



Fife Cultural Trust
(a company limited by guarantee)

Report and consolidated financial statements
for the year ended 31 March 2023

Company number – SC415704

Charity number – SC043442

Fife Cultural Trust

For the year ended 31 March 2023

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**Trustees' Report (incorporating the Trustees' Strategic Report)
For the year ended 31 March 2023**

Foreword from the Chair and Chief Executive

We are delighted to present our annual report for 2022/23. Like many organisations, this year has been one very much of transition, following the covid-19 pandemic, and the ways in which we adapted the organisation and our services to respond.

Throughout the pandemic, we continually adapted to engage with our audiences, and we are still adapting to the new world that we all find ourselves in. We are grateful for the support from Fife Council and a range of other funders which has allowed us to continue to find new ways to support our customers. Having weathered the worst of the Covid storm, during this year we continued to face a range of challenges arising from the impact of the pandemic, and from Brexit, all of which impacted and made hard to predict, customer habits, and impacted the supply chain for our key capital project redeveloping the iconic Adam Smith Theatre. The global impact of the war in Ukraine and the associated energy and cost of living crisis have added to these complexities, which we continue to navigate our way through, along with the rest of the cultural sector.

Consequently, our primary focus has been on retaining existing customers, and increasing their frequency of attending cultural activities and events. In 2022, we developed a two-year Recovery and Renewal Strategy to give us a clear focus on recovering from the pandemic and rebuilding to thrive in the longer term. The overriding purpose of this strategy is Bringing People Back and working to create long-term sustainability. The strategy has four key areas of focus- People, Services, Finances, and Processes - and, together, these four spotlights give us a balanced scorecard which allows us to track our progress meaningfully as an organisation.

We began, during this year, to see green shoots of recovery, with increasing numbers of people returning to our venues and to using the services that we provide to Fife's communities. We were particularly delighted to welcome 18,500 people through the doors of Kirkcaldy Galleries for the unique retrospective exhibition co-created with internationally celebrated artist, Jack Vettriano, a well-known son of Fife.

We remain confident that our strategy is the right one for the times that we live in, and we continue, between the Board, the senior leaders within the organisation, and all our team members, to build a strong future for OnFife. As ever, we could not achieve any of what we did during this year without the ongoing support of all our people, on our Board and across our organisation, and we are proud and privileged to lead such a talented and committed team. #TeamOnFife

The Trustees are pleased to present their Report and Accounts for the year ended 31 March 2023. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and 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).

STRATEGIC REPORT

Objectives and Activities

Fife Cultural Trust (the Company), established by Fife Council on 1 October 2012, delivers Libraries, Arts, Museums, Galleries, Archives, Theatres and Creative Development Services on behalf of Fife Council with a view to ensuring the long-term sustainability of these services.

Fife Cultural Trust

Trustees' Report (incorporating the Trustees' Strategic Report) For the year ended 31 March 2023

Objectives and Activities (cont.)

A company limited by guarantee, Fife Cultural Trust's principal activity is the provision of cultural services for Fife. It is responsible for community development in the creative and cultural fields and for operating and delivering the following facilities and services:

- Libraries; inclusive of mobile libraries and a home delivery service.
- Maintenance and development of library services within Fife Council's four integrated customer service facilities.
- Museums, galleries, archives and local studies, heritage sites, and a mobile museum.
- Stewardship and care for the objects and archives in Fife Council's collections.
- Theatres and community venues.
- A Creative Development team to drive innovation, cultural collaboration, volunteering, sponsorship and funding.
- Marketing & Customer Engagement to best profile and promote these services while driving sales and analysing customer data.

The work of Fife Cultural Trust is led by its Vision, Mission, Purpose, and Values as reflected in the following statement:

We are OnFife and we know how valuable creativity is to our communities. Whether we're helping people learn or making them laugh – we're here to bring people together and make them feel good. Our spaces are some of Fife's favourite places – from historic buildings to mobile libraries, award-winning new destinations to much-loved community hubs. Museums, theatres, galleries, libraries, and archives – we offer them all.

Our Values

Fearless

We're a creative organisation full of adventure and imagination. We believe in ourselves and each other. We're here to learn, and we're never afraid to try new things.

Inviting

We believe inspiration is for everyone. We're inclusive, generous and customer-focused in everything we do – putting on enticing experiences and giving everyone a taste of our famous warm welcome.

Fair

We treat everyone with respect – listening to, accepting, and taking on board their opinions, no matter how different they are to our own. We act with integrity – taking responsibility, and doing what we say we will, every time.

Exciting

We aim to be a positive force in the lives of others. Motivated and proactive, our work stands out because of our passion and energy for what we do. We're in the business of inspiration – and that's an exciting place to be.

Achievement and Performance

Emerging from the pandemic

Throughout the pandemic, we consistently adapted and developed new ways of working to continue supporting communities and engaging with audiences. With the support of Fife Council and a number of other funding awards, we weathered the worst of the Covid storm but, as with the cultural sector as a whole, we face continued challenges arising from the impact of the pandemic, such as changes in customer habits, the impact of Brexit on the supply chain for major capital investment projects like the Adam Smith Theatre refurbishment, the war in Ukraine and the associated energy and cost of living crises.

In terms of customer engagement, our primary focus is around retaining existing customers, and increasing their frequency of attending cultural activities and events. In 2022, we developed a two-year Recovery and Renewal Strategy to give us a clear focus on recovering from the pandemic and rebuilding to thrive in the longer term. The overriding purpose of this strategy is Bringing People Back and working to create long-term sustainability. Within this sit our four key priority areas that are our drivers as we move forward. These are:



People

We're working hard to better support our teams. That means restructuring as well as investing in recruitment and training. We're set on having the right people with the right skills in the right places.



Services

We're reviewing what we do for the people of Fife. That means making sure we're offering what's really needed and wanted in our communities – in the right places, and in the right way.



Finances

We're rethinking the way we work financially. That means clearer budgets and priorities, working within our means, and getting our pricing right so we're fit for Fife – today and tomorrow.



Processes

We're investing in our systems and the thinking behind them. That means updating how we operate and making sure people have the tools and support they need to thrive.

Achievement and Performance (Cont.)

Our Service Offer

Our Creative Services consist of the following four highly collaborative teams:

Cultural Heritage & Wellbeing

Managing service delivery of our Museums, Galleries, Archives, Local Studies and Adult Libraries, this service also leads on the co-ordination of our Wellbeing approach across the organisation as well as delivering a range of public-facing events and activities, inclusive of a dynamic exhibition programme which is aimed at building audiences and driving footfall to our venues.

Programming

A key driver of revenue, our Theatre Programme provides a high-quality, engaging, creative, and commercially sound range of performances and shows, both professional and amateur. The team also embraces our Young People and Families services inclusive of our Children's Library service.

Creative Development

The creative engine at the core of our service offer, driving collaboration within our own services, supporting Fife's creative industries, and developing services that are of, by and for our communities. This team is also responsible for developing sponsorship, sourcing external funding, leading on volunteering and co-ordinating Equality, Diversity, and Inclusivity across the organisation.

