

ABERDEEN PERFORMING ARTS

(Charity Number: SC033733)

(Company Number: SC238959)

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
(a company limited by guarantee)

FOR THE YEAR ENDED 31 MARCH 2022

ABERDEEN PERFORMING ARTS
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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ABERDEEN PERFORMING ARTS
LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

C Pike Chairman
M Boulton *
D Burnside
D Cockburn
H Yorston
S Duncan * (Resigned 1 October 2021)
A Mackenzie *
A Howie
A Effendi
V Krishnan
N Morris
W Mutch
C Allard *
Y Allan (Appointed 5 August 2021 and resigned 4 May 2022)

* Directors nominated by Aberdeen City Council

COMPANY SECRETARY

F Barron (Appointed 5 July 2022)
J Spiers (Resigned 4 July 2022)

REGISTERED OFFICE AND PRINCIPAL ADDRESS

His Majesty's Theatre
Rosemount Viaduct
Aberdeen
AB25 1GL

AUDITOR

Anderson Anderson & Brown Audit LLP
Kingshill View
Prime Four Business Park
Kingswells
ABERDEEN
AB15 8PU

BANKERS

Clydesdale Bank
1 Queen's Cross
Aberdeen
AB15 4XU

SOLICITORS

Stronachs LLP
28 Albyn Place
Aberdeen
AB10 1YL

ABERDEEN PERFORMING ARTS
DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT)
YEAR ENDED 31 MARCH 2022

The Board of Directors is pleased to present its report and the audited accounts of the group for the year ended 31 March 2022.

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 1 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 engagement and talent development in the North-east. We are a vital part of the economic, social, community and cultural infrastructure in North-east Scotland. 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 produce three festivals, Granite Noir, True North and Light the Blue Youth Arts Festival. We run a production company, Freshly Squeezed Productions that makes work and acts as a talent pipeline for artists and creative practitioners in the North-east. Diversity, relevance and making sure that our activities and projects are welcoming and open to everyone really matters to us. Our creative engagement team works with individuals and communities across the city and region.

Our Mission

Creating a Spark

Our Vision

Placing creativity and culture at the heart of inclusive transformational change in the North-east.

Our Values

- Optimism
- Curiosity
- Loyalty
- Resilience
- Teamwork

ABERDEEN PERFORMING ARTS
DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)
YEAR ENDED 31 MARCH 2022

Achievements and Performance

The Global pandemic continued to have significant impact on our organisation in venues remained closed to the public for 5 months at the start of the reporting period, and after reopening on a phased basis in September, and beginning to build back, we had to reclose our doors again in December for a further month due to the impact of the Omicron variant and Government restrictions on large-scale events. This resulted in a total closure for 6 months without any earned income (accounting for approximately 88% of our Total Turnover) which made fundraising and seeking grant funding imperative to ensure survival.

AMBITION 1: City Vision: provide cultural leadership to shape city vision and a creative Scotland

1. Advocacy and Fundraising

We have continued to be a strong voice within the city, region and nation, in relation to securing the necessary funding to keep our charity going, as well as ensuring the importance that the role of the arts and culture plays within our society, especially as we recover. We did this through national industry networks, including our membership and active role in the Scottish Theatre Producing Consortium, the UK Touring Partnership, Federation of Scottish Theatre, Culture Aberdeen, BECTU, Aberdeen and Grampian Chamber of Commerce and Visit Aberdeenshire.

A primary focus for 2021/22 has been to ensure the continued solvency of the organisation and safeguarding employment of our workforce. As a result of restrictions due to the COVID-19 pandemic our venues remained closed to the public for 6 months of 2021/22 resulting in no earned income during these months, additionally the months in which venues were reopened resulted in lower ticket sales than in a conventional year, which placed a real emphasis on achieving as much funding as possible.

In what is an extremely challenging and highly competitive environment across the two years impacted by the pandemic we have successfully applied to, and been awarded funding from, 12 different funds across a number of different funding segments resulting in a total funding award over the last two years of over £5 million. It should be noted that each application resulted in a significant undertaking ensuring it is tailored specifically to the funding call and was extremely hard fought. In addition to the funding applications, a public giving and donation campaign raised over £150,000. We are incredibly grateful for all the funds received, which have safeguarded the future of our organisation.

2. Projects

Hello and Keeping You Safe Campaigns

In the lead up to reopening our venues, we launched our Hello marketing campaign aimed at welcoming our audiences back to our venues and increasing customer confidence whilst incorporating COVID-19 safety messaging. The "hello" message also allowed us to widen our audience, targeting not only returning audiences but new attendees as well. The campaign was key to successfully encouraging our audiences safely back into our venues after 18 months of closure. Alongside this, we delivered our 'Keeping You Safe in our Venues' campaign which detailed the safety and hygiene measures in place in our buildings, and details of how we were complying with both legal requirements around delivering events but also the expectations of our customers and artists. We produced online guidance for customers and issued guidance documents to all performers presenting work in our venues. We were successfully awarded See it Safely accreditation, which was a national 'kitemark' scheme delivered by UK Theatre and SOLT.

Ticket Scanning

The successful implementation of an e-ticketing platform allowed us to move from manual ticket checking at venue entrances to electronic scanning. Customer flow has been greatly improved, allowing quicker access to buildings and allowing us to be more flexible in the deployment of our staff, particularly at His Majesty's Theatre. Electronic scanning has the added security benefit of ensuring that the valid ticketholder is accessing our events. E-tickets and scanning improves our sustainability credentials, reducing printing of paper tickets.

ABERDEEN PERFORMING ARTS

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

YEAR ENDED 31 MARCH 2022

Covid-19 Vaccination Certification

Just as our venues reopened, the Scottish Government announced the requirement for checking and scanning of vaccination certificates at indoor unseated events with over 500 attendees. We quickly sourced the required equipment, provided training for staff, identified the affected shows across our venues and embarked on a communication plan to our customers. The quick and successful implementation of this additional requirement is testament to the flexibility and commitment of our team.

Customer Service Excellence

Despite the challenging period during closure and reopening we successfully retained our Customer Service Excellence (CSE) Government Standard, which requires to be annually, independently assessed on the basis of continuous improvement. We were compliant in all criteria and achieved compliance plus in 22 criteria, which was an increase of 2 on the previous year. We were specifically commended on our approach to customer engagement throughout the challenges of the pandemic.

"You have faced significant challenge following lockdown, but have fulfilled customer expectations at every step. You have explored fresh ways to engage and communicate with customers... Throughout the pandemic you have established yourselves as a flagship for the arts industry" - CSE Assessor feedback

Food and Beverage

Following on from our updated 3-year food and beverage plan, reviewed and approved by our Board in 2021, work has now commenced on the cohesion of our food and beverage offering across our venues. We successfully secured Scottish Enterprise funding to support a capital project to redevelop foyer and café bar space at His Majesty's Theatre, primarily to provide more space for customer flow and improve the customer journey. Matched funding from Aberdeen City Council was also committed for this project. The redevelopment will relocate the previous Café/Bar space and refresh the layout of the existing restaurant, creating a welcoming and contemporary dining/bar area, catering to pre-theatre diners as well as the wider community throughout the day. Capital Work has now commenced on this project, and alongside the physical work on the area, the operational planning is underway to recruit the hospitality team. 'The Terrace' brand, identity and offering is in development. An operational restructure and review of offering has also been undertaken at our Café Coda in the Music Hall to maximise income.

Energy

Significant efforts have been focused on our Green Action Plan, and particularly around the source of our Electricity. We have now signed up to an energy provider which supplies 100% renewable electricity across all our venues.

3. People

Employee Engagement and Reorientation

Our focus in 2021/22 has been the continued wellbeing and engagement of our team, particularly, but not limited to, the early part of the year while the majority of our workforce was still furloughed. Using our Recover, Reopen, Rebuild strategy, we supported our teams to return to work on a phased basis, undertaking reorientation, re-induction, and training over July and August, ready for our phased reopening in September 2021. In addition to reorientation and training, all teams held team meetings, and all staff were invited to small meetings with the Chief Executive and members of the leadership team to discuss plans for reopening, ask questions, and raise any issues. These sessions were incredibly valuable and appreciated by all.

We bolstered our team with phases of recruitment for key roles/departments and, following some restructuring around existing vacancies, invested in new roles within our Leadership Team – Head of Finance and Sustainability, Head of Creative Engagement and Head of Technical and Operations, as well as our new roles in Creative Engagement.

ABERDEEN PERFORMING ARTS

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2022

Staff Restructure and Review

We continued to support the implementation of changes in our structure to ensure our teams are fit for purpose. Our integrated Customer Experience Team is now established and we have begun to implement further new ways of working and integration across other areas such as Technical and Operations, to improve teamworking, make efficiencies, and improve the customer experience backstage. We implemented the Real Living Wage in September 2021, with formal accreditation achieved in 2022. This showed our commitment to tackling low pay in our industry. In addition to this, reviews of teams and contracts has begun in a number of departments in an effort, as part of our commitment to the Fair Work Framework, to move towards more guaranteed and minimum hours contracts within our structure.

During the Scottish Trade Union Conference, which was hosted at the Music Hall and live streamed to online audiences, Aberdeen Performing Arts was held up as a best practice example of how to treat employees, due to our safeguarding of all jobs during the pandemic.

4. Equalities, Diversity and Inclusion

Essential Companion Scheme

To ensure everyone can participate and enjoy our venues equally, we have successfully launched a scheme that allows one free essential companion ticket for those who need someone to be with them in order to come to an event. This scheme has been well received and resulted in extremely positive feedback from those taking advantage to date.

Improving Access

We set up a new scheme to improve the booking procedure for our customers with additional access needs, allowing wheelchair bookers to book selected seats on our website directly. The process allows us to tag customers on request on our ticketing system which will open up the selected seats that are held off to general public for booking. We trialled this with volunteer wheelchair bookers and then rolled out to all wheelchair bookers with an e flyer and form available on the website. We have received 100% positive feedback.

Creative Change Makers

We have created two new roles focussed on our engagement work within the community, a Creative Change Maker for Climate Action and Creative Change Maker for Inclusion and Relevance. Our Creative Change Maker for Inclusion and Relevance role focuses on supporting the diversity of the programme on our stages, and in our commissioned and produced work, as well as building relationships with key groups in the North-East. Our Creative Change Maker for Climate Action is focussed on our outward facing engagement with communities and audiences around the climate crisis, and also supports the development and implementation of our sustainability action plan.

