

Report of the Directors and
Financial Statements for the Year Ended 30 October 2023
For
The Royal Burgh of Pittenweem Arts Festival
(A Company Limited by Guarantee No. SC233084)

Royal Burgh of Pittenweem Arts Festival
(A Company Limited by Guarantee)

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For the Year Ended 30 October 2023

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Royal Burgh of Pittenweem Arts Festival
(A Company Limited by Guarantee)

Legal and Administrative Information
For the Year Ended 30 October 2023

PATRON

Lord Campbell of Pittenweem.

DIRECTORS AND TRUSTEES:

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The Directors and Trustees serving during the year and since the year end were:

Ms Jean Duncan – Chair (resigned December 2023)
Ms Julie Arbuthnott - Chair
Mrs Fiona Cathcart – Treasurer
Dr Simon Learoyd - Secretary
Mrs Barbara Fleming (resigned September 2023)
Mr Scott Cochrane
Ms Morven Cuthbertson (resigned September 2023)
Ms Carolyn McNeish
Ms Katie Smith
Ms Shelley Jupitus (appointed April 2024)
Ms Shona Cherry (appointed April 2024)
Ms Gillian Smith (appointed April 2024)
Ms Jackie Clark (appointed April 2024)
Ms Anne Barclay (appointed April 2024)
Mr Keny Drew (appointed April 2024)

REGISTERED OFFICE:

47 High Street,
Pittenweem,
Fife,
KY10 2PG

REGISTERED NUMBER: SC233084

CHARITY NUMBER: SC024165

INDEPENDENT EXAMINER:

Ian Anderson CIMA
5 Braehead,
Cellardyke,
Anstruther,
Fife,
KY10 3AH

BANKERS:

Virgin Money
7/8 High Street,
Dundee,
DD1 1SS

Royal Burgh of Pittenweem Arts Festival
(A Company Limited by Guarantee)

Report of the Directors and Trustees
For the Year Ended 30 October 2023

The Directors present their annual report together with the financial statements of the company for the year ended 30 October 2023.

The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1st January 2019.

ORGANISATIONAL STRUCTURE

The Directors continue to control and supervise the activities of the charity, and to monitor its financial position. The Royal Burgh of Pittenweem Arts Festival is a company limited by guarantee and does not have a share capital. The governing documents are the company's Articles of Association.

OBJECTS

The object of the charity is to advance the education of the public in the Arts, by holding an annual Arts Festival in the Royal Burgh of Pittenweem, and other related activities.

PRINCIPAL ACTIVITY

We review our aims, objectives and activities each year. We look at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they brought to those groups of people we are set up to promote. It also helps us to ensure that our aims, objectives and activities remain focused on our stated purposes. We refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning for our future. In particular, the Trustees consider how the Festival and related activities will contribute to the aims and objectives they have set. The Festival is the leading community based arts event in Scotland, attracting over 120 artists and exhibitors and around 20,000 visitors. The Festival programme includes internationally recognized invited artists and the provision of a bursary, with the generous financial support of David and Sheila Henderson, to an early career artist.

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

Our main activities and our charitable focus is to advance the education of the public in the arts, by holding an annual arts festival in the Royal Burgh of Pittenweem. This is an enjoyable event for all ages, free to attend and attracts people from all over the world. Most of our volunteers and staff for the event are drawn from the local community or through our close links with St. Andrews University and Duncan of Jordanstone School of Art. These students are keen to gain experience for their future careers in the arts from being involved in this particular arts event. Economically and culturally, records show the benefit to all of Fife, the East Neuk in particular, and especially Pittenweem itself. Fife Council has estimated that the economic benefit to Fife is around £1.8million yearly.

Our Patron is Lord Campbell of Pittenweem who is well known in the community as a supporter of the area and of the Festival.

To ensure that our status as a professional organisation is respected, the name Pittenweem Arts Festival is trademarked for the benefit of exhibiting artists who are registered with the Festival.

Throughout the years, the Festival has had cultural links to Europe through its invited artists and visitors and its wide connections in the art world. By providing the infrastructure for artists and visitors to interact, the Festival raises public awareness and enjoyment of the visual arts while helping artists to make a living.

FINANCIAL REVIEW

The Festival is not grant aided.