Customer Engagement

At the heart of everything we do, Customer Engagement can only be achieved by having a truly customer-centric approach across the organisation. Putting the customer at the heart of our mission, planning, activity, delivery, and communications ensures we produce relevant and impactful cultural experiences for Fife communities and achieve our commercial ambitions. Our Customer Engagement Strategy moves away from the traditional 'push' model of marketing campaigns to engagement marketing, which 'pulls' people in by telling stories, driving conversations, and addressing customer needs and interests. The goal is to involve customers in a deeper, more sustained relationship. The team's current focus on ensuring we are much more data-led is designed to deliver a better understanding of our customers' behaviours and needs, building lasting relationships and repeat visits. With a greater focus on sales and return on investment, the team is engaging with specific target groups with the right messages.

Performance

Our services are designed to support all in Fife's communities and as such sit and report within the wider strategic framework of The Plan 4 Fife, <https://our.fife.scot/plan4fife> supporting it and reporting on performance against its key priority areas of:

- Thriving Places
- Community-led Services
- Inclusive Growth and Jobs
- Opportunities for All

Delivering within the fabric of Fife's seven areas, we are well networked with Community Managers and wider service provision and are actively working to ensure greater collaboration of service delivery to achieve a greater return on investment of the public pound.

**Trustees' Report (incorporating the Trustees' Strategic Report)
For the year ended 31 March 2023**

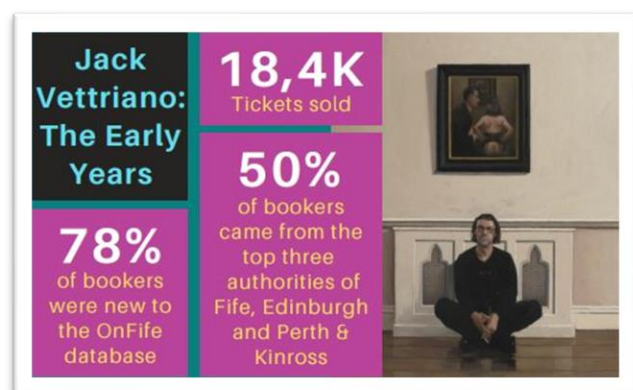
Achievement and Performance (Cont.)

Thriving Places

Despite continuing challenging conditions as we emerged from the pandemic, our teams achieved tremendous results during 2022/23, contributing to the quality of life of those living, working, and visiting Fife through imaginative creative support, events, and online digital activities. Successes included exhibitions, dementia-friendly projects, the welcome return of panto and summer holiday provision.



Postponed twice due to Covid-19, the Jack Vettriano: The Early Years exhibition (17 June-23 October 2022) opened to great feedback and widespread media coverage, thereby raising the profile of Kirkcaldy Galleries and Fife as destinations to visit. Telling the story of how the Fife artist's iconic style developed and featuring some of his earliest works signed with his birth name (Hoggan), alongside blockbuster paintings loved the world over, this was a sensational show in the grand setting of the Galleries. This major exhibition benefited from additional digital support, with filmed interviews with the artist including British Sign Language interpretation. We were delighted when The Times art critic awarded the show 4 stars, describing Vettriano as "a master of atmosphere and narrative" and the feedback from visitors was outstanding. Total number of visitors was 18,410.



Supporting the Jack Vettriano show was Brushstrokes, which brought together a spectacular range of works from the Collection. A major strand was customer engagement and visitors were encouraged to listen to some of the artists talk about their work, discover hidden details in some of the paintings and chat to curators about the collection and the exhibition. Visitors were offered several ways to leave feedback - about what they'd seen, what they would like to see in future and what they thought of how the Trust displayed and interpreted the Fife Collection. By the end of its run in January 2023, it had received more than 700 pieces of feedback. After Kirkcaldy, the exhibition was destined for St Andrews Museum, which was reopening in Spring 2023.

Achievement and Performance (Cont.)

Thriving Places (Cont.)

The ending of Jack Vettriano: The Early Years made way for the rehang of some of the most-loved favourites from the Fife Collection – along with some new or rarely seen paintings as part of a gallery revamp in Favourite Centres and New Flavours. Works by the Scottish Colourists, Glasgow Boys and leading women artists were among the highlights. It also made space for Somewhere to Stay, a poignant exhibition featuring haunting artworks inspired by a Polish family's extraordinary wartime odyssey across three continents.

There was also great excitement and national profile at the opening of Unveiling the Madonna, featuring the oldest painting in the Fife Collection. This Italian Renaissance painting, Madonna, and Child with the Infant Saint John the Baptist, painted in Florence in the 1520s, has long been shrouded in mystery and the exhibition tells the story of its extensive restoration.

We blazed a trail for young art lovers when two much-loved exhibitions – which sadly had been on hold for much of the pandemic – opened again: Explore! Travellers and Trailblazers at St Andrews Museum and Art-tastic at Dunfermline Carnegie Library & Galleries. Packed with inspiring works and activities, these family-friendly exhibitions were both created by the talented in-house museum interpretation team.

Also hosted at Dunfermline Carnegie Library & Galleries, Dunfermline, and its People: 1967-68, was a compelling photography exhibition featuring works by Joseph McKenzie, known as the father of modern Scottish photography.



As 2022/23 ended, captivating images focused on a growing environmental crisis featured in an exhibition by an award-winning photographer. Compelling works by acclaimed artist Mandy Barker, which highlighted the global threat posed by marine plastic pollution, were on show at Dunfermline Carnegie Library & Galleries in Our Plastic Ocean, which opened on 25 March, showcasing powerful images of debris collected by the photographer from shorelines across the world.

The FifeSpace Community Galleries also featured some exciting and inspirational shows. In December, the Community Gallery at Dunfermline Carnegie Library & Galleries paid tribute to Fife's unsung comic book

Achievement and Performance (Cont.)

Thriving Places (Cont.)

Heroes. Comic Kingdom celebrated comic book creators with a connection to Fife with a diverse range of work from Victorian times to the present day. Inspirational photographs celebrating the strength, beauty and wisdom of women over 40 featured in 40 over 40 at Rothes Halls, in which 40 life-affirming portraits by Rachel Watson captured joy, laughter and plenty of pizzazz. Evocative images of Fife's vanished industrial landscapes featured in an exhibition at Lochgelly Centre that celebrated the 80th birthday of the much-loved artist James Marshall Dickson.

A rare first edition of Robert Burns poems, saved from destruction in Victorian times, was on display in Dunfermline Carnegie Library & Galleries. The volume, which was in a dilapidated state when it was rescued from a barber's shop in Shrewsbury in the 1880s, is part of the renowned John Murison Collection that is cared for by the Trust. The book was on display with other Burns-related material collected by Glasgow-born Murison.



Also providing a glimpse into the past – although in this case some 4,000 years back – was a Bronze Age food vessel unearthed during a demolition on Kirkcaldy High Street four decades ago, which went on display at Kirkcaldy Galleries. Thanks to funding from the Friends of Kirkcaldy Galleries, the container had been recently conserved by experts as part of a wider project to find out more about the human remains and objects found during the demolition in 1980.

Paintings from the Fife Collection were featured in an exhibition that broke new ground for an award-winning museum. Works by the ever-popular 'Glasgow Boys' were shown at Biggar & Upper Clydesdale Museum – the first time the venue had presented an exhibition of nationally renowned artists. Ten paintings by the group – who represent the beginnings of modernism in Scottish painting – were in the show, which ran from 8 July to 25 September. All the works were loaned from the Fife Collection, which includes more than 40 paintings by the Glasgow Boys.