Programme – Rise Up

As part of the reopening of our venues, we introduced a theme of 'Rise Up' and curated a number of projects and performance in response to this theme. The theme was inspired by both the response to and recovery from the pandemic, but crucially a need for our work to better reflect the diverse communities that we serve, to showcase work by artists from under-represented and marginalised groups, and to increase the relevance of our work to a greater range of audiences.

We have successfully ensured programming and producing decisions consider areas such as gender balance, representation of Black and People of Colour, and LGBTQ communities as well as other under-represented or marginalised groups. This is a journey for us as an organisation, and with the investment in our programming and creative engagement teams, we have made significant progress, and will continue to do so as part of our EDI action plan.

ABERDEEN PERFORMING ARTS

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

YEAR ENDED 31 MARCH 2022

Workforce

We have further implemented and embedded changes in our recruitment processes, based on learnings from participation in the Organisational Development programme of the Weston Jerwood Creative Bursaries programme last year, focussing on reaching a more diverse range of candidates and supporting those candidates through the recruitment process. All staff, freelancers, and volunteers are encouraged, although not obligated, to complete an Equal Opportunities Monitoring form to help us understand the demographics of our workforce. We have added questions around socio-economic background to understand these demographics of our workforce, as it is proven that those from lower socio-economic backgrounds are more likely to face barriers to entering the arts as an industry/employment.

80% of our workforce have completed Equal Opportunities monitoring forms, an increase from circa 75% in 2019/2020. We have also seen an increase in individuals from under-represented and/or marginalised groups joining Team Aberdeen Performing Arts, and we are working to ensure all our employees regardless of background feel supported, included and that they have a sense of belonging in our organisation.

5. Venues

We used the 5-month closure period at the start of 2021/22 to carry out essential maintenance and repairs to all three venues to ensure that we were best placed to welcome our audiences back. Additionally, we have used this time to progress strategic capital projects at both His Majesty's Theatre and The Lemon Tree to ensure their future success.

Music Hall

We completed a programme of minor works to improve operational capabilities across the venue and ensure that it is ready to receive audiences again. Works undertaken include the replacement of barriers around the stage lift and the refreshing of backstage areas. The final, delayed snagging works from the multi-million pound redevelopment project were also completed during this time and we were able to successfully certify the completion of the defects period with no ongoing claims or contested items.

His Majesty's Theatre

We commenced a £675,000 redevelopment of the Café/Bar and Box Office/Foyer areas within the extension of His Majesty's Theatre. The works will provide significantly increased foyer and circulation space on the ground floor due to the removal of the staircase and the relocation of all café facilities to the floor above. This project opens and enhances the space previously occupied by the 1906 restaurant and Corporate Suite to encompass a brand-new Café / Bar offering which will greatly improve the space available particularly during busy pre-show and interval periods, as well as allowing for a revised offering to enhance the customer experience. The redevelopment will provide unrivalled views of the new Union Terrace Gardens for a wide range of customers visiting the theatre, from morning through lunchtime and into the evening.

Lemon Tree

The feasibility study for the redevelopment of The Lemon Tree, part-funded by Aberdeen City Council and Scottish Enterprise was successfully completed in March 2022, with an impressive scheme, which has received an incredibly positive response from audiences, stakeholders, staff and board members. We have now progressed to the next stage of design development where work is progressing to fully understand and establish the technical, operational and sustainability requirements of the scheme and develop a design within the established budgetary constraints to deliver a best-in-class venue. This is an exciting project which will play a pivotal part in the wider Aberdeen City Queen Street Masterplan which seeks to establish an urban park and cultural quarter within the heart of Aberdeen.

ABERDEEN PERFORMING ARTS
DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)
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6. City Vision and Cultural Leadership

On behalf of Culture Aberdeen, Aberdeen Performing Arts led a successful bid to the UK Government's Community Renewal Fund. This was one of several proposals submitted from Aberdeen, but the only bid that was successfully funded. The fund supported two strands of work: Making all the City a Stage: a series of commissions for artists to create artworks in any artform to reimagine and reinvigorate the city centre. We appointed a producer to lead this project, with a call out for artists in early January. A total of 35 applications were received, and 5 established artists and 7 early career artists were selected. Early career artists were mentored by established artists and Culture Aberdeen members. The artworks were created and presented in a successful festival Wonderland in September 2022. The second strand of the Community Renewal Fund supported the development of our Light the Blue Youth Arts Festival into a youth festival for the city and supported the development of a youth arts action plan to sit alongside the cultural strategy. Additional funds were awarded from Aberdeen City Council via the City Centre Recovery Fund allowing us to further develop the Wonderland festival with a pop-up city centre venue, Wonder Hoose, in Marischal Quad. This magical temporary venue provides a wonderful and other-worldly performance space for a variety of performances every day in September and bridges the weeks between Wonderland at the beginning of September and our True North festival at the end of September.

We continue to work in partnership with fellow cultural partners in the city, supporting the work of other organisations through programming and commissioning partnerships, support with resources, venue provision and box office services. Partnerships included Spectra, Look Again, Citymoves, Sound, Aberdeen Jazz Festival, Nuart, Tivoli Theatre, Aberdeen Arts Centre, and more.

Members of the Aberdeen Performing Arts leadership team were represented on local and national boards and committees during this time including Culture Aberdeen Executive, boards of Visit Aberdeenshire, Arts and Business Scotland, Federation of Scottish Theatre, Theatres Trust, Scottish Theatre Producing Consortium, UK Touring Partnership, Scottish CIPD Policy Forum, and membership of the Adoption and Permanence Panel and Children's Hearing Panel.

AMBITION 2: Programme: Delivering a distinctive and diverse artistic programme

Cultural Programme

The first 4 months of 2021-2022 were focussed on ensuring our programme was in place and strong for reopening in September. Over the previous two years, we had cancelled and rescheduled over 700 shows, working hard to renegotiate with producers to retain and reschedule as many shows as possible into 2022 and 2023.

Prior to reopening we presented two outdoor performances in the city centre. The first, in partnership with Puppet Animation Scotland/Manipulate Festival, called Restless Worlds installed a number of newly commissioned 'kinetic sculptures' in windows in both active and vacant premises. These pieces were viewed externally and accompanied by a soundtrack delivered digitally. The second piece was an audio drama experienced via headphones whilst walking a route in the city centre encountering street artworks depicting the story – the piece Niqabi Ninja by Sara Sharaawi was inspired by the uprising in Egypt and spoke to themes of reclaiming the streets and male violence.

Our venues successfully reopened in September with a curated programme of performances including the centenary staging of the Student Show, an exclusive signature concert with Nick Cave, a North-East production of A Play, A Pie and A Pint, and our own True North music festival.

The theme for our reopening season was "Rise Up", reflecting both the recovery from the pandemic, but also spotlighting under-represented groups and responding to pressing societal issues. We commissioned and curated a programme of work over the course of the Autumn and Spring seasons around this theme (see below).

ABERDEEN PERFORMING ARTS

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

YEAR ENDED 31 MARCH 2022

We implemented a phased approach to reopening, with a reduced programme through September and October, increasing to "normal" levels of programming from November onwards. We took a low-risk approach to predicting attendance levels and ticket sales income to reflect uncertainty about audience confidence and to account for any ongoing impacts on our programme due to COVID-19. The majority of shows at His Majesty's Theatre in our opening six months hit or exceeded our reduced targets, with sales across all venues as, or better than, expected in the same time period.

Our 2021 pantomime, *Beauty and the Beast*, sold very well and was on target to exceed £1million in income. However, with the advent of the Omicron variant, and Scottish Government restricting indoor public events to less than 200 people, we were forced to close our venues once again on 24 December 2021. All performances (63 in total) at our venues were cancelled until we could reopen at the end of January 2022. We have continued to feel the impact of the pandemic on our programme, with some performances being rescheduled or cancelled throughout 2022 due to the ongoing financial pressures on producers and touring companies. This was an industry-wide issue across the country, with some UK tours being cancelled due to lower than anticipated sales in other locations. Overall, however, our programme was strong, with audience numbers and ticket sales performing well against target and anecdotally we performed well during this period in relation to other parts of the country.

Our programme across all our venues was strong, both in terms of sales and artistically, with a wide range of performances such as popular west-end musicals *Everybody's Talking About Jamie*, *Waitress*, *School of Rock*, *Mamma Mia* and *Bat Out of Hell* at His Majesty's Theatre, and the return of Scottish Ballet. At the Music Hall, we welcomed back the three Scottish orchestras, superstar comedians Katherine Ryan, John Bishop, Sarah Millican and Jimmy Carr, rock gigs from Paul Weller, Shed Seven, the Snuts and Level 42, and shows from the likes of Nathan Carter, Tim Peake, Scottish National Jazz Orchestra and Daniel O'Donnell. At the Lemon Tree, we welcomed legendary acts and contemporary artists alike, including The Skids, The Undertones, Sleaford Mods, The Lathums and Nouvelle Vague. Our festivals were able to return to their home venues and be enjoyed by audiences in person.

True North Music Festival

Following our virtual True North festival in 2020, we were delighted to be able to stage True North in person and on our stages in September 2021. With *Rise Up* as the programming theme for the festival, we produced a majority female line-up, and featured many Black and people of colour artists. The festival included a celebration of the work of Stevie Wonder by Corinne Bailey Rae, a headline gig from singer-songwriter and LGBT activist John Grant, a hip hop night led by Aberdeen's Ransom FA, a newly commissioned film featuring Ayanna Witter Johnson performing her song 'Rise Up' on location at Greyhope Bay and on Aberdeen Beach, an expanded fringe programme in several city centre locations featuring local musicians, and a spoken word event featuring local poets who produced new work inspired by *Rise Up*. 65 acts and artists participated over the weekend across 8 venues. Visitors attended from Edinburgh, Glasgow, London and as far away as Brussels, with 98% of attendees stating they would return to True North again. We received excellent press coverage in the run up to and over the course of the festival weekend, averaging 4 press articles per week from the on-sale to the festival weekend.

"A brilliant celebration of live music after a long time away!"

"So good to be back listening to live music again, and what a return!"