The Festival budgets to break even over the medium term.

Funding of the Festival relies on Artists Registration Fees and visitor revenues. Just under half of all income arises from the Artists' Registration fees with the balance relying on visitor income through car park donations, brochure sales and so forth. We remain grateful for the contribution from advertisers towards covering the cost of printing the brochure. In addition, the Festival is also supported by income generated from commissions earned on sales by artists who use the Festival Office throughout the year and by the Invited Artists appearing at the Festival.

Total Revenues in FY2022-23 were £82,007, which represented an increase of 11.4% on the prior year. Increases in revenues were seen in a number of areas in large part driven by higher visitor spending. Expenses increased by nearly 19% to £77,083, with the biggest increases in infrastructure costs. This level of cost inflation is not sustainable without the development of additional income streams. The financial result for the year is detailed on page 9. The overall result was a surplus of £4,924 (2022 surplus of £10,463).

INVESTMENT POLICY

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term so there are no funds available for long term investment. The Charity aims to retain sufficient liquidity to ensure that it can meet the liabilities as they fall due relating to the Festival and to finance additional investment in the business and its infrastructure. In addition, because some of the risks faced by the Festival are inherently uninsurable, it is important that the Festival retains a strong reserves and liquidity position.

RESERVES POLICY

Unrestricted Reserves now stand at £101,604 (2022 £96,680). This balance is considered adequate to cover all costs occurring between now and the start of the receipt of fresh incoming funds prior to the next Festival.

GOING CONCERN POLICY

The Trustees have an expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Annual Accounts are prepared on a going concern basis.

RISK MANAGEMENT

The overarching objective is to ensure that all stakeholders have an enjoyable, safe and secure experience at the Festival. The underlying principles that the Board adopts in its approach to managing risks are:

- That it is the Board's ultimate responsibility to identify all key risks
- That it is the responsibility of all participants in the Festival to follow the risk management guidance as communicated by the Board
- That the management of risk depends upon the active engagement with all stakeholders (including the Board, the Festival staff, the Pittenweem community, Fife Council, the exhibiting artists and the visitors) to seek their input to the identification and management of risks

The Board accepts that not all risks can be fully mitigated. Indeed it would be counter-productive to the delivery of an enjoyable Festival experience were that to be attempted. Instead, the Board seeks to recognise the major risks and to have mitigation plans in place in accordance with the aim of providing a safe and secure Festival that is an enjoyable experience for residents, exhibitors and visitors. Some of the risks are the responsibility of the Board to manage. However, since the Festival is embedded across a large number of venues within the Pittenweem community there is a reliance upon the vigilance of venue owners and exhibitors for the management of a number of the risks.

The risk assessment is updated annually in the light of previous year's experience, the changing requirements of statutory authorities and the feedback from stakeholders.

Risk assessment has identified that long term financial sustainability remains a risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due and active management of debtor and creditor balances to ensure sufficient working capital is retained by the charity. The Board recognises that the greatest risk to putting on a successful Festival is the potential closure of the Charles St car park due to adverse weather. This risk can be only partially mitigated. The Board has also identified the risk to the continuing success of the Festival of failing to attract a broader demographic among its visitors. Work on mitigating this risk is underway.

FUTURE PLANS

As the Festival enters its fifth decade, there is a continuing need to renew the format of the Festival and develop the visitor experience to ensure that it remains relevant and engaging. Recent visitor research has confirmed that the Festival remains an attractive event to visitors but also identified that greater investment is needed in some areas in particular around digital communication, supporting events and the breadth of the catering offering. The Board will continue to develop the Festival in these areas. The Board also recognises the need to make the Festival a more diverse and inclusive event and to develop policies that mitigate its environmental impact.

THE GOVERNING DOCUMENT

The charity "The Royal Burgh of Pittenweem Arts Festival" is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £5. The company was incorporated on 20 June 2002 and the company registration number is SC233084. The Scottish Charity number is SCO24165. The registered office of the charity is 47 High Street, Pittenweem, Fife, KY10 2PG. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. A revised and updated version of the Articles will be presented to the Annual General Meeting for approval.

RECRUITMENT AND APPOINTMENT TO THE BOARD

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the board. All members of the board give their time voluntarily and receive no financial remuneration from the charity.