Despite the challenges faced by the sector, from changes in customer behaviour post-pandemic to the cost-of-living crisis, we have re-established our theatre Programme with the support of a robust framework, designed to enhance deals, optimise revenue, develop customer loyalty, deliver on target, and ensure a joined-up retail and catering offer.

While the start of the year got off to a slow start as audience confidence built, we finished on a fantastic high with the much-awaited return of panto following a two-year gap due to the pandemic.

Commencing with shows such as Some Guys Have All The Luck, The Fureys, Horse and Fleetwood Bac, even in those early months we saw a few standouts, with An Evening with Serial Killers capturing the interest of almost 400 at Carnegie Hall and over 350 enjoyed the music of The South at Rothes Halls. As the year

Achievement and Performance (Cont.)

Thriving Places (Cont.)

moved on, our audiences found their confidence and spoke with their feet as we enjoyed near sold-out shows with the music of Simon & Garfunkel, Thank You for the Music (Abba) and LiveWire (ACDC). Meantime our younger audiences enjoyed singing along with Auntie Aggie in the MacDougalls Big Splash and bid a fond farewell to Funbox as they hung up their costumes. Keen to ensure the return of all our audiences, Frozen Light made a return to the Studio at Carnegie Hall with their show 2065, aimed at those with profound learning disabilities, with feedback from those attending and their carers confirming both the need and value of such niche performances.

The year finished with a run of four sold-out shows including comedy from Janey Godley and Jim Smith, and music from class tributes The Magic of Motown and Lost in Music – a total of 2,220 tickets sold.

Film was also reintroduced at Carnegie Hall, with affordable screenings of top films in our Film for a Fiver offering, and this is something we look forward to building a following for over the next 12 months.

In all, there were 53 shows across three venues (Carnegie Hall, Rothes Halls and Lochgelly Centre) and we achieved 113% against the target set for sales and income.

Of course, no year is complete without family favourite panto and this year saw its return with classic favourite Cinderella, following the two-year Covid hiatus. Due to the closure of Adam Smith Theatre for refurbishment, it was moved to the Rothes Halls where, thanks to a fantastic cast, a brilliantly funny script and the passion and commitment of the Rothes Halls team, it exceeded all expectation - selling over 12,800 tickets during its 33 performances, over a three-week period. Accessible as always, shows included both a British Sign Language and a relaxed performance. Feedback was rapturous on everything from the show itself to the décor of the building and the photo opportunity with a child-size pumpkin carriage.

The year also saw the return of our amateur companies as they got back up on stage and flexed their vocal muscles. Our theatres supported over 60 productions, events and activities from dance and drama to musical theatre and film throughout the year.

Looking ahead and planning is already underway for the return of the Adam Smith Theatre with a grand re-opening community show alongside a host of stage favourites and of course the much-awaited return of panto to its traditional home.

Meanwhile, we were invited to highlight Fife's expertise on a national stage in November 2022 when we were one of only 12 organisations to showcase a snapshot of how they are engaging with communities through their collections at the annual Museums Association (MA) Conference. We chose two current projects. The first was Flooring the World, which explores the Fife Linoleum Industry, funded by the Esmée Fairbairn Collections Fund, to engage people with our significant linoleum collection and recording the memories of linoleum workers through oral history and telling their stories in displays and an exhibition in 2023. The second was Art-tastic, which inspired visitors, especially children, to interact with the paintings in the Museum's collection.

Achievement and Performance (Cont.)

Thriving Places (Cont.)



Storytelling galore was happening in Lochgelly when OnFife Libraries hosted a Community Campfires Project, a five-day event run by the Scottish Book Trust. As a former coal mining town with a rich seam of stories to tell, Lochgelly was one of four Scottish communities chosen for the project. Local residents came along to celebrate the people, places and events that make their town special at free workshops, with an author, digital storyteller, filmmaker, and podcaster all on hand to help people share their stories in new ways.

A second Campfire Celebration was held as part of Book Week Scotland in November.

The culmination of nine months of growing, sowing and creative community engagement was celebrated at a food and film night, and harvest festival at held at The Centre in Leven. We worked alongside partners The Leven Programme and Levenmouth Academy to deliver the Dandelion Unexpected Garden as part of The Unbox Festival.

Over the last 30 years, the Friends of Kirkcaldy Galleries have given an amazing £147,000 in support to fund various projects and allow essential work to be carried out. Thanks to the group, the floorcloth banner from the Moments in Time exhibition is back on display again after conservation work. It is one of five floorcloth banners in our collection made by Nairn's linoleum works in the late 19th and early 20th centuries. These were painted with words and images and carried as banners in processions.

Also contributing to creating thriving places by improving the experience of audiences and performers in our venues have been upgrades in lighting, audio and rigging across all our theatres, which allowed us to switch to energy efficient LED lighting that can be controlled remotely. This was the result of further investment from Fife Council and as well as bringing labour efficiencies, it has also led to a significant reduction in the time taken to prepare in advance of shows.

Achievement and Performance (Cont.)

Thriving Places (Cont.)

The Customer Engagement team has undertaken successful targeted media work through our press officer to promote our events and services. As well as letting Fifers know what is happening on their doorstep, this has led to widespread national and international coverage, all showing Fife in a positive light and increasing the region's profile.

Community-Led Services



Our work in providing services led by the needs of our communities included tackling social isolation, extending help to refugees, community engagement, supporting Fifers through the cost-of-living crisis, collecting memories of the pandemic for an archive project, and making connections with people living with dementia.

After two years of bringing light to the darkness of lockdowns, the hit #ShineOnFife campaign finally came to an end in spring 2022. When venues closed two years earlier, staff had to quickly learn new ways of working from home to stay connected with customers and offer support where it was needed most. From contacting thousands of ticketholders to creating online content, the campaign went on to generate a huge amount of interest right through to 2022. You can see a fantastic graphic summary here of all the events and activities which Trust staff – through their passion, imagination and willingness to do things differently – made happen.

The LibrarYAY Facebook group was created by the Young People's Library team as part of the #ShineOnFife campaign to support, engage and interact with the families of young children. Its popularity snowballed to more than 3,400 followers but once venues and in-person activities were up and running again, teams were actively engaged in bringing these 'real time' events to life. However, YAY has now evolved into a dedicated OnFife Kids page on the OnFife website.

Working to ensure our services are understood across Fife, our Creative Development team has been continuing to raise our profile locally via a series of 'Showcase Experiences' designed to enhance awareness of our service offer with local councillors and board members who have been invited to our venues and services to meet staff and gain a better understanding of who we are and what we do.

Keen to build a diverse range of partnerships across the community, we have worked with Fife Centre for Equalities to host and support the Fife Afro Caribbean Network as well as introducing the Minority Ethnic over 60s (ME60+) group to our venues and services through bespoke creative workshops and tours. Likewise, we have been keen to support refugees and those seeking asylum in Fife, with a particular focus on refugees arriving because of the war in Ukraine.

Achievement and Performance (Cont.)

Community-Led Services (Cont.)

In this respect we have worked with Fife's Third Sector Strategy Group, Fife Voluntary Action, and Fife Council's Resettlement Co-ordinator to gain a wider understanding of how best we can support work already in place. This led to a liaison with the Head of Learning & Engagement at National Galleries of Scotland, from which we were successful in obtaining almost 400 Art Packs for refugees, containing high-quality art materials of a sketchbook, watercolour brush set, pens, pencils, and postcards of artworks from the National collection, to distribute to specific libraries as a means of engaging via art and without the barrier of language. As such, our libraries have provided safe spaces in which refugee families can meet and enjoy creative activities.