"Good, diverse and entertaining line-up"

ABERDEEN PERFORMING ARTS

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2022

Granite Noir International Crime Writing Festival

Our sixth outing for Granite Noir crime writing festival returned in-person following the entirely digital festival in 2021. In addition to in-person events, we live streamed a small number of events allowing us to continue to connect with our global audience, as well as offer opportunities to participate for those who might still have been reluctant to attend in-person. The festival programme was a diverse mix of Scottish and international authors, new and emerging names as well as new commissions and a curated programme of work across the performing arts. More than 70 writers and chairs participated in a programme of in conversation events, panel discussions and workshops, including leading Scottish and UK writers Dame Sue Black, Ann Cleeves, Louise Welsh and Oyinkin Braithwaite; Nordic Noir writers Anders de la Motte, Kjell Ola Dahl, Silje Ulstein and Heidi Amsinck; experienced chairs including Sally Magnusson, Fiona Stalker, Bryan Burnett and Alex Clark; and emerging talent such as Farida Abike Iyamide, Hannah King and Leela Soma. The wider programme included a recording of the BBC podcast *Bad People*, a Bond-themed cocktail event, and a new Locked Room Escape Game. We commissioned a brand new site-specific play by Ten Feet Tall Theatre, *Witch Hunt*, staged at the historic Mither Kirk, programmed a selection of classic noir films at the Belmont, *The Grit* in the Granite exhibition and talk about the darker side of Victorian Aberdeen by archivist Phil Astley and researcher Dr Dee Poole, and programmed an adaptation of *The Hound of the Baskervilles* at His Majesty's Theatre. The weekend's finale was a specially created performance, 'Criminal Tunes' by the BBC Big Band at the Music Hall, featuring music connected with or inspired by crime.

Total sales for the festival were almost 7,000 tickets, plus an estimated 3,500 attendances at the exhibition, giving us attendance figures of more than 10,000. This made it the second highest attended Granite Noir in its history. We had a total of 35 events across seven venues, 60 speakers with nationalities from across the world, including Norway, Sweden, Denmark and India, with 130 livestream attendees and 400,000 impressions across social media. 100% of our attendees indicated they would like to return to Granite Noir in the future.

"Great programme, well presented and thoroughly enjoyable."

"I loved the storytelling event as much as my 7-year old!"

"The staff were wonderful."

Rise Up festival

As part of our Rise Up theme, we staged a two-day festival in partnership with We Are Here Scotland, which celebrated and showcased the work of Black and People of Colour artists and creatives from Aberdeen and across Scotland. The festival, the first of its kind in Scotland, featured three performances including an evening of spoken word and song, a theatre performance, *One Mississippi*, which explored how childhood experiences across different ethnic communities affects men's adult lives, and a final gig by leading emerging musicians, songwriters and DJs. The festival hosted several panel discussions and workshops covering a range of topics across the weekend. The festival was well attended and well received, and we have built a strong partnership with the WAHS team. We continue to develop new and interesting work with them now and for the future.

Conference and Events

The Scottish Trade Union Conference was our first post-pandemic large conference, a 3-day event with additional get-in day. 300 delegates and 60 exhibitors attended, and it was live streamed throughout. Speakers included First Minister, Nicola Sturgeon, and Scottish Labour Leader Anas Sarwar. As part of the event, we hosted a Civic Reception and 4 fringe events at the Lemon Tree, as well as several breakout meetings around the Music Hall. STV delivered a live broadcast and a 5-minute feature on STV 6pm news. The Music Hall was set up in a tabled format not previously used which proved ideal for the conference. Coda Café benefitted from the conference delegates with daily sales of over £1000. The success of the event was down to a strong team effort, resulting in positive feedback on both the venue and the staff from organisers, exhibitors and delegates. We were mentioned by one of the Disability unions, championing the Music Hall as an example of true accessibility in a listed building.

We hosted the Aberdeen Music Festival with its first visit since 2015, involving local choirs/ school groups as part of a wider event held in various venues across the city. Traditionally held at the Music Hall, Aberdeen Music Festival offers children and young people the chance to perform onstage and introduces many young people to the venue for this first time - next year is the 150th year anniversary of the festival and planning is underway for a special event in 2023.

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DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)
YEAR ENDED 31 MARCH 2022

Other conference and events included Lochside Academy Prize Giving (1000 delegates), Aberdeen Harbour AGM, Friends of the Earth Election Hustings, and the Robert Gordon's College (RGC) Juniors. The Music Hall also hosted the Robert Gordon University Winter Graduations, which included a very special ceremony, during which our chief executive Jane Spiers was awarded an honorary doctorate.

AMBITION 3: Creative Learning: Providing inspirational community engagement and participation

During 2021–2022 we repositioned and restructured our creative learning offering and team into a Creative Engagement team. We introduced a new leadership team post of Head of Creative Engagement and rebuilt our offering to one more focussed on communities and areas of interest such as climate action, diversity, inclusion and relevance, rather than our previous focus on artistic genre (such as music and drama). On that basis we restructured the team with several new roles including Producer – Participation, Creative Change Maker – Climate Action, and Creative Change Maker – Inclusion and Relevance.

Prior to our venues reopening, our youth theatre participants took part in two exciting projects which were delivered both online and in person in line with ongoing Covid restrictions. Participants from our three youth theatre groups (Junior, Intermediate and Senior) participated in the Positive Stories for Negative Times delivered by Glasgow based theatre company Wonder Fools. The company commissioned several new scripts for the project from a range of leading Scottish playwrights. Our groups created online productions filmed on Zoom which were presented alongside pieces by other youth groups from across the country. Members of our Young Company also delivered a project in partnership with the Grampian Hospitals Arts Trust commemorating the centenary of the Foresterhill Hospital Campus. They worked with a film-maker, composer and writer using archive material with the resulting work displayed in an installation at the Suttie Art Space at ARI and later transferred to the Big Sky Studio at the Music Hall.

Our youth theatre and early years music workshops restarted in September, with a strong start in terms of participant numbers in the Autumn and Winter/Spring terms, albeit working to reduced capacities in line with COVID guidance. In addition, we have been working with local schools and relevant council services to offer an increased number of free/subsidised spaces to children and young people who would otherwise not be able to attend these sessions. Between September 2021 and April 2022, we had 14 young people taking up our offer of free spaces in our Creative Engagement workshops. We aim to ensure our workshops are inclusive and our sessions included 5 young Black and people of colour participants and 14 young people with identified ADHD, Asperger's, autism and dyspraxia. A number of young participants identify as trans and non-binary. We continue to work with partners to expand the use of these subsidised class places.

For the first time, we launched a new programme of workshops in the Easter holidays, including hip hop sessions and a week-long technical theatre programme. We worked specifically with Barnardo's, to offer places to young carers and care experienced young people to participate in these projects, which was funded by Creative Scotland's YMI Access to Music Making fund. The hip hop programme was delivered by locally based artists, and the technical theatre programme devised and delivered by our in-house teams across His Majesty's Theatre, the Lemon Tree, and the Music Hall. The holiday programme was very successful, and we plan to deliver an ongoing programme in these areas in 2022-2023.

Our Light the Blue youth arts festival took place in June 2022. Our new Creative Producer for Light the Blue devised and delivered a larger and more curated programme, building on the festival pre-Covid, and engaged with Culture Aberdeen partners, further education institutions, local schools and youth groups to devise a programme for and by young people. This year's programme will be a starting point for further development as the festival grows for 2023 and beyond.

ABERDEEN PERFORMING ARTS

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2022

We have begun a process of engagement with Afghan asylum seekers, working in partnership with GREC and a group of 14 parents and children attended a concert of Wonderland Children's Classics at the Music Hall. Our Creative Change Maker for Inclusion and Relevance has also begun to engage with Ukrainian refugees and this work will be developed over the coming months, working in consultation with the groups to identify how we can meaningfully offer relevant and engaging creative opportunities which can also facilitate integration with the local community.

AMBITION 4: Talent: Be an incubator for artists and talent development in the North-east

This year we produced and presented two shows on the theme of Climate Justice. During Climate Week North East, Jam for Climate Justice was a plastic free, unplugged music event in the Lemon Tree featuring young Aberdeen based musicians and the premiere of a new collaborative song especially commissioned for the event (plus toast and jam from local suppliers!). Eat the Rich! Climate Justice Cabaret was an intimate, alternative and subversive evening of art and activism featuring a diverse line up of artists and produced in collaboration with Sanctuary Queer Arts. Both were incredibly well received, and our intention is for this cabaret theme to be developed over the coming year.

We have provided 70 opportunities for local and early career artists to perform, exhibit, or develop their practice. Working with Eden Court, Inverness and Capiat Theatres, Edinburgh we co-commissioned three early years festive productions, with the first, Unicorn Christmas Party, performed at the Lemon Tree in December 2021. The second of the three productions, the Enormous Christmas Turnip, will be hosted at the Lemon Tree in December 2022. Our Wonderland festival provided established and early career artists, based in the North-east, opportunities to develop and showcase their practice in a large city-centre festival. We have commissioned, with the support of our Digital Art curator, a number of digital artworks for 2021-2022 for our Stepping In Screen at the Music Hall. The reopening season from September featured three new pieces, including a beautiful floral piece by Daniel Brown, a live generation of data collected from the Music Hall by Aberdeenshire-based Silent Chaos, and a collection of pieces by local artists called What our Winter Feels like created by local agency Design and Code. One of our previous commissions was returned to coincide with the cosmic theme of the Spectra Festival, and a new commission by Aberdeen-based Nina Stanger took pride of place in April. Further new works have been selected and will be presented over the course of 2022-2023.

In addition to digital pieces, a programme of visual arts exhibitions have been hosted in the gallery spaces at the Music Hall. Pieces from Gray's School of Art Degree Shows in 2020 and 2021, which were staged virtually, and produced in partnership with Look Again was exhibited for the first time in person, followed by the Granite Noir archive exhibition. Boundaries by Esther Woolfson and Gill Russell premiered at the Music Hall, inspired by Aberdeen and its relationship with the sea, delivered in partnership with Lesley Thompson and Peacock Visual Arts. We also displayed the digital exhibition created by Grampian Hospital Arts Trust with members of our Young Company called All About People. This was created to celebrate the centenary of the Foresterhill Hospital Campus and featured archive footage and new films created by our young people.

Our Rise Up theme throughout our opening season provided opportunities for spoken word commissions, with four Aberdeen artists creating a new piece of spoken word in response to the theme. These were performed at True North and then subsequently created into short films which were premiered at the Belmont Filmhouse. Our Climate Action cabarets featured performances and responses to the theme of climate justice, and even served jam and toast from local makers and bakers! We hosted Blurring Boundaries at the Lemon Tree, a selection of readings by the Scottish BPOC (Black and People of Colour) Writers Network, in honour of LGBT History Month.