In the year under review Ms Barbara Fleming demitted from office after many years service. Since the year end Ms Jean Duncan has also demitted from office. Jean had been Chair of the Board for many years and made a considerable contribution to its continuing success. The Board thanks both for their long service. Since the year end, the Board has undertaken a programme of new director recruitment that has resulted in the appointment of six new Board members, subject to confirmation at the next AGM. These new appointments meet the Board requirements of an active interest in contemporary art, enthusiasm for the Festival, a strong local connection and a wide range of administrative and business skills.

TRUSTEE INDUCTION

New Trustees are given an introduction to the Festival and its background as well as their wider responsibilities as Trustees and directors.

ORGANISATIONAL STRUCTURE

The Royal Burgh of Pittenweem Arts Festival has a Board which normally meets monthly and is responsible for the strategic direction and policy of the charity. The maximum number of Board members is twelve. At present the Board has twelve members from a variety of backgrounds relevant to the work of the charity. The Festival has a paid Infrastructure Manager and a part time Administrator to support the ongoing work of the Festival.

RELATED PARTIES

There are no other companies or businesses related to The Royal Burgh of Pittenweem Arts Festival. None of the Trustees receives remuneration or other benefit from their work with the charity. However, as the Board is likely to contain local professional artists who exhibit at the Festival, and the Festival brings many visitors to the area it is the case that these artists will obtain a degree of benefit. One of the Trustees rented a space in the Festival Office during the year and a family member of another Trustee provided catering for a Festival event.

PAY POLICY

All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 5 to the accounts. The pay of the staff, all of whom are part-time, is reviewed annually.

TRUSTEE RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees should follow best practice and should:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- d) make judgments and estimates that are reasonable and prudent and
- e) prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) regulations 2006. The Trustees are also responsible for safeguarding

the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

Mr Ian Anderson was re-appointed as the charitable company's independent examiner during the year and he has expressed his willingness to continue in that capacity.

This report has been prepared in accordance with the Statements of Recommended Practice.

DISCLOSURE TO OUR INDEPENDENT EXAMINER

In so far as the Trustees are aware at the time of approving our Trustees' annual report: there is no relevant information, being information needed by the examiner in connection with preparing his report, of which the examiner is unaware, and the Trustees, having made enquiries of fellow directors that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

VOLUNTEERS

The Festival depends heavily on the services of volunteers. This is evident during the Festival, but there is also a very significant contribution from volunteers and artists throughout the year.

ON BEHALF OF THE BOARD

Juie Arbuthnott (Chair)

Date:

The Royal Burgh of Pittenweem Arts Festival
(A Company Limited by Guarantee)
Statement of Financial Activities
For the year ended
30th October 2023

	Unrestricted Funds £	Restricted Fund £	Total 2023 £	Total 2022 £
Incoming Resources				
Charitable Festival Activities				
Artists' Registration fees	-	-	36,200	33,000
Grants (see note 11)	-	-	-	-
Events Income	-	-	4,994	3,859
Activities for Generating Funds:				
Advertising Income	-	-	3,375	2,590
				-
Artists and Galleries	-	-	9,295	6,396
Donations:				
Car Park Donations	-		12,000	10,914
Other Donations			654	2,918
Brochure Sales	-		14,338	12,780
Members' Subscriptions			14	23
Other Income:				
Bank Interest			137	13
Rental Income			1,000	2,770
Sale of Merchandise	-			
Gift Aid	-		-	-
Total Incoming Resources			82,007	75,263
Resources Expended				
Cost of Generating Funds:				
Charitable Activities			76,853	64,570
Governance Costs			230	230
Total Resources Expended			77,083	64,800
Net Income/(Expenditure)			4,924	10,463
Balances Brought Forward	96,680	25,356	122,036	111,573
Total Funds Carried Forward	101,604	25,356	126,960	122,036

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Royal Burgh of Pittenweem Arts Festival
(A Company Limited by Guarantee)
Balance Sheet