The plight of refugees was further highlighted via artist Jack Vettriano, who as part of the Jack Vettriano: The Early Years exhibition, donated a still life for auction in aid of UNHCR, the UN Refugee Agency, to support work with Ukrainian refugees, which raised over £9,500.



During the year we refreshed our Library Strategy to ensure alignment with our Recovery & Renewal Strategy. Although its vision remains Libraries are Good for Life, it now has a new mission statement: A blether, a book, a billion possibilities. Our libraries are free, warm welcoming places for all. As such our libraries were well positioned to join Fife Council's approach to connecting organisations to help Fifers struggling with cost-of-living increases by offering a warm welcome to warm spaces. £34,000 was secured from Fife Council to support this work in nine of our libraries across Fife, allowing them to be recognised as

designated Warm Spaces over the winter months, inclusive of providing space to work, study and play. By March 2023 we had a total of 16 official Warm Library Spaces offering free hot drinks and a range of self-led activities such as board games, jigsaws, and colouring for adults and children as encouragement.

Keen to ensure our services are relevant to our communities, we were successful in being awarded more than £240,000 funding from the Creative Scotland Recovery Fund for Cultural Organisations to undertake important post-pandemic work to help reach more people as well as piloting a more robust and longer-term approach to community engagement.

Three relevance pilot projects followed, focused on meaningful and extensive Relevance pilots in Levenmouth, Kirkcaldy and Lochgelly. In Kirkcaldy, Relevant: Adam Smith launched with a digital platform and had over 4,000 interactions by the end of March 2023 through a series of engaging blogs and polls. In-person workshops with community groups and commercial partners were planned for Spring 2023.

Relevant: Levenmouth was rolled out with the CORRA Foundation, training key community members to facilitate conversations with groups locally about our creative and cultural offer in the area. Relevant: Lochgelly Centre started in January 2023 with a 'Co-designing with Communities' session led by Dundee & Angus College's Service Design Academy (SDA) for staff in preparation for a successful day of 'Creating a Community Vision' with centre users and local groups.

Achievement and Performance (Cont.)

Community-Led Services (Cont.)



We were also delighted to receive £60,000 funding from the Scottish Library Information Council for its **Work in Progress** project. Working with Fife Council, staff are looking at how we engage with and makes services relevant to three groups – lapsed users, teenage parents, and older men - in communities around libraries in Templehall (Kirkcaldy) and Cowdenbeath. External consultants were appointed who specialise in the research and co-design of ‘people-centred’ public spaces to work with target groups to better understand their needs. The project kicked off over the summer with a series of ‘Big Lunches’ bringing groups together to explore what’s important to them, in their communities and how OnFife Libraries can support them.



Always a hit, our **VIP Panto Night** at Rothes Halls certainly proved to be our most successful event yet with a total of 250 guests invited along for some special treatment. Three charities were our guests - Homestart, Fife Gingerbread and Fife Young Carers - and the staff at Rothes Halls did a fantastic job decorating to make it an extra special night. As well as books and colouring activities for the children, Santa dropped by, and each child received a selection box. They were also given a goodie box to take into the panto and at the interval, everyone received an ice cream.

Supporting our amateur theatre and musical groups is a core part of our community remit and, recognising their vibrant contribution to community theatre programming, we have been keen to strengthen our approach to engaging with and supporting them. As such we now offer a transparent pricing policy for community hires which is flexible, and which reflects community need.

Achievement and Performance (Cont.)

Community-Led Services (Cont.)



A project started at the beginning of the pandemic to create an archive of lockdown memories ended in August 2022. For more than two years **Fife in Lockdown** had been creating a digital archive of Fifers' thoughts, feelings, and experiences of Covid-19 so future generations can gain insights into life during the pandemic. Many people shared thoughts they wrote down at the time – some shaped by communal shows of support on the streets, others by a sense of isolation experienced at home and in hospital.

Diary entries include tales of people managing to source hard-to-find grocery items, grappling with Microsoft Teams for the first time, or sharing their thoughts on the weekly round of applause for NHS staff. The archive also highlights how lockdown provided an opportunity to focus on hobbies, or even start a new one. It also records the ways in which people lent a helping hand in their communities.

Our work continues with Fife Council, Fife Contemporary and Greenspace Scotland on a Covid Memorial for Fife through the Remembering Together project. In Phase 1 of the project, artist Katie Fowlie used camera obscuras to engage with communities across Fife to get their opinion on what would be a fitting memorial for the area. The results include a permanent place to reflect and a route for walking and cycling. Phase 2 will realise, create, and install the memorial/s.

In the summer of 2022, we were pleased and proud to be one of a small group of cultural organisations taking part in a community art therapy project at Dunfermline Carnegie Library & Galleries. Art at the Start was a collaboration between Art Psychotherapist Vicky Armstrong and Dr Josephine Ross, Senior Lecturer (Teaching and Research), University of Dundee. The main aim of the project was to measure the impact that participation in making art can have on the social wellbeing of very young children and how shared art experiences may help build strong attachments between the children and the important adults in their lives.

There were weekly sessions in Gallery 3 for age 0-3 children and their main carer. All of those taking part had been referred by local health professionals as families at risk of low wellbeing and the sessions provide a supportive environment where parents could relax and respond to their child in a safe and welcoming space. They offered a mixture of art and sensory experiences, aimed at developing and strengthening the bond between carer and child through shared creative exploration. The family-friendly exhibition Art-tastic, imaginatively created by our Museums exhibitions team, was also a major source of inspiration. The response from participants has been overwhelmingly positive.

Our National Lottery Heritage Fund partnership project, Dunfermline Wellbeing Through Heritage, continued with the launch of a series of activities at Dunfermline Carnegie Library & Galleries aimed at those with low wellbeing or mental health issues. This included Reminiscence Sessions using our Local Studies Library resources and linked to Dunfermline & Its People: 1967-68 exhibition, Time Out Thursday's mindfulness sessions and a series of art workshops. Activities to support those living with dementia will also be rolled out as part of this project.

Achievement and Performance (Cont.)

Inclusive Growth and Jobs

As an organisation we look to both support the growth and career development of our own people and provide services that will help with job opportunities and contribute to Fife's creative economy.

Our ambition to create a dynamic creative and commercial hub at the heart of Kirkcaldy gained momentum as plans for the extensive redevelopment and refurbishment of the **Adam Smith Theatre** advanced, thanks to Fife Council's significant capital investment, which facilitates this large-scale refurbishment of the roof and interior of the building. This has included a complete upgrade of the lighting, sound, and rigging system, which will greatly enhance both the performing and customer experience. We aim to ensure that the Adam Smith Theatre becomes a more sustainable facility for the community and in doing so is in a better position to continue to deliver much-needed cultural services to the people in the area and beyond.

The major refurbishment of the Beveridge Suite and lower function suite and creation of a new multi-purpose meeting room and design suite enhances the potential for the venue to attract new business in the Meetings, Incentives, Conferences and Events (MICE) sector, in line with our own commercial ambitions. Throughout we have worked with other key commercial stakeholders within Kirkcaldy's town centre, ensuring a joined-up approach to planning which meets with the town's commercial aspiration. Likewise, we have continued, via our Adam Smith Theatre Advisory Group, to create partnerships and draw on the wider creative and commercial expertise in the area inclusive of representatives from Fife College, Fife Council, Love Oor Lang Toun, University of St Andrews, Fife Chamber of Commerce, private sector hospitality and Pitlochry Festival Theatre.



