
Creating a Spark

Our Vision
A vibrant, cultural hub at the heart of city life inspiring, exploring and engaging through live performances and creative projects.

Our Values
Optimism
Curiosity
Loyalty
Resilience
Teamwork

Operational Standards
Health & Safety
Courtesy
The Show
Efficiency

Strategic Aims
Programme: Create a distinctive and diverse artistic programme
Talent: An incubator for artists and talent development in the North-east
Creative Learning: Provide inspirational creative engagement and participation opportunities
City Vision: Provide cultural leadership to shape city vision and a creative Scotland

Strategies for achieving Aims and Objectives

We have a programme of organisational development in place at Board and Team level to ensure we have the vision, expertise, attitudes, behaviours and strong committed leadership to deliver on our shared ambitions, themes and priorities for arts and culture in the North-east.

We play a key role in partner strategies to shape Aberdeen as a creative, bold, ambitious and dynamic city by:

- Continuing to expand and diversify our cultural programme across all three venues.
- Increasing our commissioning, producing and curating role in the arts to create original work made in the North-east.
- Developing The Lemon Tree as a production hub, a space for discovering new talent and for presenting adventurous work.
- Providing a programme of professional development for artists and arts practitioners in the North-east.
- Consolidating our role as an accessible and inclusive focus for creative learning.
- Improving cultural diversity on our board, in our workforce and on our stages.
- Developing our digital capacity to create arresting content, improve media presence and widen audience engagement.
- Investing in our iconic venues to ensure they remain inspirational and fit for purpose.

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Assessing Success

We measure and evaluate using qualitative and quantitative evidence to identify impacts and the difference we make to:

- **The arts in Scotland and the North-east** – by measuring the range, quality, volume and impact of our cultural programme and activities locally, regionally, nationally and internationally and building understanding of the transformative power of the arts.
- **Regional economy** – by measuring the contribution we make towards creating an inclusive regional economy, placemaking, city regeneration, cultural tourism, health and wellbeing agendas.
- **Individuals in terms of their personal development** – by measuring how we will help more people and from more diverse communities to engage, learn, enjoy, gain new skills and experience, broaden horizons, develop creativity.
- **Groups and communities** – by measuring how we will achieve greater interaction, active involvement, new friendships, develop influencing skills and improve a sense of community, build and strengthen partnerships, improve our sense of identity and community, improve the quality of the local environment and build a more diverse audience from a broader social spectrum.
- **Our organisation and our people** – by measuring our capacity to do better, our visitor satisfaction levels, our sustainability, our environmental impacts, the stewardship of our buildings and our partnerships.

Summary of Methods

We use a range of tools and techniques to solicit information from audiences, participants, workshop leaders, facilitators and employees, volunteers, partner organisations, advisors and specialists. We conduct activity-based research, interviews, arts projects, focus groups, media and social media, surveys, peer comparison and produce project evaluation reports.

Achievements and performance

Cultural Programme

In 2019/20 we staged 814 performances to an audience of 364,475 paying attenders and welcomed more than 1,250,000 visitors through the doors. 46.2% of our paying attenders were from the City of Aberdeen and 54.8% from the rest of the UK.

Our Venues

Music Hall

In 2019, we delivered the award winning £10M Music Hall redevelopment for the city, all aspects of which were led by Aberdeen Performing Arts from fundraising to construction project management. This has made a significant contribution to the continued investment in the city's infrastructure and the creation of a vibrant built environment, exceeding all targets set in the first full year of operation, attracting international artists, signature concert and record breaking audiences. Since the Music Hall re-opened we have increased attendance by 18% within the first year of activity.

The opening season features a diverse programme of signature events, curated programming, and the very best touring productions, as well as conference and events business in the transformed city centre venue.

During Spring 2019, the opening concluded with performances by artists including Heather Small, Beverley Knight, Nathan Carter and KD Lang, bands such as Black Stone Cherry, Papa Roach and Ocean Colour Scene, classical concerts from Scotland orchestras, Scottish Ensemble and Dunedin Consort's Matthew Passion, and comedy and spoken word events with Rhod Gilbert, Reginald D Hunter, Adam Kay and Judy Murray. We curated two international collaborative events – our Northern Arc Session with Capercaillie and Xabier Diaz with Adufeiras de Salitre, and Lau Land featuring the Scottish band with artists from the UK and Ireland. There was curated programming for younger audiences which included gigs by bands such as DMAs, a live film with orchestra performance of Back to the Future, and early years performances in the

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Music Hall (continued)

new Big Sky Studio. There were three further series in the new Big Sky Studio including our Big Sky: Big Horizons writers talks featuring Claire Fuller, Jess Kidd, Leah Hazard and Colin McIntyre, and our Classical Curtain Raisers featuring the next generation of classical music talent, and the cross-artform, collaborative Big Sky Sessions.

Highlights from the rest of the year at the Music Hall included bands The Cult, Shed Seven, Bastille and Primal Scream, singer-songwriters Jack Savoretti and King Creosote, comedians Ben Elton, Frank Skinner and John Bishop, and the annual Trad Music Awards broadcast live on BBC ALBA.

His Majesty's Theatre

His Majesty's Theatre continues to be the home of the West End in the North-east, of Scotland's national companies for dance, opera and theatre, first theatrical experiences for children, Aberdeen's leading amateur theatre companies, and of one of Scotland's most celebrated pantomimes. Highlights of this year include first time visits of West End musicals Kinky Boots and American Idiot, returning popular favourites including The Bodyguard, We Will Rock You and 9 to 5, as well as top quality contemporary drama with The Girl on the Train and Dial M for Murder, choreographer Wayne McGregor's Autobiography, children's productions such as Madagascar and The Gruffalo, and work from Scottish Ballet and Scottish Opera.