We continued to support our Weston Jerwood Creative Bursaries fellow in their role as Associate Producer. This bursary programme allowed us to fund this role for 1 year, as an opportunity from an early career individual from lower socio-economic background. The role began in May 2021, and the individual played a key role in some of our talent development activities and diverse programming/produced work in that year. We are pleased to say that our fellow has now secured a permanent role with us as our Creative Change Maker – Inclusion and Relevance and continues to develop our work with under-represented and marginalised groups and communities.

ABERDEEN PERFORMING ARTS
DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)
YEAR ENDED 31 MARCH 2022

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.

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.

Financial Review

The group income for the year, amounting to £10,084,550 (2021: £4,546,421) has been dealt with as shown in the Statement of Financial Activities. Income has increased by £5,538,129 as a result of our venues reopening during the period and the build back from relaxation of the Covid-19 pandemic restrictions.

The total reserves of the group are £12,009,777 (2021: £10,016,711). Of this £648,420 represents the general (trading reserves) fund (2021: £1,220,597); £10,000,224 designated fixed asset fund (2021: £9,750,175); (£1,192,000) designated defined benefit pension fund (2021: (£1,299,000)), other designated unrestricted reserves (comprising Lemon Tree and HMT 1906 Project, Climate Action, Covid Adaptions and Energy funds) £2,012,966 (2021: £nil) and the remaining £540,167 restricted funds (2021: £344,939).

ABERDEEN PERFORMING ARTS
DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)
YEAR ENDED 31 MARCH 2022

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.

As a consequence of the global pandemic we introduced a separate COVID-19 risk register which is updated regularly. The principal risk faced by the company in 2021/22 was the continued uncertainty and corresponding impact of the COVID-19 pandemic on our venues, our people, and our services.

This risk was mitigated by utilising all available support schemes (including CJRS until its termination in Aug-21) and strongly focusing on the reopening planning around marketing. Wherever possible we have reorganised visiting performances to alternative dates.

Investment Policy

Funds not required in the short term for operational purposes are 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.

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 £200,000 with a view to increasing them to a maximum level of £650,000. 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 to a maximum of £1,000,000 in order to safeguard the long-term interests of the company.

Principal Funding Sources

The main public funding for the company comes from Aberdeen City Council and Creative Scotland.

In 2021/22 we were able to secure additional funding including Scottish Government COVID Stabilisation Fund and Performing Arts Venue Relief Funding.

The subsidiary trading company which operates the bars, and café bars in our venues generates profit, all of which is donated to the charitable company. This recommenced trading upon our venues reopening in August 2021.

Plans for Future Periods

We have reassessed our business plan as we emerge from the pandemic ensuring that we stabilise and build back in a structured manner. We have a strong and clear budget that intends to deliver a modest surplus for the coming financial year and which reflects a full year of trading and operation with a more stable environment with a full programme. We continue to see arts and culture at the heart of the recovery, integral to economic regeneration and community well-being in the North East.

ABERDEEN PERFORMING ARTS
DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)
YEAR ENDED 31 MARCH 2022

Our core ambitions continue to be:

- **PROGRAMME:** ensuring a distinctive, diverse and relevant programming within our venues and working to deliver our portfolio of curated festivals.
- **TALENT:** investing in the artists, performers and creatives of today and tomorrow.
- **ARTS WITHOUT BOUNDARIES:** ensuring we have a programme of creative engagement that is open and inclusive for everyone within our communities.
- **PLACEMAKING:** strengthening communities, shaping place, helping to reinvent the North East through the arts.
- **BUILDING BACK STRONGER:** ensure that we continue to adapt, and operate in a sustainable manner, in the post pandemic environment.

Structure, Governance and Management

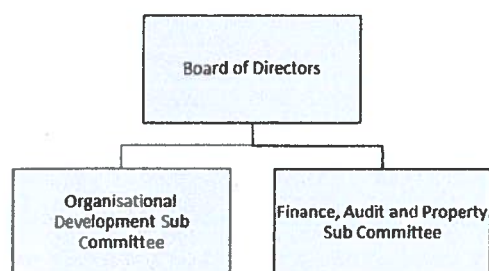
Governing Document

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 up to 16 Directors oversee the charity. The Directors of the company during the year ended 31 March 2022 were as noted on page 2. There are 2 sub-committees which report directly to the Board: Finance, Audit and Property and Organisational Development.

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

ABERDEEN PERFORMING ARTS

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2022

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 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, legal.

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 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

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, Director of People and Head of Finance are required to attend subcommittee meetings.

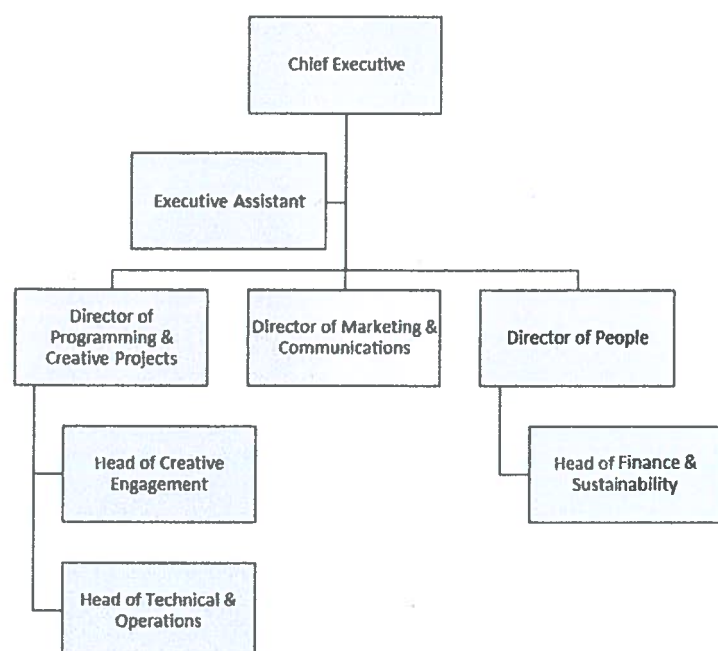
ABERDEEN PERFORMING ARTS

DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2022

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 the pursuit of Customer Service excellence and Environmental Sustainability within our organisation.

APA Leadership Team



Operationally the Board is supported by the Leadership Team led by the Chief Executive who is appointed by the directors. The team consists of 7 officers who provide day to day artistic, financial, and operational management within the financial, legal and regulatory framework of the charitable company. We used the opportunity during the period of closure to strengthen our Leadership Team structure to provide additional focus on operations and sustainability, recognising the importance within the organisation.

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.

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.

ABERDEEN PERFORMING ARTS
DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)
YEAR ENDED 31 MARCH 2022

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 Theatre, 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.

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.

ABERDEEN PERFORMING ARTS
DIRECTORS' REPORT (INCORPORATING THE STRATEGIC REPORT) (CONTINUED)
YEAR ENDED 31 MARCH 2022

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.

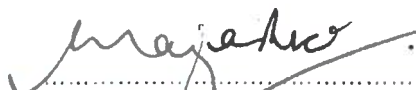
POST BALANCE SHEET EVENTS

There are no significant events affecting the group since the year end.

AUDITOR

The appointed auditor Anderson Anderson & Brown Audit LLP 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
28/11/2022 and signed on their behalf by:


.....
C Pike, Chairman

ABERDEEN PERFORMING ARTS DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors (who are also 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity and company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, 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 of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and Group will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the 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 the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

ABERDEEN PERFORMING ARTS

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

Opinion

We have audited the financial statements of Aberdeen Performing Arts for the year ended 31 March 2022 which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

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 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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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.

ABERDEEN PERFORMING ARTS

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

Other information (continued)

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 our 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 light of the knowledge and understanding of the group and the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out on page 17, 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 or the 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.

ABERDEEN PERFORMING ARTS

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

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above, to detect material misstatements in respect of irregularities, including fraud is detailed below.

We considered the opportunities and incentives that may exist within the charity and its group for fraud and identified the greatest potential for fraud to be income recognition and posting of unusual journal entries. Audit procedures performed to address these risks included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Testing of management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Identifying and testing journal entries; and
- Testing a sample of income transactions to source documentation.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

ABERDEEN PERFORMING ARTS

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

Use of our report

This report is made solely to the 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.



Andrew Shaw (Senior Statutory Auditor)

For and on behalf of Anderson Anderson & Brown Audit LLP

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

Date: 30 November 2022

Anderson Anderson & Brown Audit LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

ABERDEEN PERFORMING ARTS
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds £	Restricted funds £	Group 2022 £	Group 2021 £
Income from:					
Donations and legacies	4	4,180,526	877,930	5,058,456	4,404,770
Charitable activities	5	4,369,620	-	4,369,620	105,913
Other trading activities	6	644,548	-	644,548	15,238
Investments		11,926	-	11,926	20,500
Total income		9,206,620	877,930	10,084,550	4,546,421
Expenditure on:					
Raising funds	7	667,500	-	667,500	477,281
Charitable activities	8	7,368,962	291,022	7,659,984	3,730,789
		8,036,462	291,022	8,327,484	4,208,070
Net income		1,170,158	586,908	1,757,066	338,351
Actuarial gains on defined benefit pension scheme	21	236,000	-	236,000	631,000
Transfer between funds		391,680	(391,680)	-	-
Net movement in funds		1,797,838	195,228	1,993,066	969,351
Reconciliation of funds					
Total funds brought forward	22	9,671,772	344,939	10,016,711	9,047,360
Total funds carried forward	22	11,469,610	540,167	12,009,777	10,016,711

The notes on pages 24 to 53 form part of these financial statements.