It has been terrific to see the return of our casual workers as programming has returned, which is a trend we expect to grow as the wider sector recovers, contributing further to employment within the local economy. However, the impact of the pandemic on staffing, and on the availability of experienced technical crew, remains a challenge within the sector and is something we are working hard to address.

Mindful of the ongoing financial challenges, funding secured from Creative Scotland's Recovery Fund for Cultural Organisations is allowing us to explore ways of diversifying income. As such, we commissioned an

external sponsorship agency to audit our assets and help create a framework for attracting sponsorship for our events and activities.

Three recruitment events were held – in Dunfermline, St Andrews, and Kirkcaldy – during the summer for library and cultural assistant posts and attracted hundreds of interested candidates. In all we recruited 12 new team members for positions across Fife to help rebuild capacity in teams.

Achievement and Performance (Cont.)

Inclusive Growth and Jobs (Cont.)

We also created 33 new temporary positions for the run of the Jack Vettriano exhibition and were delighted that six team members went on to be offered permanent posts with 12 having joined our teams as casual members.

The Creative Development team successfully recruited a full-time Creative Instigator, as well as filling the vacant Volunteer Co-ordinator post. Both new team members have diverse experience and skills across creative, cultural and education organisations.

A new Macmillan Project Officer and Project Co-ordinator were also appointed within Cultural Heritage & Wellbeing to focus on implementing Macmillan Cancer Information and Support Centres within selected OnFife Libraries (Lochgelly, Duloch, Leven) in line with the aims of OnFife Libraries and Macmillan Cancer Support.

As we continued to emerge from the pandemic, our people began taking on influential roles and making wider contributions to the cultural sector while profiting from the networking. Most prominently, our Chief Executive Officer joined the board of Communities Leisure UK, an association that specialises in charitable trusts delivering public leisure and culture services across the UK, as Director of Culture. She was also appointed vice-president of Fife Chamber of Commerce and is a director of Kirkcaldy group Love Our Lang Toun.

Our Head of Cultural Heritage & Wellbeing was appointed to the Board of Trustees of the Museums Association, which campaigns and supports museums and all who work in them and will also serve on its Nations Committee. One of our Curators was appointed Accreditation Mentor for St Andrews Heritage Museum, while another Curator has been re-appointed as Chair of the Fife Museums Forum, one of 12 forums across Scotland supported by Museums Galleries Scotland. Our Head of Business Development, a board member of sector body the Association of Scottish Visitor Attractions, was asked to stand as vice-chair and our Head of Customer Engagement has joined the board for Fife Tourism Partnership. Our Head of Creative Development joins the Advisory Group for Film Hub Scotland, one of eight Hubs across the UK part of the BFI's Film Audience Network and funded by BFI and Screen Scotland.

Finally, our museums team was invited to present at the GEM (Group for Education in Museums) conference in September 2022. Entitled Thinking Outwards: A Way Forward for Museum Learning, the conference was a fantastic opportunity to connect with colleagues from across the UK and beyond. It allowed us to spotlight how we used more than 10 years of experience creating family-friendly exhibitions to quickly adapt to the digital world and continue to provide services supporting young people through the pandemic.

Opportunities for All

Our services that help provide opportunities for all Fifers include highly successful book events for schools, support for people living with dementia and their carers, information for people with cancer and promoting Equality, Diversity and Inclusivity and a new musical instrument library.

Achievement and Performance (Cont.)

Opportunities for All (Cont.)



We were able to once again support people affected by cancer with the return of the **Macmillan information points** in Lochgelly and Leven libraries and were planning the launch of a new point at Duloch Library. We also appointed a project co-ordinator to help recruit new volunteers for the project. *(Pictured are volunteers at the Macmillan information point at Leven Library.)*

Over £21,500 was received from the Scottish Government Community Mental Health & Wellbeing to broaden the reach of our social inclusion work for people with dementia by connecting people and communities. This includes the purchase of a **Tovertafel**, a 'magic' table that uses special sensory games to stimulate and engage people living with dementia or others with intellectual disabilities, for Duloch Library. By projecting light games and images on to the table, it creates an interactive experience that stimulates connection and communication.



We were also selected to receive an additional £10,000 which allowed us to expand our **Magic Moments** project with **RemPods**, innovative pop-up reminiscence rooms that turn any space into a calming environment for people living with dementia. *(Pictured below is Shirley-Anne Somerville, MSP for Dunfermline (Constituency), in one of the RemPods at Dunfermline Carnegie Library & Galleries in August 2022.)*

**Trustees' Report (incorporating the Trustees' Strategic Report)
For the year ended 31 March 2023**

Achievement and Performance (Cont.)

Opportunities for All (Cont.)

Funding from the **Life Changes Trust – Creating Better Lives in Fife** allowed us to create intellectually stimulating activities for people with mild to moderate symptoms of dementia and for the final few months of the project we focused on a face-to-face programme. There were sessions that explored local history over a cuppa and a dementia-friendly tour of the museum at Kirkcaldy Galleries led by one of the curators. We also continued our online programme, including Adventure from your Armchair, which allow staff to share filmed journeys and visits along with a monthly mindfulness video. We have also installed dementia-friendly signage at Kirkcaldy Galleries to help all visitors navigate around the building and have a relaxed and enjoyable visit.



The Young People's team had a mammoth week of **World Book Day** celebrations in March 2023. There were two inspiring virtual events with kids from all over Fife. More than 550 children joined author LD Lapinski with their *Strange worlds Travel Agency* series. Each child received a free copy of a book from the series. The team also had Jodie Lancet-Grant talking about *The Marvellous Doctors for Magical Creatures* at a session attended by 800 children. Another exciting event saw 180 kids from three Dunfermline schools enjoy a wonderful day centred around an incredibly special author talk by Barbara Henderson on her new book *Rivet Boy*, which blends fact and fiction and features a young boy from Priory Lane in Dunfermline. Dundee-based author Michelle Sloan brought her Animal Adventure Club series to Ladybank Primary and Warout Primary to 150 kids. As well as all this, 15 of Fife's libraries received a selection of World Book Day list books to give out for free and all libraries had World Book Day-themed activity sheets on display. And finally, the very funny Justin Davies visited Kirkcaldy West Primary and Oakley and Inzievar Primary Schools to talk to almost 200 children about his new book, *Haarville*.

Continuing our support for those who need a little extra care, a play with a difference came to Carnegie Hall in May 2022 and showed that, with imagination, the theatre can be an exciting experience for everyone. **Frozen Light 2065** is a futuristic sensory extravaganza for audiences with Profound and Multiple Learning Disabilities (PMLD). Created by Frozen Light, who are specialists in making sensory theatre for adult audiences with PMLD, the show provided a safe and intimate environment for audiences who would otherwise have no access to this kind of theatrical stimulation. Feedback for the show included: "We loved it! It was stimulating, exciting and you could see our young people 'on the edge of their seats'." Staff reported how engaged learners were and "for such a long period of time" and another audience member praised it being a multi-sensory experience, with an appropriate pace of performance, small stage, and small audience.