Lemon Tree

The Lemon Tree is Aberdeen's venue for cultural discovery and presents a year-round programme of artists from new talent to living legends. We presented a diverse selection of music, comedy, drama, dance and family work throughout the year. Highlights included gigs by The Skids, The Lafontaines, Yola, Lucy Spraggan, She Drew the Gun and Wolfgang Flur; roots performances with Peat and Diesel, Braebach, Niteworks, Flook and a Northern Arc gig with Old Blind Dogs and Startijen; comedy and spoken word from comedians Kiri Pritchard-Mclean, Jay Lafferty, James Acaster, author Antony Horowitz, and criminal psychologist Jennifer Rees; and theatre production including Drift by National Theatre of Scotland and Locker Room Talk by the Traverse.

Our Festivals

Aberdeen Performing Arts remains at the heart of the city's festival culture, producing three festivals of our own, and acting as a programming and venue partner for many others. Collectively, in 19/20 our two festivals True North in September 2019 and Granite Noir in February 2020 achieved audience figures of 14,906 paying attenders and an additional 4,000 visitors to free events and exhibitions. 28% of the aggregated audience for both festivals came from out with Aberdeen and 19.5% stayed over one or more nights in the city resulting in 5,212 bednights over the course of the two festivals. Visitors booked from as far afield as USA, Japan, Canada, Israel and Australia. Our festivals are firmly established in Aberdeen's cultural calendar, increasing the city's creative offering and growing reputation as a festival city. The festivals align with regional strategies led by Visit Aberdeenshire to grow the North-east as a national and international visitor destination all year round.

In 2020 Granite Noir, now in its fourth year, successfully established itself as one of Scotland's signature book festivals and one of the UK's main crime fiction festivals. In 2020 there were 42 events, with 44 authors attending from 9 different countries achieve attendance of 9,140. 90% of attendees said that Granite Noir was the only or main reason for being in town.

Festival headliners included a Scottish exclusive with Sara Paretsky, Ian Rankin at Granite Noir for the first time and Ben Aaronovitch. Our Nordic contingent was led by Norway's Anne Holt. We introduced a music theme that included Stuart Cosgrove talking about his soul music trilogy and David Holmes, talking about his BAFTA award winning Killing Eve score. A first was our specially commissioned court room drama staged in the historic Courtroom 1 at Aberdeen Sheriff Court re-enacting a local nineteenth century trial. Our youth arts festival Light the Blue returned for its second year with showcase performances by each of our youth theatre groups including three devised productions, the first performance by our 18-25 year old young company, a gig by Project Band participants, an outdoor production of Dracula, workshops in maskcraft,

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Our Festivals (continued)

commercial musicianship, climate change and physical theatre, with an opening event on Broad Street featuring pipe band and devised theatre.

Our music festival continued to strengthen its reputation as an exciting, urban, indie music event, with the award-winning True North staging the biggest festival yet including gigs by The Twilight Sad, Shame, Self Esteem, Bill Ryder-Jones, Kathryn Joseph, Ibibio Sound Machine and a special concert 'Rip It Up Live' curated by DJ Vic Galloway celebrating Scottish pop music featuring top performers including Clare Grogan, Justin Currie and The Rezillos. There were performances throughout the city including at the Leopard stage at Marischal College and in bars and coffee shops, informal gigs in the Music Hall's Big Sky Studio, plus events for young people including the ever-popular My First Gig and our first kids disco Mini Maneuvres.

Our Produced Work

Aberdeen Performing Arts' producing company Freshly Squeezed Productions has established an ongoing programme of talent search, ideas development, artist exchange and theatre production. In 2019/20 we delivered:

- A new commissioned production for early years at Christmas, Ice House, created by Aileen Cohen and Sarah Corbett.
- Seven productions of A Play, A Pie and A Pint including an exclusive presentation of Alan McHugh's behind the scenes panto play It's Behind You.
- Two artist exchanges – featuring two North-east artists, electronic musician Fiona Soe Paing and writer and performer Jo Gilbert.
- Two scratch nights – delivering new plays, music and comedy with local writers, actors, directors, musicians and comedians.

In addition, two productions initially commissioned by Aberdeen Performing Arts were staged and toured again. Visible Fictions' A Ladder to the Stars toured Scotland and Flutter by Tortoise In a Nutshell did a Christmas run in Edinburgh.

Following an open call, three new pieces of digital art were commissioned for the Music Hall Stepping In Space in collaboration with New Media Scotland alt-w fund and with investment from Creative Scotland. They were Charles Young's "Assembly," Bright Side Studios, Ascus Art and Science, "Invisible Landscapes of Music" and Ray Interactive's "You are Here". In partnership with Look Again festival, Aberdeen Performing Arts hosted the digital art commission "Glisk" on the Music Hall's Stepping In Screen, created by Doric poet Jo Gilbert and local agency Design and Code. We also exhibited a short in-house commission of material from the Aberdeen City & Aberdeenshire Archives as part of the Granite Noir festival in February 2020.

Talent Development and Creative Learning

Our commitment to professional development and a skilled workforce for the future included supporting a total of 284 creatives through our talent pipeline programme in 2019, offering 53 work placements, 2 internships, a tailored mentoring programming to 30 young people and we were recognised by Developing the Young Workforce North East Scotland as a school partner with our certificate of School Engagement.

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Talent Development and Creative Learning (continued)

We also provide positive destinations and diversionary activity through our creative learning programmes which in 2019 totalled 20,348 participations and included:

- **Youth theatre classes** – Five groups for ages 5-18 years running in the HMT Studio.
- **Youth music classes** – Five groups for ages 1-18 years including our introductory Imagine classes, primary school Maestros classes, and our Project Band.
- **Young Company** – new group for 18-25 years.
- **Adult Drama Group** – an introductory programme for adults.
- **Teachers network** – termly meetings with teachers from Aberdeen City and Aberdeenshire.
- **Dance for Parkinsons** – a project delivered in partnership with Citymoves, Scottish Ballet and Dance Base.
- **Summer Schools** – two week long summer holiday projects for primary and secondary pupils creating a cross art form devised production.
- **Tours** – regular tours of His Majesty's Theatre and the Music Hall.