ABERDEEN PERFORMING ARTS
**COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

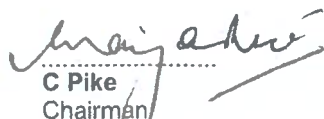
Note		Unrestricted funds £	Restricted funds £	Charity 2022 £	Charity 2021 £
Income from:					
Donations and legacies	4	4,083,532	877,930	4,961,462	4,429,285
Charitable activities	5	4,369,620	-	4,369,620	105,913
Investments		11,926	-	11,926	20,500
Total income		8,465,078	877,930	9,343,008	4,555,698
Expenditure on:					
Charitable activities	8	7,368,962	291,022	7,659,984	3,730,788
		7,368,962	291,022	7,659,984	3,730,788
Net income		1,096,116	586,908	1,683,024	824,910
Actuarial gains on defined benefit pension scheme	21	236,000	-	236,000	631,000
Transfer between funds		391,680	(391,680)	-	-
Net movement in funds		1,723,796	195,228	1,919,024	1,455,910
Reconciliation of funds					
Total funds brought forward	22	9,737,143	344,939	10,082,082	8,626,172
Total funds carried forward	22	11,460,939	540,167	12,001,106	10,082,082

The notes on pages 24 to 53 form part of these financial statements.

ABERDEEN PERFORMING ARTS
COMPANY NUMBER: SC238959
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed Assets			
Intangible fixed assets	13	37,919	50,782
Tangible fixed assets	14	9,870,717	9,723,619
		<u>9,908,636</u>	<u>9,774,401</u>
Current Assets			
Stock		37,232	28,656
Debtors	17	1,177,004	380,762
Fixed term bank deposits	16	1,305,720	1,301,804
Cash at bank and in hand		5,936,251	4,865,811
		<u>8,456,207</u>	<u>6,577,033</u>
Creditors: amounts falling due within one year	18	(5,163,066)	(4,913,848)
Net current assets		3,293,141	1,663,185
Creditors: amounts falling due in more than one year	20	-	(121,875)
Net assets excluding pension scheme liability		13,201,777	11,315,711
Defined benefit pension scheme	21	(1,192,000)	(1,299,000)
Total net assets		<u>12,009,777</u>	<u>10,016,711</u>
FUNDS			
Unrestricted:			
Designated funds	22	10,821,190	8,451,175
General funds	22	648,420	1,220,597
		<u>11,469,610</u>	<u>9,671,772</u>
Restricted	22	540,167	344,939
		<u>12,009,777</u>	<u>10,016,711</u>

Signed on behalf of the Board of Trustees


C Pike
Chairman

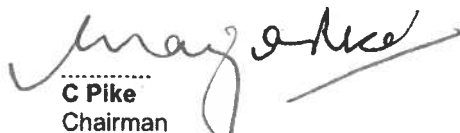
Date: 28/11/2022

The notes on pages 24 to 53 form part of the financial statements.

ABERDEEN PERFORMING ARTS
COMPANY NUMBER: SC238959
COMPANY BALANCE SHEET AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed Assets			
Intangible fixed assets	13	37,919	50,782
Tangible fixed assets	14	9,810,648	9,699,393
Investments	15	1	1
		<u>9,848,568</u>	<u>9,750,176</u>
Current Assets			
Debtors	17	1,244,019	549,367
Fixed term bank deposits	16	1,305,720	1,301,804
Cash at bank and in hand		5,852,857	4,802,234
		<u>8,402,596</u>	<u>6,653,405</u>
Creditors: amounts falling due within one year	18	(5,058,058)	(4,900,624)
Net current assets		<u>3,344,538</u>	<u>1,752,781</u>
Creditors: amounts falling due in more than one year	20	-	(121,875)
Net assets excluding pension scheme liability		<u>13,193,106</u>	<u>11,381,082</u>
Defined benefit pension scheme	21	(1,192,000)	(1,299,000)
Total net assets		<u><u>12,001,106</u></u>	<u><u>10,082,082</u></u>
FUNDS			
Unrestricted:			
Designated funds	22	10,821,190	8,451,175
General funds	22	639,749	1,285,968
		<u>11,460,939</u>	<u>9,737,143</u>
Restricted	22	540,167	344,939
		<u><u>12,001,106</u></u>	<u><u>10,082,082</u></u>

Signed on behalf of the Board of Trustees


C Pike
Chairman

Date: 28/11/2022

The notes on pages 24 to 53 form part of the financial statements.

ABERDEEN PERFORMING ARTS
CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2022

		Group		Company	
	Note	2022	2021	2022	2021
		£	£	£	£
Net cash flow from operating activities	24	1,928,709	2,031,411	1,841,558	2,020,463
Cash flow from investing activities					
Investment income		11,926	20,500	11,926	20,500
Purchase of tangible fixed assets		(708,154)	-	(640,820)	-
Purchase of intangible fixed assets		(8,125)	(56,875)	(8,125)	(56,875)
Net cash (used in) investing activities		(704,353)	(36,375)	(637,019)	(36,375)
Cash flow from financing activities					
Loan draw down		-	150,000	-	150,000
Repayment of loan		(150,000)	-	(150,000)	-
Net cash provided by / (used in) financing activities		(150,000)	150,000	(150,000)	150,000
Increase in cash and cash equivalents in the year		1,074,356	2,145,036	1,054,539	2,134,088
Cash and cash equivalents at 1 April 2021	25	6,167,615	4,022,579	6,104,038	3,969,950
Cash and cash equivalents at 31 March 2022	25	7,241,971	6,167,615	7,158,577	6,104,038

The notes on pages 24 to 53 form part of the financial statements.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

(a) 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 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 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 within the 'Legal and Administrative Information' page of these financial statements.

(b) Basis of financial statements preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Aberdeen Performing Arts 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.

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.

(c) 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.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

(d) *Going concern*

The financial statements have been prepared on a going concern basis as the directors are of the opinion that the group and charity can continue to meet its obligations as they fall due for the foreseeable future. Grant funding is ongoing and there is a substantial programme of performance and events booked for the second half of 2022/23 and all of 2023/24. The group has a strong cash position as at 31 March 2022 as shown in the Balance sheet.

(e) *Recognition and allocation of income*

All income is included in the Statement of Financial Activities when the group is entitled to 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 become 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 unexpected 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

(f) *Recognition and allocation of expenditure*

Expenditure is recognised when the group has entered into a legal or constructive obligation and is related where practicable to the operating activities of the group. Expenditure is recognised on an accruals basis, includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise those costs attributable to the trading company's activities.
- Charitable expenditure comprises those costs incurred by the group in the delivery of its charitable activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the group and include the audit fees and costs linked to the strategic management of the group.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on a time spent basis.

(g) *Termination payments*

Termination payments are recognised in the year in which they are agreed. Settlement agreements are recognised on an individual basis in respect of those employees whose employment is terminated prior to retirement age by the group.

(h) *Taxation*

The Company is considered to pass the tests set out in Schedule 6, Part 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) *Fund accounting*

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

(j) *Intangible fixed assets and amortisation*

Intangible fixed assets relate to the capitalisation of website development costs. The directors are satisfied as to the technical, commercial, and financial viability of the project. As such, the identifiable expenditure is capitalised as an intangible asset and amortised over the period during which the Group is expected to benefit. This period is 3 years. Provision is made for any impairment.

(k) *Tangible fixed assets and depreciation*

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, on a straight line basis over their expected useful lives as follows:

Tenant's improvements - 3-5 years or over the term of the lease
Computer equipment - 3 years
Plant and machinery - 3 -25 years

(l) *Investments in subsidiaries*

Investments in subsidiaries are valued at cost less provision for impairment.

Current asset investments is represented by investments with financial institutions that mature in more than three months from the date of acquisition.

(m) *Stocks*

Stocks are stated at the lower of cost and net realisable value. At each Balance Sheet date, stocks are assessed for impairment. The impairment loss is recognised immediately in the Statement of Financial Activities.

(n) *Debtors*

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

(o) *Cash at bank and in hand*

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

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

(p) Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

(q) Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(r) Operating leases: the group as lessee

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

(s) Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Aberdeen Performing Arts is a member of North East Scotland Pension Fund, which is part of the Local Government Pension Scheme (Scotland), a multi-employer scheme. The Local Government Pension Scheme (Scotland) is a defined benefit pension scheme which provides benefits based on final pensionable pay. The expected cost to the company of pensions is charged to the Statement of Financial Activities (SOFA) so as to spread the cost of pensions over the service lives of the employees.

In accordance with FRS 102 Retirement Benefits the operating and financial costs of pension and post retirement schemes (determined by a qualified actuary) are recognised separately in the SOFA. Services costs are systematically spread over the service lives of the employees and financing costs are recognised in the period in which they arise.

The difference between the actual and expected returns on assets during the year, including changes in the actuarial assumptions, is also recognised in the SOFA.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

(s) *Pensions*

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Defined benefit pension scheme

The charitable company is part of a defined benefit pension plan. The assets and liabilities are based upon estimates for discount rates, CPI, and salary increases, while also incorporating estimated mortality assumptions for those in the plan. The net funding deficit of £1,192,000 (2021 - £1,299,000) is calculated by an actuary and is an estimate of the share of the liability which relates to Aberdeen Performing Arts. Details of the valuation and assumptions can be found at note 21.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. COMMERCIAL TRADING OPERATIONS AND INVESTMENT IN TRADING SUBSIDIARY

The wholly owned subsidiary, Aberdeen Performing Arts Trading Company Limited, which operates in the United Kingdom, pays its profits to Aberdeen Performing Arts by gift aid. Aberdeen Performing Arts Trading Company Limited operates the bar and catering facilities at His Majesty's Theatre, The Lemon Tree and The Music Hall. The charity owns the entire issued share capital of 1 ordinary share of £1.

A summary of the trading results is shown below:

	2022	2021
	£	£
Turnover (including other operating income)	741,542	348,129
Cost of sales and administration costs	(667,500)	(477,281)
Net profit	74,042	(129,152)
Amount gift aided to the Charity	-	(357,406)
Tax	-	-
Movement in retained earnings	74,042	(486,558)

The assets and liabilities of the subsidiary were:

Fixed assets	60,069	24,226
Current assets	457,283	140,757
Current liabilities	(508,679)	(230,352)
Total net assets/(liabilities)	8,673	(65,369)
 Aggregate share capital and reserves	 8,673	 (65,369)

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. INCOME FROM DONATIONS AND LEGACIES

Group	Unrestricted £	Restricted £	Total 2022 £	Unrestricted £	Restricted £	Total 2021 £
Donations	106,023	-	106,023	123,860	-	123,860
Other grants	104,418	227,000	331,418	462,385	12,000	474,385
Creative Scotland	2,677,532		2,677,532	1,083,750	27,000	1,110,750
Aberdeen City Council HMRC Coronavirus Job Retention Scheme Income	800,000	650,930	1,450,930	846,000	185,000	1,031,000
	492,553	-	492,553	1,664,775	-	1,664,775
	<u>4,180,526</u>	<u>877,930</u>	<u>5,058,456</u>	<u>4,180,770</u>	<u>224,000</u>	<u>4,404,770</u>

During the year the group benefited from donated facilities which were deemed to have a market value of £46,000 (2021 - £46,000). Income and a corresponding cost (Note 8) have been recognised in respect of these donations.