Achievement and Performance (Cont.)

Opportunities for All (Cont.)



A loveable dog, Jillie the Jackahuahua, brought a whole new meaning to the phrase 'snuggling up with a book' in a new initiative for Fife at Leslie Library. The cute canine was acting as a **TheraPet**, helping build the confidence of children who find reading challenging, in a reading initiative managed by the charity Canine Concern Scotland Trust.

After a six-year absence, **Every Child A Library Member (ECALM)** was relaunched in November 2023. This time round ECALM is focusing on increasing early years library memberships with the aim of making every 0–5-year-old a member. We are working with various partners to promote ECALM across our libraries. The Young People's team also received funding from **The Big Scottish Story Ripple** to hold two community and family storytelling events, which took place at Hill of Beath Primary School. Local storyteller Elly Crichton Stuart joined the team and regaled the P1 and P4 classes with some spellbinding tales. The Scottish International Story Festival requested a 'pay it forward' for the funding and we sent the school 150 activity Wonder boxes, left over from our Children's University partnership.

The team was in action celebrating **Book Week Scotland** in libraries, schools and online with the headline act being award-winning author Ross MacKenzie who joined in a virtual event with almost 2,000 children and their teachers from across Fife. Author Lindsay Littleton was brought to Canongate and Newport Primary Schools where 200 children enjoyed hearing about her books. Fife-based author Ross MacKay came to Leslie Library to speak to a group about his new book and later in the evening he spoke to an audience at Duloch Library. Local author Gary Smith came to Cupar Library to greet a group and speak about his new adventure story. All OnFife Libraries received a Book Week Scotland and Activity pack to display in branches as well as a virtual Storytime for each day of Book Week Scotland using QR codes linking to virtual story sessions on LibrayAY.

The **Summer Reading Challenge** returned in 2022 with Gadgeteers and involved youngsters borrowing and reading six library books over the summer holidays. More than 2000 children registered, an increase of 50% on the previous year, and a total of 652 completed the Challenge, an increase of 39% on 2021.

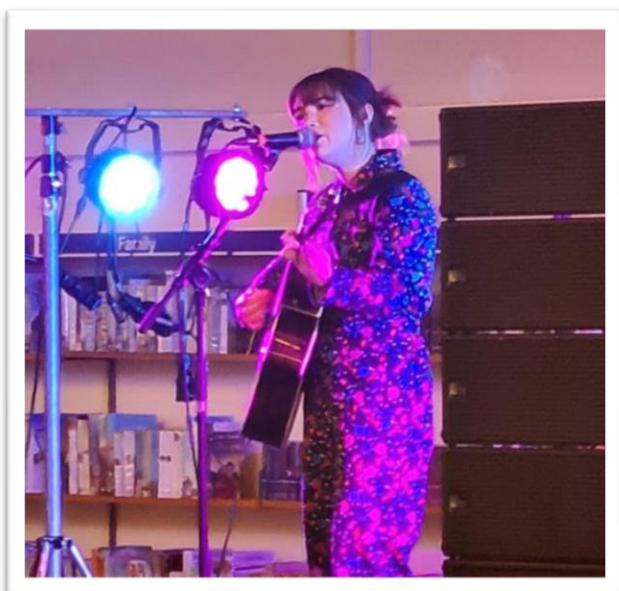
Achievement and Performance (Cont.)

Opportunities for All (Cont.)



International Women's Day was marked with the **Spilt Milk – in Unison** exhibition in the Community Gallery at Dunfermline Carnegie Library & Galleries, an author event, an Audience with Margaret Dean, former Lord Lieutenant of Fife, shared stories about women who volunteer and a look back in time by Archives at the Scottish Women's Rural Institute groups in Fife.

We celebrated **LGBT+ History Month** throughout February, promoting equality and diversity within Fife's communities, including an author event, and sharing online LGBT+ History content from across the UK.



Rosyth Library had a temporary transformation in December 2022 as it changed from library to music venue for a visit from **Get It Loud In Libraries**. Rianne Downey (*pictured left*) and Tik Tok star Nati Dreddd took to the stage in front of an audience of over 110 people of all ages, including one four-year-old at her first gig. A great toe-tapping Sunday afternoon was had by everyone.

Pupils from St John's and Kings Road Primary Schools also took part in the pilot Get It Loud In Libraries Academy for Primary 7 pupils, working with a member of the Get it Loud team over the weekend, researching art organisations, creating their own songs as well as working at the gig itself. The students' work earned them an Arts Award that evidenced their participation and passion for music, arts, and culture.

There was a 'soft launch' to the new Music Instrument Library at Jennie Lee Library in November - though it wasn't necessarily a quiet one. A full range of instruments was on display from the library and visitors enjoyed performances from Fife Youth Jazz Orchestra, St Andrews Scholars, and the Tullis Russell Wizards. Generous Fifers donated around 40 instruments to an initiative that lets people take out musical instruments in the same way they would borrow books. The new service means people will be able to try out an instrument without the expense of buying.

Future Challenges and Plans

The year ahead continues to be extremely challenging for the cultural sector, with no end in sight for the ongoing war in Ukraine, the related fuel and cost of living crises and the additional impact of Brexit in the UK. Local authority budgets have been slashed and the sector has waved goodbye to many longstanding cultural venues, while several library closures have been announced across Scotland. These are trends that are likely to continue, and we are working hard to sustain our services, ensuring alignment with Fife Council's Plan for Fife, and driving an approach to joined-up cultural service delivery across Fife's public sector.

We will conclude our review of our Cultural Heritage & Wellbeing service offer inclusive of MAC (our mobile museum) delivery and service provision across our small museums and heritage sites: The Laing, Newburgh; Buckhaven Museum; Burntisland Museum; Methil Heritage Centre; St Monans Windmill and St Margaret's Cave. Challenges to be addressed include balancing the needs of local communities, attracting visitors, tourists and driving footfall with the cost of maintenance, repairs and upgrades involved in making accessible these historic buildings and their displays.

The provision of services that are relevant to our communities has never been greater and we are committed to continuing this approach to service provision as informed by our three pilot areas of Lochgelly, Kirkcaldy and Levenmouth.

The pandemic has had a monumental impact on the mental wellbeing of the population and given the correlation between culture and its positive impact on wellbeing, and in line with Fife Council's commitment to improving mental health and wellbeing across Fife, we will develop and deliver our new approach to wellbeing. This is designed to build on the success and learning from our Dunfermline Wellbeing Through Heritage project while working closely with Fife's local area teams, NHS Fife, and Fife Health & Social Care. As budgets for 2024/25 are clarified, we will undertake a wider review of Service provision, utilising a raft of data inclusive of feedback, footfall, intelligence from our new Library Management System, PatronBase, which is the ticketing software platform we use to manage and run events, and our Relevance work in communities.

The Customer Engagement team's attention will be largely on the re-opening of the newly refurbished Adam Smith Theatre and the delivery of a large-scale awareness campaign designed to return it to the community of Kirkcaldy and Fife as a vibrant cultural and community space that is focused on supporting creative individuals and businesses. By 2024-25, we hope to be able to focus on increasing group size of customers attending our theatres, while planning for a loyalty/ membership scheme designed to grow and maintain customers. We continue work with data collection of visitors to our museums so we can keep them abreast of upcoming exhibitions which may be of interest and are working on a huge PR campaign designed to repackage our library offer and to entice non-users to engage with our wide range of services.