Fundraising

In 2018/19 we launched a campaign to replace the seating in the auditorium at His Majesty's Theatre and the focus of our fundraising effort throughout the year was to raise funds for our creative learning activities.

We secured funds from Weston Jerwood Foundation to be a host organisation for a creative bursaries programme aimed at providing a step-change opportunity for talent from socio-economic backgrounds that are currently under-represented across the arts. The programme offers a year-long creative Fellowship to expand capacity for artistic production and take part in an 18-month Organisational Change programme.

We were unsuccessful in securing funds from the Youth Music Initiative fund which will impact on our ability to deliver the programme in the next two financial years unless we secure an alternative means of funding.

We secured a generous legacy funding donation for the promotion and encouragement of the playing of classical music on the part of young children in Aberdeen in the context of an International Festival of Music held in the city of Aberdeen annually.

Thanks to an investment in Spektrix ticketing tool we had our most successful year to date in securing online donations.

Towards the end of March 2020, in response to the COVID-19 pandemic and the closure of our venues, we switched the focus of our fundraising to securing funds to keep us solvent.

Business Transformation

We continued to push digital transformation through the "Think Digital" programme in 2019-2020. Think Digital includes projects such as a web and digital development project to optimise online ticketing and product sales, the implementation of a digital asset library, Dash, and commissioning new digital art on the Stepping in Screen.

The web development and digital strategy tender was sent out in December 2019, and four agencies were shortlisted. Unfortunately, the project was put on hold due to Coronavirus and so we have continued to work with our current developer in managing our current website ahead of the process.

In 2019, we introduced a new digital asset library which launched in December 2019 to all staff. This has improved the visibility and searchability of assets such as photography and communications materials. Phase two of this project will review the merging of digital libraries to host all archived assets from the historic Interpretation and Music Hall archive projects into one central resource library.

Our ticketing/CRM partner Spektrix delivered advanced consultative training packs to box office staff, including "Asking for Donations" and "Assess Your Access." In addition, we integrated our Spektrix system

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YEAR ENDED 31 MARCH 2020

Business Transformation (continued)

with data analytics tool Purple Seven, and we continue to work with The Audience Agency to implement the Audience Finder tool. Artifex was also migrated to a managed hosting platform in preparation for integration with Spektrix in 2020.

In 2019, we installed Onelan digital display screens at HMT and The Lemon Tree. All three venues have networked screens and players to centralise control of all our digital advertising and a digital totem was installed outside the Music Hall in 2020.

Competitive quotes were obtained from two suppliers to purchase new hardware for all staff. This is being done under a Device-as-a-Service (DaaS) model, which allows us to spread the cost of purchase over three years instead of undertaking a capital investment. The contract was due to be signed in March and hardware deployed at the start of the new financial year, although this was delayed due to the Coronavirus pandemic.

Other "Think Digital" projects completed in 2019-2020 include the digitisation of VAT returns as part of HMRC's Making Tax Digital (MTD) and a data rationalisation exercise, merging data storage into a central file share and reviewing data held on our SharePoint intranet site.

Cybersecurity and Compliance

We are now PCI-DSS compliant on our ecommerce sales channel, which comprises 70% of overall ticket sales. As part of this work, we rolled out staff awareness on cyber security through the Soundcheck Live staff briefing session and extended this to trustees at a full board meeting in August 2019. We also engaged with Sec-1 to undertake annual internal penetration test in September 2019. This has been delayed due to the Coronavirus pandemic.

In October 2019, our financial auditor Scott-Moncrieff came onsite to undertake a GDPR health check. The report was favourable with some items to review. These items are being collated into a GDPR action plan, which will be delivered in the next financial year.

In November 2019, we undertook a proof-of-concept phishing campaign in November to raise staff awareness of email threats. Only two out of 100 users fell for the campaign. We are looking to undertake these tests on at least an annual basis.

Due to delays with PCI-DSS compliance following on from coronavirus, CyberEssentials accreditation has been moved to 2020-2021.

Business Continuity

All the policies and procedures that form part of our Business Continuity Management Plan were reviewed in response to incidents that have occurred, such as show cancellations, flooding and the current Coronavirus pandemic.

Operations

We have updated the 10-year maintenance plans and Building Information Packs for all three venues, which includes vital information about each building.

In line with the "Think Digital," along with e-lights, ladders and fire appliances, the Operations and Technical teams have now included first aid boxes to this online register. We have also introduced a new process for storing, reviewing, and completing Risk Assessments and Accident and Incident forms on SharePoint.

His Majesty's Theatre: The five-year electrical survey was completed at His Majesty's Theatre and remedial actions completed. A plasterwork survey took place at HMT in November 2019 with no major issues reported. The boiler service and health check took place in October 2019 and several faults were rectified. Planning consent was approved to install bollards to secure the car park spaces on the ramped

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

area leading up to Denburn. Work was due to commence in 2020 but has been delayed due to the Coronavirus pandemic.

Music Hall: In January 2020, we reached the end of the contractor's defects period. There are a small number of issues that remain incomplete at this point, and we are working with Kier Construction to resolve them. A new panic alarm was installed and tested. A handrail was installed at the front of the venue, allowing access up the stairs to main reception. Planning consent was applied for to undertake stonework cleaning. Approval was granted in January 2020, with conditions attached, all of which pose no problem to undertaking the work, which will commence in 2021.