Company	Unrestricted £	Restricted £	Total 2022 £	Unrestricted £	Restricted £	Total 2021 £
Donations	106,023	-	106,023	123,860	-	123,860
Other grants	104,418	227,000	331,418	462,385	12,000	474,385
Creative Scotland	2,677,532		2,677,532	1,083,750	27,000	1,110,750
Aberdeen City Council HMRC Coronavirus Job Retention Scheme Income	800,000	650,930	1,450,930	846,000	185,000	1,031,000
	395,559	-	395,559	1,331,884	-	1,331,884
Gift aid donation from subsidiary	-	-	-	357,406	-	357,406
	<u>4,083,532</u>	<u>877,930</u>	<u>4,961,462</u>	<u>4,205,285</u>	<u>224,000</u>	<u>4,429,285</u>

5. INCOME FROM CHARITABLE ACTIVITIES

Group and Company	Unrestricted 2022 £	Unrestricted 2021 £
Income from performances and events	4,289,742	103,905
Other income	79,878	2,008
	<u>4,369,620</u>	<u>105,913</u>

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

6. INCOME FROM OTHER TRADING ACTIVITIES

Group	Unrestricted 2022 £	Unrestricted 2021 £
Sale of goods	612,786	(1,075)
Revenue from commissions	31,762	-
Curtain advertising	-	16,313
Other income	-	-
	644,548	15,238

7. EXPENDITURE ON RAISING FUNDS

Group	Direct Costs £	Governance Costs £	Total 2022 £	Direct Costs £	Governance Costs £	Total 2021 £
Aberdeen Performing Arts Trading Company Limited - trading activities	661,225	6,275	667,500	471,656	5,625	477,281

In 2021 and 2020 all expenditure on raising funds was from the unrestricted fund.

8. EXPENDITURE ON CHARITABLE ACTIVITIES

Group	Direct Costs £	Support Costs £	Total 2022 £	Direct Costs £	Support Costs £	Total 2021 £
Wages and salaries	2,267,332	91,919	2,359,251	2,045,804	107,887	2,153,691
Other staff costs	54,066	-	54,066	3,984	-	3,984
Defined benefit pension scheme costs (note 21)	230,000	-	230,000	211,000	-	211,000
Property costs	291,745	-	291,745	225,184	-	225,184
Advertising	471,668	-	471,668	22,450	-	22,450
Legal and professional fees	377,391	-	377,391	229,317	-	229,317
Administration costs	133,776	-	133,776	69,344	-	69,344
Transport costs	33,710	-	33,710	4,718	-	4,718
Cost of performances	2,805,789	-	2,805,789	33,775	-	33,775
Programme costs	35,060	-	35,060	60	-	60
Repairs and maintenance	243,195	-	243,195	72,268	-	72,268
Depreciation	529,565	-	529,565	617,981	-	617,981
Amortisation	20,988	-	20,988	6,093	-	6,093
Governance costs (note 9)	12,500	61,280	73,780	9,000	71,924	80,924
	7,506,785	153,199	7,659,984	3,550,978	179,811	3,730,789

In 2022 £7,368,962 (2021: £3,511,526) of expenditure on charitable activities was from the unrestricted fund and £291,022 (2021: £219,263) was from the restricted fund.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)

Company	Direct Costs £	Support Costs £	Total 2022 £	Direct Costs £	Support Costs £	Total 2021 £
Wages and salaries	2,267,332	91,919	2,359,251	2,045,804	107,887	2,153,691
Other staff costs	54,066	-	54,066	3,984	-	3,984
Defined benefit pension scheme costs (note 21)	230,000	-	230,000	211,000	-	211,000
Property costs	291,745	-	291,745	225,184	-	225,184
Advertising	471,668	-	471,668	22,450	-	22,450
Legal and professional fees	377,391	-	377,391	229,317	-	229,317
Administration costs	133,776	-	133,776	69,344	-	69,344
Transport costs	33,710	-	33,710	4,718	-	4,718
Cost of performances	2,805,789	-	2,805,789	33,775	-	33,775
Programme costs	35,060	-	35,060	60	-	60
Repairs and maintenance	243,195	-	243,195	72,267	-	72,267
Depreciation	529,565	-	529,565	617,981	-	617,981
Amortisation	20,988	-	20,988	6,093	-	6,093
Governance costs (note 9)	12,500	61,280	73,780	9,000	71,924	80,924
	<u>7,506,785</u>	<u>153,199</u>	<u>7,659,984</u>	<u>3,550,977</u>	<u>179,811</u>	<u>3,730,788</u>

In 2022 £7,368,962 (2021: £3,511,525) of expenditure on charitable activities was from the unrestricted fund and £291,022 (2021: £219,263) was from the restricted fund.

9. GOVERNANCE COSTS

Company	Direct Costs £	Support Costs £	Total 2022 £	Direct Costs £	Support Costs £	Total 2021 £
Audit fee	12,500	-	12,500	9,000	-	9,000
Staff costs	-	61,280	61,280	-	71,924	71,924
Total company	<u>12,500</u>	<u>61,280</u>	<u>73,780</u>	<u>9,000</u>	<u>71,924</u>	<u>80,924</u>
Subsidiary audit and tax fees	6,275	-	6,275	5,625	-	5,625
Total group	<u>18,775</u>	<u>61,280</u>	<u>80,055</u>	<u>14,625</u>	<u>71,924</u>	<u>86,549</u>

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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10. NET MOVEMENT IN FUNDS

Group	Total 2022 £	Total 2021 £
Net movement in funds is stated after charging:		
Depreciation of tangible assets	561,056	657,538
Amortisation of intangible assets	20,988	6,093
Auditor's remuneration:		
Audit fees - Aberdeen Performing Arts	12,500	9,000
Audit fees - subsidiary	4,650	4,000
Corporation tax fee - subsidiary	1,625	1,625
Operating lease rentals - plant and machinery	<u>8,231</u>	<u>6,608</u>

Company

Net movement in funds is stated after charging:

Depreciation of tangible assets	529,565	617,981
Amortisation of intangible assets	20,988	6,093
Auditor's remuneration - audit fee	12,500	9,000
Operating lease rentals - plant and machinery	<u>8,231</u>	<u>6,608</u>

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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11. STAFF COSTS AND NUMBERS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Wages and salaries	2,487,210	2,319,565	2,158,276	1,958,624
Social security costs	156,235	144,030	142,712	131,972
Defined benefit scheme	201,000	167,000	201,000	167,000
Defined contribution scheme	145,613	161,678	119,543	135,017
	<u>2,990,058</u>	<u>2,792,273</u>	<u>2,621,531</u>	<u>2,392,613</u>

All employees are employed directly by Aberdeen Performing Arts. The average number of persons employed by the group during the year, including remunerated directors, was 229 (2021: 256).

The average number of persons remunerated through the charity during the year, including remunerated directors was 183 (2021: 198). Costs associated with 46 (2021: 58) members of staff were recharged to the subsidiary, Aberdeen Performing Arts Trading Company Limited by the parent charitable company.

Group and Company

The number of employees whose emoluments, excluding pension contributions, totalled over £60,000 was as follows:

	2022	2021
	No.	No.
£100,001 - £110,000	<u>1</u>	<u>1</u>

Employer pension contributions to the defined contributions scheme in respect of the above employees were £17,325 (2021: £16,830).

The key management personnel of the group are listed on page 16. The employee benefits for key management totalled £416,153 (2021: £384,406).

12. DIRECTORS' EMOLUMENTS AND EXPENSES

During the year the chairman was remunerated £1,875 (2021: £nil). This remuneration is in accordance with the memorandum and articles of association.

The board members received no remuneration or reimbursed expenses during the year (2021: £nil).

ABERDEEN PERFORMING ARTS
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13. INTANGIBLE FIXED ASSETS

Group and Company	Website Development £	Total £
Cost		
At 1 April 2021	56,875	56,875
Additions	8,125	8,125
At 31 March 2022	<u>65,000</u>	<u>65,000</u>
Amortisation		
At 1 April 2021	6,093	6,093
Charge for the year	20,988	20,988
At 31 March 2022	<u>27,081</u>	<u>27,081</u>
Net book value		
At 31 March 2022	<u>37,919</u>	<u>37,919</u>
At 31 March 2021	<u>50,782</u>	<u>50,782</u>

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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14. TANGIBLE FIXED ASSETS

Group	Tenants Improvements £	Computer Equipment £	Plant and Machinery £	Total £
Cost				
At 1 April 2021	11,044,199	578,099	908,812	12,531,110
Additions	314,034	126,185	267,935	708,154
At 31 March 2022	<u>11,358,233</u>	<u>704,284</u>	<u>1,176,747</u>	<u>13,239,264</u>
Depreciation				
At 1 April 2021	1,509,251	556,466	741,774	2,807,491
Charge for the year	457,262	22,973	80,821	561,056
At 31 March 2022	<u>1,966,513</u>	<u>579,439</u>	<u>822,595</u>	<u>3,368,547</u>
Net book value				
At 31 March 2022	<u>9,391,720</u>	<u>124,845</u>	<u>354,152</u>	<u>9,870,717</u>
At 31 March 2021	<u>9,534,948</u>	<u>21,633</u>	<u>167,038</u>	<u>9,723,619</u>
Company	Tenants Improvements £	Computer Equipment £	Plant and Machinery £	Total £
Cost				
At 1 April 2021	11,044,199	578,099	696,072	12,318,370
Additions	314,034	126,185	200,601	640,820
At 31 March 2022	<u>11,358,233</u>	<u>704,284</u>	<u>896,673</u>	<u>12,959,190</u>
Depreciation				
At 1 April 2021	1,509,251	556,466	553,260	2,618,977
Charge for the year	457,262	22,973	49,330	529,565
At 31 March 2022	<u>1,966,513</u>	<u>579,439</u>	<u>602,590</u>	<u>3,148,542</u>
Net book value				
At 31 March 2022	<u>9,391,720</u>	<u>124,845</u>	<u>294,083</u>	<u>9,810,648</u>
At 31 March 2021	<u>9,534,948</u>	<u>21,633</u>	<u>142,812</u>	<u>9,699,393</u>

Aberdeen Performing Arts have granted standard securities in favour of Creative Scotland, National Heritage Memorial Fund and Historic Environment Scotland over their leasehold interest in the Music Hall in security of grant funds made available to assist with the refurbishment project of the Music Hall.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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15. FIXED ASSET INVESTMENTS

	Charity	
	2022	2021
	£	£
Investment in subsidiary	<u>1</u>	<u>1</u>

The wholly owned trading subsidiary Aberdeen Performing Arts Trading Company Limited, which is incorporated in Scotland (registered number SC254182) operates the bar and catering facilities at His Majesty's Theatre, The Lemon Tree and The Music Hall. The registered office is at His Majesty's Theatre, Rosemount Viaduct, Aberdeen, AB25 1GL. The charity owns the entire share capital of £1. Full details of the subsidiary's results for the year are given in note 4.