Within Theatre, we will build on the success of our return post-Covid, endeavouring to work with the best in the entertainment industry to programme an offer that is both appealing and relevant to the people of Fife. Bringing a range of entertainment will allow us to grow audiences and customer loyalty through both the programme and special offers. We will also continue to strengthen our relationships with our local amateur societies who bring depth to our programme and showcase local talent. Ever mindful of our commitment to providing accessible services, we remain committed to exploring ways which widen our accessibility for performances, inclusive of captioned films and British Sign Language interpretation of some shows. Likewise, we will continue to develop partnerships with companies producing new work by offering space and piloting shows that allow us to offer a programme of work that, whilst not financially viable, benefits niche audiences such as early years theatre provision.

Future Challenges and Plans (Cont.)

Finally, ever mindful of the diminishing public purse, we are exploring our commercial scope within our Theatre Programme, our Meetings, Incentives, Conferences and Events (MICE) sector offer and via the development of a new approach to sponsorship which will see us diversify our income stream by making the most of our assets. Our primary opportunities relate to Adam Smith Theatre and panto 2023, where investment opportunities are currently being explored.

FINANCIAL REVIEW

Review of the year

For the financial year 2022-23 the Company's consolidated statement of financial activities shows net expenditure position of £884,772 (2022: net expenditure of £1,582,241). Other recognised gains and losses amounting to a loss of £4,748,000 (2022: gain of £7,033,000) resulted in a reported net decrease in funds of £5,632,772 (2022: net increase in funds of £5,450,759). The other recognised gains and losses represent actuarial movements on the estimated valuation of liabilities on the defined benefit pension scheme, restricted to the recoverable amount allowable under applicable accounting standards. Included in the net expenditure are further pension adjustment costs of £1,108,000 (2022: £1,765,000), giving a surplus before actuarial pension adjustments of £223,228 (2022: surplus of £182,759).

The surplus on restricted funds after allowing for transfers is £131,218 (2022: surplus of £13,234), taking the surplus on restricted funds to £451,931 (2022: £320,713).

Unrestricted funds carried forward amount to £22,815,611 (2022: £6,465,601). These latter figures effectively represent the underlying operational performance of the Trust.

The Directors and Executive Team continue to actively pursue the development of additional revenue streams through the Trust's Trading subsidiary, Fife Cultural Services Trading Ltd.

Financial planning for the longer-term sustainability of the organisation given the scale of the financial challenges facing local government and the public sector more generally, has been and remains a key focus for the Board and Executive Team.

Business Growth Strategy

As we look ahead, we are keen to ensure that the profits from our trading activities are less integral to providing financial sustainability and are instead bring opportunity for diversity and investment in innovation and development. The past year we have learned a lot from the Jack Vettriano exhibition and the greater return on investment that is available from retail when it is connected to our cultural offering rather than operated as a 'stand-alone' operation within venues.

Trading

The Trading subsidiary and its activities continues to be an important part of the sustainability of Fife Cultural Trust. Over 2022-23 the post covid trading environment was challenging; however, the Jack Vettriano exhibition was a vital activity in supporting income generation and profit making in relation to catering and retail. The profit from the retail offering that was established in support of the exhibition was responsible for ensuring an overall profit for the project.

Business Growth Strategy (Cont.)

Trading (Cont.)

We successfully engaged a new service provider for the café at Dunfermline Carnegie Library and Galleries which was a positive progression after the venue being without a catering offering for over 2 years. We are now working with the company to consider other opportunities across the estate and our catering activities.

Our big focus in the coming year will be on developing our MICE (Meetings, Incentives, Conferences and Events) offering, especially at the new Adam Smith venue which has been undergoing significant refurbishment and development for the past 3 years. This will be an enticing venue that will bring new meeting, creative and social spaces to the community and should be a key asset for product development in relation to the Trading subsidiary over the coming years.

Theatre

Our work with TRG has resulted in a comprehensive forecasting system being implemented that informs all theatre programming decisions and ensures that our commercial and mission-based approach to the shows we programme achieves the stated aims of commercial surplus subsidising mission-based shows that are less financially secure.

We are programming less, but programming 'better' with more data informed decisions about what our customers want to see, and using this alongside carefully crafted customer engagement tools and techniques that encourage multiple purchases and visits to our venues. Developing a more loyal customer base that brings greater income generation both in the Theatre box office and subsidiary services such as the bar.

Investment policy

The Finance and Audit Committee continue to review our investment strategy and have supported the development of the 'Sponsorship and Ethical Investment Policy & Guidance' to ensure guiding principles are consistent and evident across all our decision.

The purpose of the Trust's financial investment is to yield the best financial return within the level of risk considered to be acceptable by the Board; this return will then be either retained to grow the fund or realised and re-invested to deliver the Company's aims.

Investment Objectives: The Board approves the investment policy and any proposed amendments and receives a report annually on investment performance. Authority for the review of the policy, allocation of assets, assessment of risk, review of investment and investment manager's performance and withdrawal of funds is delegated to the Finance and Audit Committee.

Investment Risks: The Trust has adopted an ethically robust and a risk appetite which is scored as a level 5. It has a diversified portfolio which has some fixed income, some equities, and some cash holdings.

Risk Management

Risk management has been a key focus for the Board and Senior Management team. The Board have invested time in developing a Risk Appetite policy and this is an ongoing piece of development work that has been supported at the Board development day and will continue to be part of Board agenda over the coming year.

Risk Management (Cont.)

Whilst development of best practice is ongoing the major strategic, business, and operational risks that the Company faces have been identified and the main risks every quarter are reviewed by the full Board, and in detail on a regular basis by the Finance and Audit Committee, and the HR Committee where those risks are people related.

We continue to embed risk management into operational working and planning. Internal risk management meetings are now quarterly with senior managers expected to review their risks on a 4-weekly basis. Emerging risks and issues are discussed at the Senior Management Tactical Team meeting on a weekly basis.

Principal Funding Sources: Contractual Relationships

The Company is contracted to deliver services for Fife Council; the contract sets out the funding due to the Company from Fife Council as well as the in-kind support offered to the Company including services such as Finance, IT, HR, building repairs and maintenance to the Trust. In return the Company delivers cultural services to a mutually agreed performance specification.

The Company's charitable status attracts non-domestic rating relief and VAT savings.

The contractual outcomes and outputs the Company is required to deliver to Fife Council are decided by the aspirations and objectives contained in appropriate policies, plans and strategies, for example the Plan 4 Fife 2017-2027.

The Company is required to report annually on its operations to the Community and Housing Services Committee of Fife Council. In addition, the Chief Executive and senior staff engage regularly with the political administration and with local elected members individually and via Area Committees.

Reserves Policy

The Company is atypical as a charity insofar as it receives in the order of 81.5% of its total revenue from its Sole Member, namely, Fife Council. The nature of this legal relationship and the fact that it delivers services directly on behalf of the Council, the Company does not require to accumulate a reserve equivalent to 6 months running costs to ensure its viability and sustainability.

Notwithstanding the foregoing, the Company is committed to reducing its reliance on local authority funding by generating unrestricted income where appropriate and managing cash balances and investment opportunities carefully and professionally.