Lemon Tree: The five-year electrical survey was completed at The Lemon Tree and remedial actions completed. Permanent repairs were completed to the drain downpipe and cleared the roof and guttering from debris. Contractors completed the roof cladding and insulation of pipework. A new fire panel and panic alarm was installed and tested.

Environmental Sustainability

In 2019, environmental consultancy firm Beyond Green completed energy audits and analysis of our energy consumption across all three venues. Following on from this work, we completed the mandatory Energy Savings Opportunities Scheme (ESOS) compliance pack, which was submitted to the Environment Agency in December 2019. This covers the business for the next four years. Beyond Green also submitted a proposal to implement a stakeholder awareness programme, which will define our key messages and identify relevant information for reporting sustainability performance to different stakeholders.

As part of our Creative Scotland regularly funded status, we developed a three-year carbon management plan, committing to change all tungsten filament light fittings to GDS LED fittings at His Majesty's Theatre and The Lemon Tree, including motion sensors where appropriate. The plan was assessed by Creative Carbon Scotland and achieved a maximum score of 15/15. As part of the plan, we committed to change all tungsten filament light fittings with LED fittings in our venues. We have completed the switch to LED in the auditorium at His Majesty's Theatre. The remaining work was 65% complete by the end of 2019-2020.

The artist in residence at the James Hutton Institute delivered her report with observations and recommendations, which will be reviewed and implemented in 2021.

Awards and Commendations

In 2019 we won the Northern Star Business Award for Business of the Year in the North East and we were shortlisted for the Northern Star Eco Hero Award. We won the VIBES Environmental Business Award 2019 in the category of Engaging Scotland. We were Society Awards 2019 Winner for Best Contribution to Entertainment, the Royal Incorporation of Chartered Surveyors (RICS) Awards 2019 Winner for the Music Hall for Community Benefit. We won the Chartered Institute of Public Relations (CIPR) PRide Award 2019 and Music Hall Stepping In Campaign won Arts, Culture or Sport Campaign of the Year.

In 2019 we secured the government's externally validated Customer Service Excellence Standard gaining an additional two 'Compliant Plus' ratings.

Healthy Working Lives

As part of our Healthy Working Lives programme, we re-accredited our bronze award and successfully achieved the silver award. The Aberdeen office for the Department for Business, Energy and Industrial Strategy agreed to work as our mentors in the pursuit of our gold award. As part of the scheme, we continued to promote our programme of health and well-being with information campaigns and activities such as weekly yoga sessions, participation in the Marine Conservation Society BeachWatch beach clean events, and Book Club.

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Business Planning

In 2020/21 we are entering year three of a three year rolling business plan and during 2019/20 we have taken time out as a Leadership Team and engaged in planning sessions with our Board and extended management team to start the process of putting in place our business plan for 21/22 – 23/24.

We review our business plan targets monthly at Leadership Team meetings, quarterly at management team meetings and quarterly at Board meetings. Our business plan targets are also reviewed against performance at our annual employee appraisals.

In 19/20 we reviewed and updated our Memorandum and Articles of Association.

Challenges

The single biggest challenge struck at the end of the financial year in March 2020 when, as a consequence of the COVID-19 pandemic, we had to close our venues at short notice with the loss of all revenue for the foreseeable future. Measures we took immediately to minimise impact included to furlough 95% of our workforce taking advantage of the job retention scheme, delete the 3% pay award, enter into negotiations with contractors to negotiate reductions and breaks in contract with our supply chain and mount a fundraising campaign. We are also rescheduling shows into 2021 so that we have a full and commercially viable programme for re-opening.

During the year, the economic downturn in the North-east due to the continuing oil and gas recession remained a challenge and has had an adverse impact on ticket sales and our fundraising efforts. Conversely, it has led to a recognition of the potential of the tourism sector in the region and Aberdeen Performing Arts is well placed to contribute to collaborative initiatives to grow cultural tourism. We have forged strong links with strategic partners such as Visit Aberdeenshire, Aberdeen Inspired, Aberdeen and Grampian Chamber of Commerce and Events 365

Financial Review

Review of the year

The group income for the year, amounting to £11,357,683 (2019: £14,447,240) has been dealt with as shown in the Statement of Financial Activities. Included within the 2019 figure is £3,602,475 which was received in relation to the Music Hall redevelopment project. Excluding this exceptional item, income has increased by £512,918.

The total reserves of the group are £10,871,360 (2019: £10,739,446). Of this £213,784 represents the general (trading reserves) fund (2019: (£222,819)); £10,317,374 designated fixed asset fund (2019: £10,899,001) and the remaining £340,202 restricted funds (2019: £63,264).

Risk Management

The Board of Directors is responsible for ensuring that effective systems of internal control and risk management are in place and recognises that the management of risk is an integral aspect of all of Aberdeen Performing Arts' activities. The company operates a single consolidated risk register and compliance register and a process which is designed to ensure that the Board of Directors is fully aware of the risks inherent in our operations. In the normal course of business, the risk register and the compliance register are reviewed and updated monthly by the Leadership Team, are a standing item on the agenda of the Finance, Audit and Property Subcommittee four times a year and reviewed twice a year by the Aberdeen Performing Arts Board. The Leadership team is responsible for monitoring the company's risk management systems and raising awareness and understanding of the risks. Risks are tracked with a target risk level agreed for risk mitigation.

We now have a separate COVID-19 risk register which is updated regularly and reviewed by our COVID-19 Board Sub Committee.

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Risk Management (continued)

The principal risk faced by the company in 2020/21 is the impact of the COVID-19 pandemic on our venues – financial due to loss of income and a decline in attendance figures due to a lack of audience confidence post- COVID-19.

Other risks include breaches of ICT security and a reduction in public subsidy.

The risk of any reduction in funding is mitigated by maintaining good relationships and communication with funding bodies, having a proactive approach to seeking new sources of external funding, maximising profit from food and beverage and regularly reviewing our business plan to ensure it meets the requirements of our funders.

