

Company Registration No. SC433176 (Scotland)

Fife Cultural Services Trading Limited
Annual report and financial statements
for the year ended 31 March 2023

Fife Cultural Services Trading Limited

Company information

Directors	B Lawrie (Chair - Independent Director from Nov 2012) J Carnegie J Coombes (Resigned Feb 2023) L Maule P Sykes (Appointed Partner Director in July 2021) J Silcock (Resigned in Sept 2022) SJ Dale (Appointed Independent Director from Feb 2023)
Secretary	K Keay
Key management personnel	Heather Stuart - Chief Executive Kirsty Keay - Director of Corporate and Commercial Development
Company number	SC433176
Registered office	Iona House Cluny Court John Smith Business Park Kirkcaldy KY2 6QJ
Auditor	Henderson Loggie LLP 11 - 15 Thistle Street Edinburgh EH2 1DF
Bankers	Royal Bank of Scotland 3 Falkland Gate Kingdom Centre Glenrothes KY7 5NS
Solicitors	Burness LLP 50 Lothian Road Festival Square Edinburgh EH3 9WJ

Fife Cultural Services Trading Limited

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Fife Cultural Services Trading Limited

Directors' report

for the year ended 31 March 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

Fife Cultural Services Trading Limited (FCSTL) is the trading subsidiary of Fife Cultural Trust. FCSTL oversees the management and development of commercial activities of Fife Cultural Trust that are more appropriately managed outwith the Trust. FCSTL creates income through the following activities; catering and bar services in flagship venues and theatres; retail in flagship venues and some library sites; venue and room hire; and events and conferences. Any surplus generated through FCSTL is gift aided to Fife Cultural Trust to strengthen the delivery of cultural services across Fife.

Results and gift aid

During the year to 31 March 2023 FCSTL made an operating profit of £66,806 (2022 - £133,928) and gift aid of £133,000 (2022 - £179,505) to Fife Cultural Trust, leaving a retained profit and loss reserve of £93,669 (2022 - £159,863).

Turnover and operating profit are lower than the previous year due to the closure of almost all trading operations as a response to public health restrictions due to covid.

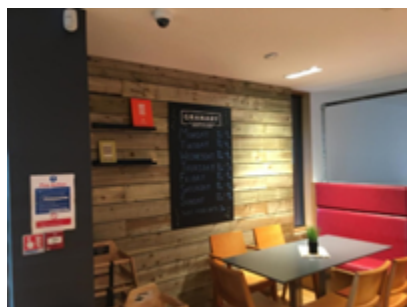
Key achievements for the year

Café Wemyss

The reopening of the Kirkcaldy Galleries Café space, Café Wemyss, to accompany the launch of the Jack Vettriano exhibition was a key achievement. We recruited and invested in new local casual team members, several of whom remained working with us after the exhibition had ended and found work supporting teams in other venues around our facilities.

Dunfermline Carnegie Library and Galleries

After losing our provider for café services early in the covid restrictions, we were pleased to be able to attract a new partner to deliver café services at our 5-star visitor attraction, Dunfermline Carnegie Library and Galleries. The Granary are an established business operating across several locations in Scotland and have joined us on site from February 2023 to ensure that visitors, whether regular library goers, day trippers or tourists from far and wide, are able to enjoy good refreshments and homemade food and treats in a comfortable environment with unbeaten views over the heritage quarter and cathedral.



Fife Cultural Services Trading Limited

Directors' report (continued)

for the year ended 31 March 2023

St Andrews Museum

St Andrews Museum has been closed for most of the year for renovations to the windows. During this time, we have taken the opportunity to upgrade the commercial offering at the venue with an improved retail area alongside the café area which has benefitted from new décor and seating. Alongside this we also took the opportunity to upgrade the kitchen area, with improved catering equipment and storage being added to the venue.