16. CURRENT ASSEST INVESTMENTS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Term deposits	<u>1,305,720</u>	<u>1,301,804</u>	<u>1,305,720</u>	<u>1,301,804</u>

17. DEBTORS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	292,920	11,013	276,392	7,269
Other debtors	785,630	305,010	471,054	260,228
Prepayments	98,454	64,739	92,901	64,739
Due from subsidiary undertaking	-	-	403,672	217,131
	<u>1,177,004</u>	<u>380,762</u>	<u>1,244,019</u>	<u>549,367</u>

ABERDEEN PERFORMING ARTS
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18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	541,261	65,353	480,089	64,772
Taxation and social security	41,083	34,382	41,083	34,382
Deferred income (note 19)	3,744,839	2,948,660	3,744,839	2,948,660
Other creditors	835,883	1,837,328	792,047	1,824,685
Loans	-	28,125	-	28,125
	<u>5,163,066</u>	<u>4,913,848</u>	<u>5,058,058</u>	<u>4,900,624</u>

Within 'Other Creditors' there is a balance of £nil which relates to deferred grant income (2021: £1,403,333). While the grant amounts have been received in the year, the directors consider that the criteria for recognition was not met until after the year end and therefore deferred recognition.

19. DEFERRED INCOME

Group and Company	2022	2021
	£	£
Balance at 1 April	2,948,660	3,049,097
Amount released in the year	(8,342,146)	(918,643)
Amount deferred in the year	9,138,325	818,206
Balance at 31 March	<u>3,744,839</u>	<u>2,948,660</u>

The deferred income balance comprises advanced ticket sales relating to amounts refundable should future performances not take place.

20. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

Group and Company	2022	2021
	£	£
Loans	<u>-</u>	<u>121,875</u>

A Social Investment Scotland (SIS) loan of £150,000 was received in the prior year. The loan was interest free and was fully repaid in December 2021.

ABERDEEN PERFORMING ARTS
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21. DEFINED BENEFIT PENSION SCHEME

The charitable company makes contributions on behalf of its employees to North East Scotland Pension Fund ("NESPF") which is part of a Local Government Pension Scheme (Scotland) ("LGPS"), a multi-employer scheme. The scheme is now closed to all new employees. The assets of the scheme are held separately from those of the charitable company.

The contributions to this Scheme are determined with the advice of independent qualified actuaries on the basis of triennial valuations using the projected unit credit actuarial cost method. The most recent triennial valuation was carried out as at 31 March 2020:

	2022	2021
	%	%
The following key assumptions have been applied:		
Discount rate	2.8	2.1
Expected rate of increase of pensions in payment	3.4	2.8
Expected rate of salary increases	4.8	4.2
CPI inflation	3.3	2.7
Life expectancy:	Years	Years
Retiring today		
Male	21.5	21.5
Female	24.2	24.2
Life expectancy:		
Retiring in 20 years		
Male	23.0	23.1
Female	26.3	26.3

The pension cost and provision for the year ending 31 March 2022 are based on the advice of a professionally qualified actuary.

The contribution made for the year ended 31 March 2022 was £101,000 (2021 - £105,000).

The assets in the scheme were:

	2022	2021
	£	£
Equities	6,820,000	6,665,000
Government bonds	934,000	564,000
Other bonds	-	102,000
Property	740,000	643,000
Cash/liquidity	342,000	338,000
Other	2,551,000	2,966,000
Total market value of assets	11,387,000	11,278,000

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21. DEFINED BENEFIT PENSION SCHEME (CONTINUED)

The amounts recognised in the Statement of financial activities are as follows:

	2022	2021
	£	£
Net interest costs	27,000	42,000
Administrative expenses	2,000	2,000
Current service cost	201,000	167,000
Total	230,000	211,000

Movements in the present value of the defined benefit obligation were as follows:

	2022	2021
	£	£
Opening defined benefit obligation	12,577,000	10,410,000
Interest on pension liabilities	263,000	248,000
Member contributions	30,000	31,000
Remeasurements	(284,000)	1,888,000
Benefits paid	(208,000)	(167,000)
Service cost	201,000	167,000
Closing defined benefit obligation	12,579,000	12,577,000

Changes in fair value of scheme assets were as follows:

	2022	2021
	£	£
Opening fair value of scheme assets	11,278,000	8,586,000
Interest on plan assets	236,000	206,000
Remeasurements	(48,000)	2,519,000
Administrative expenses	(2,000)	(2,000)
Contributions by employer	101,000	105,000
Contributions by scheme participants	30,000	31,000
Benefits paid	(208,000)	(167,000)
Total	11,387,000	11,278,000

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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21. DEFINED BENEFIT PENSION SCHEME (CONTINUED)

Amounts for the current and previous period were as follows:

	2022	2021
	£	£
Present value of scheme liabilities	(12,579,000)	(12,577,000)
Market value of assets	11,387,000	11,278,000
Deficit in the scheme	(1,192,000)	(1,299,000)
Actuarial gains/(losses) on remeasurements	2022	2021
	£	£
Remeasurements of scheme liabilities	(48,000)	2,519,000
Remeasurements of scheme assets	284,000	(1,888,000)
	236,000	631,000

The group also contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge for the year in respect of the defined contribution scheme was £145,613 (2021: £161,678).

ABERDEEN PERFORMING ARTS
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22. MOVEMENT IN FUNDS

Group	At 1 April 2021 £	Income £	Expenditure £	Transfers £	Other movements £	At 31 March 2022 £
Unrestricted funds						
Designated funds:						
Fixed asset funds						
Other	440,586	-	(125,426)	334,911	-	650,071
Music Hall redevelopment	9,309,589	-	(425,126)	-	-	8,884,463
HMT 1906 redevelopment	-	-	-	270,845	-	270,845
Lemon Tree redevelopment	-	-	-	43,189	-	43,189
Restoration Levy	-	151,656	-	-	-	151,656
	<u>9,750,175</u>	<u>151,656</u>	<u>(550,552)</u>	<u>648,945</u>	<u>-</u>	<u>10,000,224</u>
Designated - Other						
Defined benefit pension fund	(1,299,000)	-	(230,000)	101,000	236,000	(1,192,000)
HMT 1906 project	-	-	-	179,155	-	179,155
Lemon Tree project	-	-	-	1,283,811	-	1,283,811
Climate action	-	-	-	150,000	-	150,000
Covid Adaptations	-	-	-	100,000	-	100,000
Energy	-	-	-	300,000	-	300,000
Total designated funds	<u>8,451,175</u>	<u>151,656</u>	<u>(780,552)</u>	<u>2,762,911</u>	<u>236,000</u>	<u>10,821,190</u>
General funds	<u>1,220,597</u>	<u>9,054,964</u>	<u>(7,255,910)</u>	<u>(2,371,231)</u>	<u>-</u>	<u>648,420</u>
	<u>9,671,772</u>	<u>9,206,620</u>	<u>(8,036,462)</u>	<u>391,680</u>	<u>236,000</u>	<u>11,469,610</u>
Restricted funds						
Grant funding:						
Stage 1 production grant	-	75,000	(75,000)	-	-	-
Youth arts	317,939	-	-	-	-	317,939
Youth music	27,000	-	(2,497)	-	-	24,503
True North	-	50,000	(50,000)	-	-	-
Granite Noir	-	70,000	(70,000)	-	-	-
Place based investment fund	-	164,680	-	(164,680)	-	-
HMT 1906 project	-	200,000	-	(200,000)	-	-
Lemon Tree project	-	27,000	-	(27,000)	-	-
Community Renewal Fund	-	291,250	(93,525)	-	-	197,725
Total restricted funds	<u>344,939</u>	<u>877,930</u>	<u>(291,022)</u>	<u>(391,680)</u>	<u>-</u>	<u>540,167</u>
Total funds	<u>10,016,711</u>	<u>10,084,550</u>	<u>(8,327,484)</u>	<u>-</u>	<u>236,000</u>	<u>12,009,777</u>

ABERDEEN PERFORMING ARTS
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23. MOVEMENT IN FUNDS (CONTINUED)

Group	At 1 April 2020 £	Income £	Expenditure £	Transfers £	Other movements £	At 31 March 2021 £
Unrestricted funds						
Designated funds:						
Fixed asset funds						
Other	534,116	-	(150,405)	56,875	-	440,586
Music Hall redevelopment	9,783,258	-	(473,669)	-	-	9,309,589
	10,317,374	-	(624,074)	56,875	-	9,750,175
Defined benefit pension fund	(1,824,000)	-	(211,000)	105,000	631,000	(1,299,000)
Total designated funds	8,493,374	-	(835,074)	161,875	631,000	8,451,175
General funds	213,784	4,322,421	(3,153,733)	(161,875)	-	1,220,597
Total unrestricted funds	8,707,158	4,322,421	(3,988,807)	-	631,000	9,671,772
Restricted funds						
Grant funding						
Stage 1 production grant	-	75,000	(75,000)	-	-	-
Sector development	3,384	-	(3,384)	-	-	-
Youth arts	317,939	-	-	-	-	317,939
Youth music	18,879	27,000	(18,879)	-	-	27,000
True North	-	50,000	(50,000)	-	-	-
Granite Noir	-	72,000	(72,000)	-	-	-
Total restricted funds	340,202	224,000	(219,263)	-	-	344,939
Total funds	9,047,360	4,546,421	(4,208,070)	-	631,000	10,016,711