The risk of a decline in attendance figures is managed by having a proactive approach to programming at our venues and ensuring we provide a high level of customer service at all times. This is measured by an effective audience development plan and our Customer Services Review Group which monitors and reports on levels of customer satisfaction.

We take the protection of data, customer security and the threat of cyber-attacks very seriously and maintains an appropriate security, maintenance and back-up programme. We are PCI compliant and work continuously to achieve and maintain accredited standards. We continue to invest in equipment and software to maintain resilience.

Investment Policy

It was agreed by the Board that funds not required in the short term for operational purposes would be invested in low risk bank accounts which offer competitive rates of interest in order to make best use of the funds held whilst taking cognisance of when the money may be required. We will require to access these funds in 20/21 in order to maintain liquidity during the Coronavirus pandemic.

Reserves Policy

Following consideration of the level of risk involved in the activities of Aberdeen Performing Arts and to safeguard the liabilities of the company, the Board has decided that general reserves should be maintained at a minimum of £100,000 with a view to increasing them to a maximum level of £400,000. Furthermore, because of the likely future liability to undertake essential repair work and maintain the fabric of the three buildings leased and operated by the company, two of which are grade A listed, the Board has agreed that a property reserve fund be maintained within the band of £300,000 to £1,000,000 in order to safeguard the long-term interests of the company. In this financial year reserves have been used to ensure liquidity and remain a going concern while our venues are closed due to the Coronavirus pandemic.

Principal Funding Sources

The main public funding for the company comes from Aberdeen City Council and Creative Scotland. Public sector funding represents 12% of operational turnover in 19/20. The subsidiary trading company which operates the bars, restaurant and coffee shops in our venues generates profit, all of which is donated to the charitable company.

Plans for Future Periods

The theme of our business plan is Imagining New Futures and our priorities have been very much about seeing things come to fruition. Rooted in the North-east, Aberdeen Performing Arts provides cultural leadership in an economy that is pivoting away from oil and gas reliance. There is a fresh focus on the role of the arts in creating a rounded and fulfilling life for both locals and those who travel to the region from across the world to work. The city's offer to cultural tourists has also taken on a stronger significance in the mixed economy. All of which has encouraged us to revisit and refresh our artistic goals and to re-evaluate our considerable cross-art form and multi-venue potential as we start to plan for the next iteration of our rolling business plan from 21/22 to 23/24.

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Plans for Future Periods (continued)

Our corporate goal for the year 19/20 was "Think Digital", designed to drive organisational transformation in everything we do. We made significant progress in all online content streams and we rolled out a digital asset management system to create a centralised repository for marketing content. We had intended to continue to invest in digital development in 2020/2021 but this is currently on hold.

In addition to our Think Digital corporate goal in 19/20 we undertook to refresh and re-invigorate our Open House Equalities, Diversity and Inclusion (EDI) plan. We refocussed on the embedding of EDI principles and goals throughout every aspect of our business, beginning the process of ensuring that every decision in our business holds a focus on EDI and the impact each decision may have on under-represented groups in our society.

The COVID-19 pandemic has had an unforeseen and immediate impact on our business, likely wiping out any opportunity to generate revenue in 2020/2021. This will inevitably impact on future plans and the priority going forward in 2021/22, assuming our venues have re-opened, will be recovery. We have a strong programme rescheduled into 2021/22 but we cannot underestimate the impact of the pandemic on audience confidence, staff morale and on our bank balance. Given the context, future planning priorities will be:

Ensure that we have a strong artistic and commercially viable cultural programme in place across all three venues in 2021 and 2022.

Roll out a programme of organisational development to build Team Aberdeen Performing Arts back post pandemic and address any morale issues and gaps left in the team.

Develop an audience engagement strategy and restore customer confidence.

Improve the profitability of our trading company activity, specifically bars, café bars, restaurants, corporate hospitality and conference and events business.

Maintain an integral, high-profile role in the region's cultural infrastructure.

Continue to fundraise and take advantage of government support available to us.

Structure, Governance and Management

Governing Document

Aberdeen Performing Arts is a charitable company limited by guarantee which is governed by its Memorandum and Articles of Association.

Organisational Structure

A Board of Directors administers the charity. The directors of the company during the year ended 31 March 2020 were as noted on page 1. There are 2 sub-committees which report directly to the Board: Finance, Audit and Property and Organisational Development.

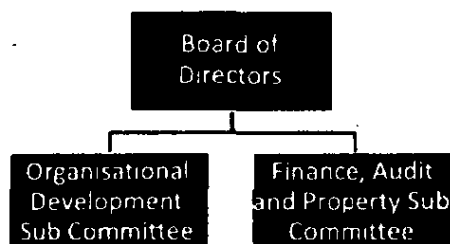
ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Organisational Structure (continued)

Board Structure:



The Role of Directors

Policy and Planning

- Provide leadership, direction and support to the Aberdeen Performing Arts team
- Set overall strategic direction, policy and aims for all aspects of our business

Legal and Financial

- Seek the financial resources required to carry out the aims and objectives of the organisation
- Ensure that proper accounting records are kept and that financial statements comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006
- Safeguard the assets of the group and the charity
- Ensure the Company operates within Company and Charity Law

Management

- Through the Board, provide a single decision-making forum and clear lines of communication and reporting
- Make appointments to the Board and hire the Senior Management Team
- Ensure systems are in place for performance management and review (artistic, financial and managerial)

Advocacy

- Act as ambassadors and advocates for our venues and our programmes.

Appointment of Directors

Under the Articles of Association, Aberdeen City Council may nominate up to four directors.

One employee director is elected by a ballot of staff for a period of two years.