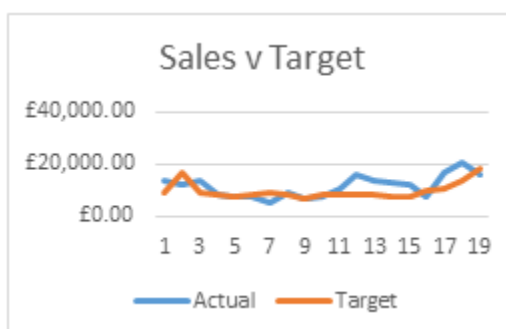
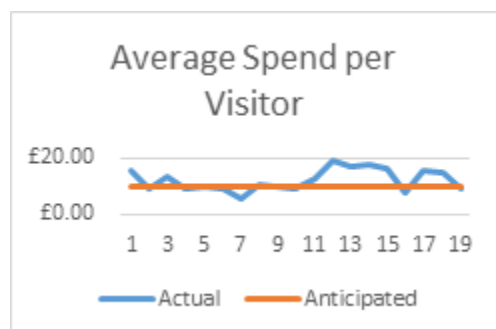
The venue reopened in May 2023, and we are working with existing partners to bring an exciting café offering to the venue for the summer period whilst we review the delivery model for this venue.

Jack Vettriano Exhibition

The Jack Vettriano Exhibition ran from June 2022- October 2022 and was a highly successful event for trading activity.



Our retail offering was exceptionally strong with unique items that had been developed to complement the paintings being exhibited. The shop was also carefully placed at the exit of the exhibition gallery to ensure we maximised opportunities for sales. This resulted in positive sales that exceeded all target



The success of linking our retail offering to live exhibitions is knowledge that will be informing the retail strategy for the coming 12-24 month period.

Jack Vettriano Exhibition (Cont.)

Alongside the retail offering the venue's café sales over the course of the exhibition far exceeded the forecasted sales, although a direct link to exhibition visitors was difficult due to the open nature of the café and venue. The review of sales showed that gross sales hit £77k for the duration of the event (six months), compared to pre-covid for a full budget year 2018 / 2019 the café generated sales of £89k.

We also trialled corporate packages for set periods during the exhibition and had the opportunity to show case our offering at the launch event and whilst we didn't achieve target, we did have the opportunity to test our product with one event. These were great learning opportunities for the trading subsidiary, we were able to safely test the market for this product and take away lessons about how to adapt this and apply it in different ways and formats in the future. This trial also enabled us to make connections with over 300 new businesses and enter the market for MICE through such a high-profile event as an initial 'hook'.

Business Development - MICE

We have invested a lot of time in development over the past year, working towards setting the foundations for our MICE (Meetings, Incentives, Conference and Events) strategy that will be a key part of the new Adam Smith venue that will open in September 2023.

These foundations have included a review of our current systems and processes and engaging team members from across the organisation in the process. The aim has been to foster engagement, build a better understanding with all internal stakeholders about the strategy and ensure that everyone is aware of what it will mean for them, their venue and how they can play a part in making sure we are successful.

We are working towards bringing Adam Smith and Dunfermline Carnegie Library and Galleries to market for MICE in a way that plays to all the assets that we have available through the parent charity OnFife.

Adam Smith will be returning to the community following an £8m capital investment to upgrade existing spaces such as the Theatre and create new and exciting spaces such as "The Exchange" meeting room, the digital design suite and "The Spinning Top" café / bar. The redevelopment is centred around creating an engaging and dynamic space for creatives that attracts people for informal social gatherings, using the digital suite to access digital equipment and software to help develop their enterprise, through to the more formal meetings and events that can be facilitated through the redeveloped spaces. The Adam Smith Theatre is named after the world famous 'Father of Economics', an internationally renowned Scottish figure who attracts interest from across the world, but especially the USA. The building was opened by another famous Scottish figure – Andrew Carnegie.

Dunfermline Carnegie Library and Galleries is a multi-award-winning venue that includes Andrew Carnegie's first library in Scotland. The redevelopment of this venue was finished in 2017 and included a range of meeting spaces that are based in both the new and historic parts of the building, bringing a range of environments to meet different MICE markets.

Both venues will allow us to maximise on our connections to two significant historical Scottish figures who have international pull, and given their recent financial investments and renovations present the best opportunity to bring a high-quality offering to the MICE market.

Business Development – Brand and Corporate Social Responsibility

Brand development is also a significant aspect of our MICE strategy and time has been invested in starting to develop our own brand, that whilst associated with the parent charity OnFife, is distinct and represents our MICE offering. One element of the branding is to focus on Corporate Social Responsibility and how we can support companies who engage with us and our services in achieving their CSR goals. Elements that we are considering as part of this branding exercise include:

- Keeping investment in Fife and Scotland and supporting a 'circular' economy.
- Buying with FCSTL supports local libraries, museums, and galleries to continue.
- Supporting Jobs in Fife.
- Local buying and minimising carbon footprint / reducing climate impact.