ABERDEEN PERFORMING ARTS
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23. MOVEMENT IN FUNDS (CONTINUED)

Company	At 1 April 2021 £	Income £	Expenditure £	Transfers £	Other movements £	At 31 March 2022 £
Unrestricted funds						
Designated funds:						
Fixed asset funds:						
Other	440,586	-	(125,426)	334,911	-	650,071
Music Hall redevelopment	9,309,589	-	(425,126)	-	-	8,884,463
HMT 1906 redevelopment	-	-	-	270,845	-	270,845
Lemon Tree development	-	-	-	43,189	-	43,189
Restoration Levy	-	151,656	-	-	-	151,656
	<u>9,750,175</u>	<u>151,656</u>	<u>(550,552)</u>	<u>648,945</u>	<u>-</u>	<u>10,000,224</u>
Designated – Other:						
Defined benefit pension fund	(1,299,000)	-	(230,000)	101,000	236,000	(1,192,000)
HMT 1906 project	-	-	-	179,155	-	179,155
Lemon Tree project	-	-	-	1,283,811	-	1,283,811
Climate action	-	-	-	150,000	-	150,000
Covid Adaptations	-	-	-	100,000	-	100,000
Energy	-	-	-	300,000	-	300,000
	<u>8,451,175</u>	<u>151,656</u>	<u>(780,552)</u>	<u>2,762,911</u>	<u>236,000</u>	<u>10,821,190</u>
General funds	<u>1,285,968</u>	<u>8,313,422</u>	<u>(6,588,410)</u>	<u>(2,371,231)</u>	<u>-</u>	<u>639,749</u>
Total unrestricted funds	<u>9,737,143</u>	<u>8,465,078</u>	<u>(7,368,962)</u>	<u>391,680</u>	<u>236,000</u>	<u>11,460,939</u>
Restricted funds						
Grant funding						
Stage 1 production grant	-	75,000	(75,000)	-	-	-
Youth arts	317,939	-	-	-	-	317,939
Youth music	27,000	-	(2,497)	-	-	24,503
True North	-	50,000	(50,000)	-	-	-
Granite Noir	-	70,000	(70,000)	-	-	-
Place based investment fund	-	164,680	-	(164,680)	-	-
HMT 1906 project	-	200,000	-	(200,000)	-	-
Lemon Tree project	-	27,000	-	(27,000)	-	-
Community Renewal Fund	-	291,250	(93,525)	-	-	197,725
	<u>344,939</u>	<u>877,930</u>	<u>(291,022)</u>	<u>(391,680)</u>	<u>-</u>	<u>540,167</u>
Total restricted funds	<u>344,939</u>	<u>877,930</u>	<u>(291,022)</u>	<u>(391,680)</u>	<u>-</u>	<u>540,167</u>
Total funds	<u>10,082,082</u>	<u>9,343,008</u>	<u>(7,659,984)</u>	<u>-</u>	<u>236,000</u>	<u>12,001,106</u>

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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23. MOVEMENT IN FUNDS (CONTINUED)

Company	At 1 April 2020 £	Income £	Expenditure £	Transfers £	Other movements £	At 31 March 2021 £
Unrestricted funds						
Designated funds:						
Fixed asset funds						
Other	534,116	-	(150,405)	56,875	-	440,586
Music Hall redevelopment	9,783,258	-	(473,669)	-	-	9,309,589
	10,317,374	-	(624,074)	56,875	-	9,750,175
Defined benefit pension fund	(1,824,000)	-	(211,000)	105,000	631,000	(1,299,000)
Total designated funds	8,493,374	-	(835,074)	161,875	631,000	8,451,175
General funds	(207,404)	4,331,698	(2,676,451)	(161,875)	-	1,285,968
Total unrestricted funds	8,285,970	4,331,698	(3,511,525)	-	631,000	9,737,143
Restricted funds						
Grant funding						
Stage 1 production grant	-	75,000	(75,000)	-	-	-
Sector development	3,384	-	(3,384)	-	-	-
Youth arts	317,939	-	-	-	-	317,939
Youth music	18,879	27,000	(18,879)	-	-	27,000
True North	-	50,000	(50,000)	-	-	-
Granite Noir	-	72,000	(72,000)	-	-	-
Total restricted funds	340,202	224,000	(219,263)	-	-	344,939
Total funds	8,626,172	4,555,698	(3,730,788)	-	631,000	10,082,082

ABERDEEN PERFORMING ARTS
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23. MOVEMENT IN FUNDS (CONTINUED)

(a) Designated fixed assets funds

The designated "other" fixed assets fund represents the net book value of tangible fixed assets excluding the theatre redevelopments. Each year an amount is transferred to or from the fund representing the movement in the net book value of those tangible fixed assets in the year.

The theatre redevelopment funds (Music Hall, HMT & Lemon Tree) comprise funds donated for the redevelopment of the theatres. Each year an amount is transferred to or from the funds representing the movement in net book value of the theatres.

(b) Designated Property Reserve Fund

Comprises a levy of £1.50 (inclusive of VAT) charged in addition to the ticket price of selected shows, which will be used to undertake a planned programme of improvements and refurbishments in Aberdeen Performing Arts buildings.

(c) Other Designated Funds

Climate Action Fund: to allow for projects to be undertaken aimed at improving the environmental sustainability of our venues or which contributes to a reduction in our carbon footprint.

COVID Adaptations Fund: to allow for any alterations required to our venues to increase customer confidence following the COVID pandemic, or to cover any losses associated with performance cancellation because of the COVID pandemic.

Energy Fund: to safeguard against the ongoing volatility in the global energy markets once our fixed rate contracts end.

HMT1906 Project: comprise funds raised for the redevelopment of the HMT Restaurant.

Lemon Tree Project: comprise funds raised for the redevelopment of the Lemon Tree.

The defined benefit pension fund represents amounts designated by the group to service the defined benefit pension liability. Each year an amount is transferred to or from the fund representing the movement in the deficit not otherwise accounted for in the Statement of Financial Activities.

(d) Grant funding

Comprises grant funding received for specific programming, or for a purpose as set out in the name of the fund. Grants received for capital expenditure are transferred to unrestricted designated funds when all restrictions have been met.

Transfers between restricted and unrestricted funds represent amounts invested in tangible fixed assets.

ABERDEEN PERFORMING ARTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Fixed Assets £	Net current assets £	Defined benefit pension scheme and non current creditors £	Total 2022 £	Fixed Assets £	Net current assets £	Defined benefit pension scheme and non current creditors £	Total 2021 £
Restricted funds	-	540,167	-	540,167	-	344,939	-	344,939
Unrestricted funds	9,908,636	2,752,974	(1,192,000)	11,469,610	9,774,401	1,318,246	(1,420,875)	9,671,772
	<u>9,908,636</u>	<u>3,293,141</u>	<u>(1,192,000)</u>	<u>12,009,777</u>	<u>9,774,401</u>	<u>1,663,185</u>	<u>(1,420,875)</u>	<u>10,016,711</u>
Company	Fixed Assets £	Net current assets £	Defined benefit pension scheme and non current creditors £	Total 2022 £	Fixed Assets £	Net current assets £	Defined benefit pension scheme and non current creditors £	Total 2021 £
Restricted funds	-	540,167	-	540,167	-	344,939	-	344,939
Unrestricted funds	9,848,568	2,804,371	(1,192,000)	11,460,939	9,750,176	1,407,842	(1,420,875)	9,737,143
	<u>9,848,568</u>	<u>3,344,538</u>	<u>(1,192,000)</u>	<u>12,001,106</u>	<u>9,750,176</u>	<u>1,752,781</u>	<u>(1,420,875)</u>	<u>10,082,082</u>

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24. RECONCILIATION OF NET INCOME TO NET CASH FLOW (USED IN)/PROVIDED BY OPERATING ACTIVITIES

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Net income for the year	1,757,066	338,351	1,683,024	824,910
Adjustments for:				
Non-cash movement in defined benefit pension scheme	129,000	106,000	129,000	106,000
Depreciation	561,056	657,538	529,565	617,981
Amortisation	20,988	6,093	20,988	6,093
Investment income	(11,926)	(20,500)	(11,926)	(20,500)
(Increase)/Decrease in stocks	(8,576)	17,844	-	-
(Increase)/Decrease in debtors	(796,242)	366,804	(694,652)	160,124
Increase in creditors	277,343	559,281	185,559	325,855
Net cash provided by operating activities	1,928,709	2,031,411	1,841,558	2,020,463

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Cash in hand	5,936,251	4,865,811	5,852,857	4,802,234
Fixed term bank deposits	1,305,720	1,301,804	1,305,720	1,301,804
Total cash and cash equivalents	7,241,971	6,167,615	7,158,577	6,104,038

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26. ANALYSIS OF CHANGES IN NET DEBT

Group	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	4,865,811	1,070,440	5,936,251
Fixed term bank deposits	1,301,804	3,916	1,305,720
Debt due within 1 year	(28,125)	28,125	-
Debt due after 1 year	(121,875)	121,875	-
	<u>6,017,615</u>	<u>1,224,356</u>	<u>7,241,971</u>

Company	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	4,802,234	1,050,623	5,852,857
Fixed term bank deposits	1,301,804	3,916	1,305,720
Debt due within 1 year	(28,125)	28,125	-
Debt due after 1 year	(121,875)	121,875	-
	<u>5,954,038</u>	<u>1,204,539</u>	<u>7,158,577</u>

27. FINANCIAL COMMITMENTS

At 31 March 2022, the group and charity had commitments under non-cancellable operating leases as set out below:

	Land and Buildings		Other	
	2022 £	2021 £	2022 £	2021 £
Group and Company				
Not later than one year	2	2	5,630	7,507
Later than one year and not later than five years	8	8	-	6,308
Later than 5 years	25	27	-	-
	<u>35</u>	<u>37</u>	<u>5,630</u>	<u>13,815</u>

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28. CAPITAL COMMITMENTS

Amounts contracted for but not provided in the financial statements:

Group and Company	2022 £	2021 £
Acquisition of intangible fixed assets	-	8,125
Acquisition of tangible fixed assets	378,416	-
	<u>378,416</u>	<u>8,125</u>

30. RELATED PARTY TRANSACTION

The company has taken advantage of the exemption granted by FRS 102 not to disclose transactions with other group companies.

Aberdeen City Council is a related party as directors are nominated by the Council. Under FRS 102 section 33.11, the group is exempt from disclosing related party transactions with the Council.