The remaining eleven directors are drawn from the local community and are recruited by a process of advertising vacancies in order to align vision and values and match skills to fill an overall skills bank for the Board as a whole. All directors recruited in this way have an interest in the arts and have expertise in a range of disciplines including education, marketing, PR, financial and other similar skills. Four new directors were recruited in 2019/2020 with a range of skills, experience and from diverse backgrounds.

Induction and Training

New directors undergo a half day induction session to make them aware of their roles and responsibilities under company and charity law. The sessions include a tour of the three buildings operated by Aberdeen Performing Arts; briefing on the legal responsibilities of directors; briefing by the Chief Executive and senior officers of the company on the operation of the organisation, its staffing structure, the budgets and financial arrangements of the organisation. These sessions also consider the division of responsibility between Board

**ABERDEEN PERFORMING ARTS
(A company limited by guarantee)**

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Induction and Training (continued)

members, the Chairman of the Board, the Chief Executive and the managers of the company. Directors are also made aware of the major financial risks to the company.

Directors are also encouraged to attend the training events led by Arts and Business Scotland including "How to be a Board Member", "Chair Matters" and tailor-made Board development sessions.

An evaluation of the performance of the Board of Directors at a corporate and individual level takes place on a bi-annual basis.

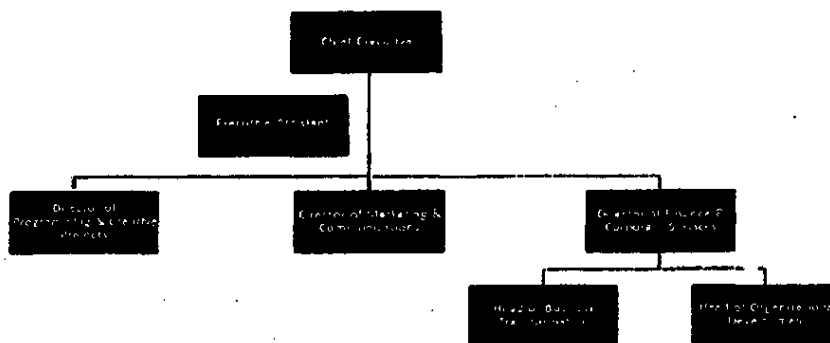
Finance, Audit and Property Sub Committee

The Finance, Audit and Property Sub Committee reports to the Board of Directors and has delegated executive powers as set out in the Terms of Reference. The role of the Sub Committee is to assess the overall integrity of financial recording and reporting systems and the effectiveness of internal controls, business systems and processes, risk management systems and internal and external audit functions. It monitors fundraising, investments and reserves. It oversees the management, maintenance and development of the properties occupied by the organisation. The Chief Executive and the Head of Finance are required to attend subcommittee meetings.

Organisational Development Sub Committee

The Organisational Development Sub Committee reports to the Board of Directors and has delegated executive powers as set out in the Terms of Reference. The role of the Sub Committee is to oversee Human Resources and Organisational Development and alignment of people, strategy and processes. It supports the organisation's role in recruitment, retention, development of the workforce, industrial relations and succession planning. It reviews Health and Safety management, Equalities, Diversity and Inclusion and the pursuit of Customer Service excellence.

APA Leadership Team



Operationally the Board is supported by the Leadership Team led by the Chief Executive who is appointed by the directors. The role of Chief Executive is held by Ms Jane Spiers. The team consists of 5 officers who provide day to day artistic, financial and operational management within the financial, legal and regulatory framework of the charitable company.

Aberdeen Performing Arts ensures compliance with all relevant charity, legal, employment and licensing legislation as detailed in the company's compliance register with directors being updated on legislative changes as necessary.

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Key Management Personnel Remuneration

The Board of directors, the Chief Executive and the Leadership Team are the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The Chair of the Board is remunerated and the other directors give freely of their time.

Directors are required to disclose all relevant interests and register them with the Chief Executive.

The pay award of 3% due to be implemented for all staff effective from 1 April 2020 was withdrawn in order to make reductions to expenditure in view of the Coronavirus (COVID-19) pandemic.

Related Parties

Aberdeen City Council is entitled to nominate four directors.

The charity owns 100% of the share capital of Aberdeen Performing Arts Trading Company Limited which operates the Aberdeen Box Office and the commercial activities at His Majesty's The (HMT), the Music Hall and The Lemon Tree.

Reference and Administrative Details

Aberdeen Performing Arts is a private company limited by guarantee (company number: SC238959) and a registered Scottish charity (charity number: SC033733). Details of the company's directors and trustees, company secretary, registered office and principal address, auditor, bankers and solicitors are on the Company Information page of these financial statements.

Directors' Responsibilities

The Directors (who are also the trustees of Aberdeen Performing Arts) are responsible for preparing the Directors' Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Charity and company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the income and expenditure of the group and company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ABERDEEN PERFORMING ARTS
(A company limited by guarantee)**

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Directors' Responsibilities (continued)

The directors 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 the financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to the auditor

As far as each of the directors at the time the report is approved are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the group auditor is aware of the information.

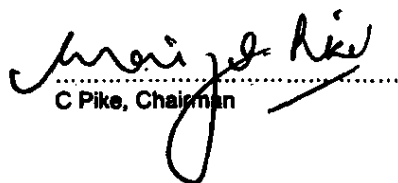
Post balance sheet events

There are no significant events affecting the group since the year end other than the impact of Covid-19 as explained above.