As at 30 October 2023

		<u>2023</u>	<u>2022</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>
Fixed Assets			
Tangible Assets	6	<u>154,035</u>	<u>154,361</u>
Current Assets			
Stock		0	0
Debtors	7	3,321	3,076
Cash at Bank and in Hand		92,989	85,920
		<u>96,310</u>	<u>88,996</u>
Creditors			
Due within one year	8	<u>3,009</u>	<u>3,317</u>
Net Current Assets		<u>93,301</u>	<u>85,679</u>
Long term liabilities	9	<u>120,376</u>	<u>118,004</u>
Total Net Assets		126,960	122,036
Funds			
Unrestricted – General		101,604	96,680
Restricted		25,356	25,356
Total Funds		<u>126,960</u>	<u>122,036</u>

For the year ending 30th October 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 11 to 17 form part of these accounts.

Signed on behalf of the board by:

Julie Arbuthnott (Chair).....Date.....

Royal Burgh of Pittenweem Arts Festival
(A Company Limited by Guarantee)
Notes to the Financial Statements
For the Year Ended 30 October 2023
The notes form part of these financial statements

1. ACCOUNTING POLICIES

a) Basis of preparing the financial statement

The financial statements 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102 as amended), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Royal Burgh of Pittenweem Arts Festival meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

b) Preparation of the accounts on a going concern basis

The Royal Burgh of Pittenweem Arts Festival reported a net cash inflow of £7,069 and a balance of unrestricted reserves of £101,604 for the year and that on this basis the charity is a going concern.

c) Incoming Resources

Donations and Grants

Income from donations and grants is included in incoming resources when these are receivable.

When donors specify that donations and grants are for particular restricted purposes, this income is included in incoming resources of restricted funds when receivable.

Grants for capital projects are credited to a separate restricted fund.

d) Donated services and facilities

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

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity 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.

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken.

f) Expenditure and irrecoverable VAT

Expenditure is included on an accruals basis and recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the

amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- i) Expenditure on charitable activities includes the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity.
- ii) Other expenditure represents those items not falling into any other heading.
- iii) Irrecoverable VAT is charged as a cost against the activity for which the cost was incurred.
- iv) Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT. The Charity cannot recover VAT.

g) Tangible Fixed Assets

Furniture and Equipment is depreciated at 15% on a reducing balance basis. Computer equipment is depreciated on a straight-line basis. No depreciation is provided on Heritable Property.

h) Stock

Any stock of merchandised goods is included at the lower of cost or net realisable value.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Governance Costs

These are costs associated with governance arrangements of the charity relating to general running rather than to fundraising or the basic charitable activity. Costs include Independent Examination of the Financial Statements, legal advice and costs associated with constitutional and statutory requirements.

l) Support Costs

These are costs relating to the office function.

2. NET OPERATING (DEFICIT)/SURPLUS

Net movement in funds is arrived at after charging:

	2023	2022
	£	£
Depreciation – owned assets	209	266
Bank interest payable	-	-
Cost of Independent Examination	230	230
Directors' emoluments and other benefits etc.	<u>nil</u>	<u>nil</u>

3. CASH FLOW

	2023	2022
	£	£
Cash and Bank Balances at 31 st October 2022 – start of year	85,920	71,195
Cash and Bank Balances at 30 th October 2023– close of year	92,989	85,920
Increase/(Decrease) in Cash and Bank Balances	7,069	14,725

As follows:

	2023	2022
	£	£
Net incoming/(outgoing) Reserves	4,924	10,463
(Increase)/decrease in Debtors	(245)	(1,156)
(Increase)/decrease in Stock	0	0
Increase/(decrease) in Creditors	(308)	2,827
Increase/(decrease) in Long-Term Creditors	2,372	2,325
Depreciation	209	266
Loss on disposal of assets	117	0
Capital Expenditure	0	0
Increase/(Decrease) in Cash and Bank Balances	7,069	14,725

4. TAXATION

The Royal Burgh of Pittenweem Arts Festival is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

5. ANALYSIS OF RESOURCES EXPENDED

	Activities Undertaken Directly £	Support Costs £	Total 2023 £	Total 2022 £
	74,878	1,975	76,853	64,570
Governance costs	230		230	230
	75,108	1,975	77,083	64,800

Analysis of Support and Governance costs:

	General Support	Governance	Apportioned
	£	£	
Telephone, posts and stationery	1,975		Actual
Independent Examination		230	Actual
Legal and professional fees			Actual

Analysis of expenditure on Charitable Activities:

	2023	2022
	£	£
Events Expenditure	1,574	407
Invited Artists and exhibitions	8,467	6,674
Premises Costs	4,713	3,505
Insurance	1,735	1,728
Infrastructure Costs	34,186	28,124
Miscellaneous Costs	620	339
Performing Rights	-	-
Repairs & Renewals	580	1,384
Promotional Costs	11,331	11,029
Box Office Wages	4,934	4,086
Travel Expenses	-	-
Depreciation	209	266
Loss on Asset Disposal	117	-
Telephone and Posts	990	925
Stationery	985	697
Donations	4,040	3,081
Loan Interest	2,372	2,325
Total	76,853	64,570

Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel.

	2023	2022
	£	£
Salaries and wages		
Gallery Sitters	3,817	3,147
Bus Drivers	-	-
Infrastructure	10,651	8,265
Office	4,934	4,086
Brochure Sellers	802	714
Trustee remuneration	-	-
Social security costs	-	-
Total	20,204	16,212

All employees are engaged on short term or part-time contracts. No employees had employee benefits in excess of £60,000 (2022 none). There are no pension costs. The Trustees were not paid nor did they receive any other benefits from employment with the Charity in the year (2022: £nil). No Trustee received payment for professional or other services supplied to the charity (2022: £nil). The key management personnel of the charity comprise the Trustees and the manager of infrastructure planning and control. There are no full-time employees.

Staff Numbers	2023	2022
Gallery Sitters	5	5
Bus Drivers	-	-
Infrastructure	10	9
Office	2	3
Brochure Sellers	2	2
Total	19	19

Trustee Expense Reimbursement- There were no Trustee expense reimbursements during the year (2022 £nil)

6. TANGIBLE FIXED ASSETS

	Heritable Property	Furniture & Equipment	Computer Equipment	Totals
	£	£	£	£
COST				
At 30 th October 2022	152,853	14,209	1,416	168,478
Additions	-	-	-	-
Disposals	-	-	(1,416)	(1,416)
DEPRECIATION				
At 30 th October 2022	-	12,818	1,299	14,117
Charge for year	-	209	-	209
Eliminated on disposals	-	-	(1,299)	(1,299)
NET BOOK VALUE				
At 30 th October 2022	152,853	1,391	117	154,361
At 30 th October 2023	152,853	1,182	-	154,035

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Routine debtors	<u>3,321</u>	<u>2,926</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Routine creditors and accruals	<u>3,009</u>	<u>3,317</u>
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9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR LONG-TERM LOAN

There is a long-term loan related to the purchase of the property at 47 High Street Pittenweem from Fife Council. Details are as follows:

The loan is repayable only when the property is sold. Interest, also payable when the property is sold, is being accumulated at the rate of 2% over the Bank of England's base rate from time to time in force, calculated on a daily basis over the period of the loan.

The accounts reflect the interest charge adjusted from the original accrual of interest calculated on the Royal Bank of Scotland's base borrowing rate. The Council has a Standard Security over the property except for the first £35,000. The original loan was for £85,000 and now stands at £120,376 reflecting the capitalisation of accrued interest.

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	128,679	25,356	154,035
Current Assets	93,301		93,301
Long-term Liabilities	(120,376)		(120,376)
	101,604	25,356	126,960

The restricted fund is for use on the development and maintenance of the charity's property.

11. GRANTS RECEIVED

No grants were received this year (2022 nil).

**INDEPENDENT EXAMINER’S REPORT TO THE TRUSTEES OF THE ROYAL BURGH OF
PITTENWEEM ARTS FESTIVAL
A COMPANY LIMITED BY GUARANTEE**

I report on the accounts of the charity for the year ended 30 October 2022 which are set out on pages 2 to 17.

Respective responsibilities of trustees and examiner

The charity’s trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner’s statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting record kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner’s statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and sections 381, 382 and 386 of the Companies Act 2006,
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations,

have not been met, or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ian Anderson
Qualification - CIMA
Address - 5 Braehead, Cellardyke, Anstruther, Fife KY10 3AH
Date -

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