Fife Cultural Services Trading Limited

Directors' report (continued)

for the year ended 31 March 2023

Challenges

It has been a challenging year for trading. We have reopened services whilst facing difficulties with attracting new team members in a difficult recruitment market for catering and hospitality. This has all been set in the context of an uncertain market, post covid behaviours were still not known and the emerging cost of living crisis did create a level of uncertainty that has meant the team have had to remain agile.

We have been challenged by the level of aspiration and desire to return to full trading across all venues, whilst preparing for an internationally recognised exhibition. This has also been set against a backdrop of working towards the reopening of Adam Smith in Autumn 2023. This has meant resources in the team have been stretched at times, but despite this the past year has been highly successful in many ways, new product development, refurbished spaces, new customers and despite difficult trading an end of year profit.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B Lawrie (Chair - Independent Director from Nov 2012)
J Carnegie
J Coombes (Resigned Feb 2023)
L Maule
P Sykes (Appointed Partner Director in July 2021)
J Silcock (Resigned in Sept 2022)
SJ Dale (Appointed Independent Director from Feb 2023)

Qualifying third party indemnity provisions

Third party indemnity insurance was paid by Fife Cultural Trust during the period for the benefit of the directors of FCSTL.

Future developments

A consideration about the strategic direction and operating models for all aspect of trading activity will take place over 2022-23. This will include considering the following:

- Legal structure in relation to being a trading arm of Fife Cultural Trust
- Catering operations
 - What we will operate
 - Finding partnership
 - Recruitment and retention
- Retail consolidation at Dunfermline Carnegie Library and Galleries, Kirkcaldy Galleries and St Andrews
- Business Development
 - Identifying key areas for growth and opportunity
 - Creating products to take to market
- Reopening of the Escape room at Rothes Halls

Additionally the reopening of the Adam Smith Theatre, with the creative hub and new meeting spaces in June 2023 will provide a key focus for FCSTL with new café / bar spaces and opportunities to bring new products to the MICE market.

Fife Cultural Services Trading Limited

Directors' report (continued)

for the year ended 31 March 2023

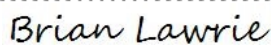
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board


Brian Lawrie - 2023-10-10, 17:23:16 UTC

B Lawrie (Chair - Independent Director from Nov 2012)

Director

Date:

Fife Cultural Services Trading Limited

Directors' responsibilities statement

for the year ended 31 March 2023

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Fife Cultural Services Trading Limited

Independent auditor's report

to the members of Fife Cultural Services Trading Limited

Opinion

We have audited the financial statements of Fife Cultural Services Trading Limited (the 'company') for the year ended 31 March 2023 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 March 2023 and of its profit 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.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Fife Cultural Services Trading Limited

Independent auditor's report (continued)

to the members of Fife Cultural Services Trading Limited

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. Management informed us that there were no instances of known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: HSE, Data Protection Act 2018, Health and Safety; employment law (including the Working Time Directive) and compliance with the UK Companies Act.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and
- Using our knowledge of the company, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

Fife Cultural Services Trading Limited

Independent auditor's report (continued)

to the members of Fife Cultural Services Trading Limited

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Enquires with management about any known or suspected instances of non-compliance with laws and regulations and fraud:
- Reviewing board meeting minutes for evidence of non-compliance with laws and regulations and fraud
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular valuation of stock, recoverability of debtors, and the application of accruals.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness,

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

 Keith Macpherson – 2023-10-11, 13:31:45 UTC

Keith Macpherson (Senior Statutory Auditor)
For and on behalf of Henderson Loggie LLP

Date:

Chartered Accountants
Statutory Auditor

11 - 15 Thistle Street
Edinburgh
EH2 1DF

Fife Cultural Services Trading Limited

Profit and loss account

for the year ended 31 March 2023

	2023	2022
	£	£
Turnover	1,172,879	646,167
Cost of sales	(318,755)	(163,531)
	<hr/>	<hr/>
Gross profit	854,124	482,636
Administrative expenses	(787,318)	(348,708)
	<hr/>	<hr/>
Profit before taxation	66,806	133,928
Tax on profit	-	-
	<hr/>	<hr/>
Profit for the financial year	66,806	133,928
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Fife Cultural Services Trading Limited