Auditor

Following the acquisition of Scott-Moncrieff Chartered Accountants by Azets, Scott-Moncrieff Chartered Accountants resigned as auditor and were replaced by Azets Audit Services Limited, trading as Azets Audit Services, a company owned by Azets. Azets Audit Services will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

The Directors' Report (incorporating the Strategic Report) has been approved by the directors on 16 November 2020 and signed on their behalf by:


C Pike, Chairman

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF ABERDEEN PERFORMING ARTS

YEAR ENDED 31 MARCH 2020

Opinion

We have audited the financial statements of Aberdeen Performing Arts (the 'parent charitable company') and its subsidiary (the group) for the year ended 31 March 2020 which comprise the Consolidated and Parent Charitable Company Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Parent Charitable Company Balance Sheet, the Consolidated and Parent Charitable Company Statement of Cash Flows, and the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2020 and of the group's and parent charitable company's 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The ongoing effect of Covid-19 on the UK economy is ever-changing and therefore it is difficult to evaluate all the potential implications to the group's and parent charitable company's activities, customers, suppliers and the wider economy.

**ABERDEEN PERFORMING ARTS
(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF ABERDEEN
PERFORMING ARTS (CONTINUED)**

YEAR ENDED 31 MARCH 2020

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditor's Report thereon. 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.

In connection with our audit of the financial statements, 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 the financial statements or a material misstatement of the other information. 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 other 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 (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report (incorporating the Strategic Report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report (incorporating the Strategic Report).

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

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF ABERDEEN PERFORMING ARTS (CONTINUED)

YEAR ENDED 31 MARCH 2020

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out on pages 15 and 16, the directors (who are the directors for the purposes of company law and trustees for the purposes of charity law) 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 group's and the parent charitable company'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 parent charitable company 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 from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's directors, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the parent charitable company's members, as a body, and the charitable company's directors as a body, 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 parent charitable company, the parent charitable company's members, as a body, and the parent charitable company's directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Allison Gibson, Senior Statutory Auditor
For and on behalf of Azets Audit Services, Statutory Auditor
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
25 Bothwell Street
Glasgow
G2 6NL

Date: 3 December 2020

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Income from:					
Donations and legacies	6	961,826	884,426	1,846,252	5,019,270
Charitable activities	7	7,500,626	258,478	7,759,104	7,858,275
Other trading activities	8	1,726,034	-	1,726,034	1,550,642
Investments		26,293	-	26,293	19,053
Total income		10,214,779	1,142,904	11,357,683	14,447,240
Expenditure on:					
Raising funds	9	1,388,923	-	1,388,923	1,260,534
Charitable activities	10	9,180,340	656,506	9,836,846	9,553,365
Total expenditure		10,569,263	656,506	11,225,769	10,813,899
Net income/(expenditure)		(354,484)	486,398	131,914	3,633,341
Transfers between funds	22	209,460	(209,460)	-	-
Net movement in funds		(145,024)	276,938	131,914	3,633,341
Reconciliation of funds					
Total funds brought forward	22	10,676,182	63,264	10,739,446	7,106,105
Total funds carried forward	22	10,531,158	340,202	10,871,360	10,739,446

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 25 to 46 form part of these financial statements.

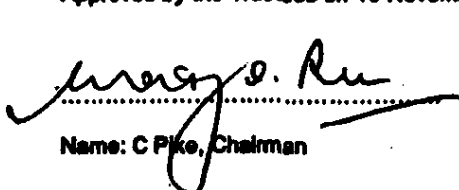
ABERDEEN PERFORMING ARTS
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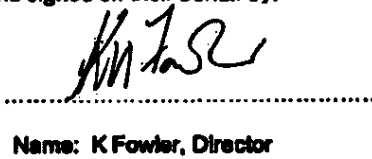
CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	15		10,381,157		10,995,646
Current assets					
Investments	17	1,541,961		45,148	
Stock		46,500		41,003	
Debtors	18	747,566		916,828	
Cash at bank and in hand		2,480,618		4,040,563	
		<u>4,816,045</u>		<u>5,043,542</u>	
Creditors: amounts falling due within one year	19	<u>(4,326,442)</u>		<u>(5,283,412)</u>	
Net current assets/(liabilities)			490,203		(239,770)
Provision for liabilities: deferred tax	21		-		(16,430)
Net assets			<u>10,871,360</u>		<u>10,739,446</u>
Unrestricted funds					
Designated funds	22	10,317,374		10,899,001	
General funds	22	<u>213,784</u>		<u>(222,819)</u>	
Total unrestricted funds	22,23		10,531,158		10,676,182
Restricted funds	22, 23		<u>340,202</u>		<u>63,264</u>
Total funds	22, 23		<u>10,871,360</u>		<u>10,739,446</u>

Approved by the Trustees on 16 November 2020 and signed on their behalf by:


Name: C Pike, Chairman


Name: K Fowler, Director

The notes on pages 25 to 46 form part of these financial statements.

Company registration number: SC238959

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

COMPANY STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDING 31 MARCH 2020

	Note	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Income from:					
Donations and legacies	6	1,205,374	884,426	2,089,800	5,272,276
Charitable activities	7	7,500,626	258,478	7,759,104	7,858,275
Investments		26,293	-	26,293	19,053
Total income		8,732,293	1,142,904	9,875,197	13,149,604
Expenditure on:					
Charitable activities	10	9,184,203	656,506	9,840,709	9,553,365
Total expenditure		9,184,203	656,506	9,840,709	9,553,365
Net income/(expenditure)		(451,910)	486,398	34,488	3,596,239
Transfers between funds	22	209,460	(209,460)	-	-
Net movement in funds		(242,450)	276,938	34,488	3,596,239
Reconciliation of funds					
Total funds brought forward	22	10,352,420	63,264	10,415,684	6,819,445
Total funds carried forward	22	10,109,970	340,202	10,450,172	10,415,684

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 25 to 46 form part of these financial statements.

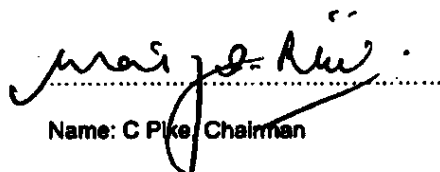
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(A company limited by guarantee)

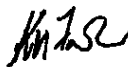
COMPANY BALANCE SHEET

AS AT 31 MARCH 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	15		10,317,374		10,899,001
Investments	16		1		1
			<u>10,317,375</u>		<u>10,899,002</u>
Current assets					
Investments	17	1,541,961		45,148	
Debtors	18	709,491		890,278	
Cash at bank and in hand		<u>2,427,989</u>		<u>3,944,645</u>	
		4,679,441		4,880,071	
Creditors: amounts falling due within one year	19	<u>(4,546,644)</u>		<u>(5,363,389)</u>	
Net current assets/(liabilities)			<u>132,797</u>		<u>(483,318)</u>
Net assets			<u>10,450,172</u>		<u>10,415,684</u>
Unrestricted funds					
Designated funds	22	10,317,374		10,899,001	
General funds	22	<u>(207,404)</u>		<u>(546,581)</u>	
Total unrestricted funds	22,23		10,109,970		10,352,420
Restricted funds	22, 23		<u>340,202</u>		<u>63,264</u>
Total funds	22, 23		<u>10,450,172</u>		<u>10,415,684</u>

Approved by the Trustees on 16 November 2020 and signed on their behalf by:


 Name: C Pike, Chairman


 Name: K Fowler, Director

The notes on pages 25 to 46 form part of these financial statements.

Company registration number: SC238959

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

		Group		Company	
	Note	2020	2019	2020	2019
		£	£	£	£
Cash flows from operating activities:					
Net cash (used in)/provided by operating activities	24	(21,976)	5,320,251	8,020	5,227,405
Cash flows from investing activities:					
Investment income		26,293	19,053	26,293	19,053
(Investment)/disinvestment in term deposit		(1,496,813)	1,498,277	(1,496,813)	1,498,277
Purchase of tangible fixed assets		(67,449)	(6,211,472)	(54,156)	(6,127,254)
Net cash used in investing activities		(1,537,969)	(4,694,142)	(1,524,676)	(4,609,924)
Net (decrease)/increase in cash and cash equivalents		(1,559,945)	626,109	(1,516,656)	617,481
Cash and cash equivalents at 1 April		4,040,563	3,414,454	3,944,645	3,327,164
Cash and cash equivalents at 31 March		2,480,618	4,040,563	2,427,989	3,944,645

CONSOLIDATED AND COMPANY ANALYSIS OF NET DEBT

FOR THE YEAR ENDED 31 MARCH 2020

	At 1 April	Cash flows	As at 31
Group	2019	£	March 2020
	£	£	£
Cash and cash equivalents	4,040,563	(1,559,945)	2,480,618
Investments on term deposit	45,148	1,496,813	1,541,961
	4,085,711	(63,132)	4,022,579
Company			
Cash and cash equivalents	3,944,645	(1,516,656)	2,427,989
Investments on term deposit	45,148	1,496,813	1,541,961
	3,989,793	(19,843)	3,969,950

The notes on pages 25 to 46 form part of these financial statements.

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

1. General Information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable group's transactions are denominated. They comprise the consolidated financial statements of Aberdeen Performing Arts and its subsidiary Aberdeen Performing Arts Trading Company Limited.

The principal activity of Aberdeen Performing Arts is to advance the education of the public in the performing arts, and present and assist in the provision of facilities at reasonable cost for the performing arts.

The principal activity of Aberdeen Performing Arts Trading Company Limited is the operation of the commercial activities at His Majesty's Theatre, the Music Hall and the Lemon Tree, all in Aberdeen.

Aberdeen Performing Arts is a private company limited by guarantee incorporated in the United Kingdom and registered in Scotland. It is recognised as a charitable company for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC033733. The charitable company's registered number is SC238959. In the event of the winding up of the charitable company a member is liable to contribute a sum not exceeding £1.

Aberdeen Performing Arts Trading Company Limited is a private company limited by shares and is incorporated in the United Kingdom and registered in Scotland. The company's registered number is SC254182.

Details of the registered office can be found on the Company Information page of these financial statements.

2. Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Aberdeen Performing Arts meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires directors to exercise their judgement in the process of applying the accounting policies (see note 3).

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the group and charitable company's financial statements unless otherwise stated.

ABERDEEN PERFORMING ARTS
(A company limited by guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting Policies (continued)

b) Consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary Aberdeen Performing Arts Trading Company Limited (Company Number SC254182) on a line by line basis. Intercompany transactions and balances between group companies are eliminated in full.

c) Going concern

The financial statements have been prepared on a going concern basis as the directors are of the opinion that the group and company can continue to meet its obligations as they fall due for the foreseeable future. Grant funding is ongoing, and there is a robust programme of performance and events planned for 2020/21. The level of general reserves does not comply with the reserves policy due to the major capital project undertaken. Measures have been taken to build the general reserves back to agreed levels within 24 months.

This assessment of going concern includes the expected impact of Covid-19 on the group and company in the 12 months following the signing of these financial statements.

d) Recognition and allocation of income

All income is included in the Statement of Financial Activities when the group is entitled to the income, the receipt is probable and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Income from admission fees for the venues is included in income in the period in which the relevant performance takes place. Income received in advance of a performance is deferred until the criteria for income recognition are met.
- Theatre Club subscriptions are included in income when received.
- Grants, donations and gifts, where entitlement is not conditional on the delivery of a specific performance by the group, are recognised when the group becomes unconditionally entitled to the income.
- Where there are performance conditions attached to any grants and donations, income is recognised when the conditions have been met or when meeting the conditions is within the group's control and there is sufficient evidence that they have been met or will be met. Where a grant condition allows for the recovery of any unexpended grant, a liability is recognised when repayment becomes probable.
- Investment income is recognised using the effective interest rate applicable and included when receivable.
- Income from charitable and other trading activities are accounted for when earned.

Income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the group has unconditional entitlement.