Balance sheet

as at 31 March 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	4		84,370		34,546
Current assets					
Stocks		50,617		45,855	
Debtors	5	61,964		49,405	
Cash at bank and in hand		100,347		210,774	
		<u>212,928</u>		<u>306,034</u>	
Creditors: amounts falling due within one year	6	<u>(203,529)</u>		<u>(180,617)</u>	
Net current assets			<u>9,399</u>		<u>125,417</u>
Net assets			<u>93,769</u>		<u>159,963</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves	7		93,669		159,863
Total equity			<u>93,769</u>		<u>159,963</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

Brian Lawrie

Brian Lawrie – 2023-10-10, 17:23:16 UTC

.....
B Lawrie (Chair - Independent Director from Nov 2012)

Director

Company Registration No. SC433176

Fife Cultural Services Trading Limited

Statement of changes in equity

for the year ended 31 March 2023

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2021		100	205,440	205,540
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	133,928	133,928
Distributions to parent charity under gift aid		-	(179,505)	(179,505)
Balance at 31 March 2022		100	159,863	159,963
Year ended 31 March 2023:				
Profit and total comprehensive income for the year		-	66,806	66,806
Distributions to parent charity under gift aid		-	(133,000)	(133,000)
Balance at 31 March 2023		100	93,669	93,769

1 Accounting policies

Company information

Fife Cultural Services Trading Limited is a private company limited by shares incorporated in Scotland. The registered office is Iona House, Cluny Court, John Smith Business Park, Kirkcaldy, KY2 6QJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	2-10 years straight line
Fixtures, fittings & equipment	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks,

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Fife Cultural Services Trading Limited

Notes to the financial statements (continued)

for the year ended 31 March 2023

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	-	-

In 2022 staff costs totalled £246,888 (2021 - £9,532), Staff costs are recharged from Fife Cultural Trust.

3 Profit on ordinary activities before taxation

Fife Cultural Services Trading Ltd receives support services from Fife Council free of charge. Fife Council has provided an estimated value of the services provided for the year ended 31 March 2022. The value has been included in turnover and administrative expenses and amounts to £38,158 (2021 - £32,625).

Fife Cultural Services Trading Limited

Notes to the financial statements (continued)

for the year ended 31 March 2023

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2022	103,821
Additions	69,670
	<hr/>
At 31 March 2023	173,491
	<hr/>
Depreciation and impairment	
At 1 April 2022	69,275
Depreciation charged in the year	19,846
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At 31 March 2023	89,121
	<hr/>
Carrying amount	
At 31 March 2023	84,370
	<hr/> <hr/>
At 31 March 2022	34,546
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5 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	56,134	34,102
Other debtors	5,830	15,303
	<hr/>	<hr/>
	61,964	49,405
	<hr/> <hr/>	<hr/> <hr/>

6 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	20,060	31,979
Amounts owed to group undertakings	157,170	142,241
Taxation and social security	8,156	-
Other creditors	18,143	6,397
	<hr/>	<hr/>
	203,529	180,617
	<hr/> <hr/>	<hr/> <hr/>

7 Profit and loss reserves

The profit and loss account includes all current period retained profits and losses.

Fife Cultural Services Trading Limited

Notes to the financial statements (continued)

for the year ended 31 March 2023

8 Taxation

FCSTL gift aids all available profits to Fife Cultural Trust and has no liability to tax.

9 Related party transactions

FCSTL has elected to take advantage of the exemption from disclosure of transactions with group companies and investees of the group qualifying as related parties, available to wholly owned subsidiary under FRS 102 on the basis that the group financial statements are publicly available.

10 Parent company

FCSTL is a subsidiary of Fife Cultural Trust, a company limited by guarantee, registered in Scotland and a registered charity (number SC043442).

The largest group into which the results of FCSTL are consolidated is Fife Council. The consolidated financial statements of Fife Council may be obtained from Fife House North Street Glenrothes Fife KY7 5LT.



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E-SIGNATURE CERTIFICATE

Certificate Summary

ENVELOPE SUBJECT: **Approval required**
DOCUMENT: **FCSTL accounts for signing - Full.pdf**
DOCUMENT ORIGINATOR: **Kirsty Bunton (kirsty.bunton@hlca.co.uk)**

CERTIFICATE STATUS: **Completed**
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SECURITY LEVEL: **Secure Email (Authenticated)**
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Brian Lawrie

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SECURITY LEVEL: **Secure Email (Authenticated)**
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Keith Macpherson

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