Post Balance Sheet Events

Adam Smith Redevelopment

The most significant post balance sheet event is the completion of the Adam Smith Theatre redevelopment. The building has been closed for nearly 3 years and has undergone full refurbishment and improvement works that encompasses the Auditorium, Beveridge Suite, lower function suite and upper meeting space. Alongside this the building has been re-designed to incorporate a digital design suite and changing spaces toilet.

Fife Cultural Trust

Trustees' Report (incorporating the Trustees' Strategic Report) For the year ended 31 March 2023

Post Balance Sheet Events

Adam Smith Redevelopment (Cont.)

The building is due to be handed over early June 2023, with a brief opening in line with the Adam Smith Tricentenary celebrations, following which OnFife will close the doors to the public and use July and August to put soft furnishings and operational procedures in place ready for the official reopening in September.

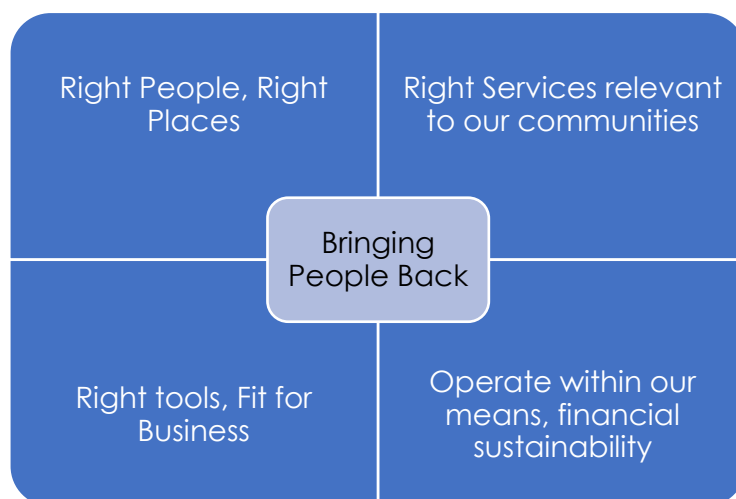
Appointment of Director

At the end of the financial year, we had a vacancy on the Board for a Trustee and work has been ongoing to recruit to this position. As of June 2023, Gary Love was appointed to the Board.

Plans for Future Periods

The next two years will be focused on our Recovery and Renewal Strategy – “Bringing People Back” with all areas of the organisation working collaboratively to entice people back to our services post COVID whilst reaching out to and engaging new communities.

The strategy is focused on 4 key areas; People, Services, Finances and Systems with all projects and actions targeted at bringing meaningful improvement across all these areas.



Investment and allocation of resources will all be aligned to supporting these strategic aims, ensuring that we are making the greatest impact where possible.

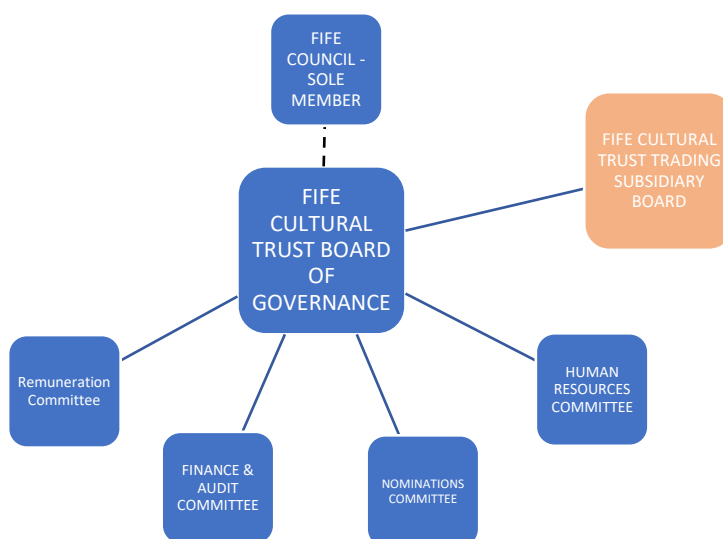
Structure, Governance and Management

Fife Cultural Trust is a company limited by guarantee (SC415704), governed by its Memorandum and Articles of Association, and does not have share capital. Membership is open only to Fife Council and the member has undertaken to contribute an amount not exceeding one pound towards any deficit arising in the event of the company being wound up. The Company has charitable status under Section 505 of the Income and Corporation Taxes Act 1988 and the Scottish Charity number is SC043442.

Governance Architecture

As alluded to above, the company has dual accountability to both Companies House and the Office of the Scottish Charity Regulator (OSCR) and this accountability requires and emphasises the need for strong governance across the Trust.

The undernoted schematic captures, in overview, the Governance Architecture of the Trust:



Whilst all staff in the Trust, including senior management have salaries evaluated and paid under Fife Council terms and conditions, the Nominations Committee is also charged with progressing recruitment of directors and recommending board membership to the sole member, and for the recruitment and terms and conditions of the Chief Executive.

Directors

The Company's Board comprises 13 Directors, composed of 4 elected members of Fife Council, and 9 independent Directors. A of 31st March 2023 there was 1 vacancy on the Board, plans for recruitment have continued into the new financial year and a new Director was appointed in June 2023.

The Company's trading subsidiary, Fife Cultural Services Trading Ltd, supports the Trust in its primary objects of carrying on activities which benefit the community primarily within the area served by Fife Council. The trading subsidiary can have up to 6 directors on its Board, and currently 3 of these places are taken up by directors drawn from the Board of the main Company and 2 external business partners.

The Board is keen to grasp the opportunity which the trading subsidiary represents to look at ways in which the facilities which the Trust operates can be utilised to generate income and strengthen relationships with the business community, and to maximise the sponsorship, income streams, and revenue generating opportunities which can be created through having the subsidiary in existence.

The directors who served during the period on both the main Company and the trading subsidiary are included in their accounts.

Policies and procedures for induction and training of Directors

An induction process is in place for new directors, which is reviewed and updated on an annual basis. This covers the strategic and operational issues affecting the Company. The ongoing training needs of directors are considered by the Board as required and on an annual basis, a process led by the Chair through engagement with individual directors supported by a written self-evaluation exercise which is co-ordinated by, and the results collated and shared by, the Chief Executive.

Director Insurance

Third party indemnity insurance was paid by the company during the period for the benefit of the directors of the Company.

Organisation of Business

The Board of Directors meets at least quarterly with directors and senior management present. Decisions are taken to set the overall strategy for the business as well as to monitor its activities. Senior management are charged with the task of implementing these decisions. Also, in place are a Finance and Audit Committee and an HR Committee with the Chairs and members of the Committees drawn entirely from the Board.

The Board has also, as required by the Articles of Association, established a Nominations Committee and Remuneration Committee, which meet as required given the nature of their remit.

Staffing and Structure

Beneath the Board, sits the Executive Team. The Executive Team (ET) in 2022-23 consisted of:

- Chief Executive
- Director of Corporate and Commercial Development
- Director of Creative Development and Delivery
- Chief Operating Officer

The Executive Team lead, and are supported by, a Senior Management Team (SMT) which consist of the ET and strategic leaders in the organisation:

- Head of Business Development
- HR Manager
- Head of Finance
- Corporate Business Manager
- Deputy Operations Manager
- Head of Customer Engagement
- Head of Cultural Services and Wellbeing

The Company currently employs 258 staff in a mixture of permanent and casual roles and on a range of working patterns, given the geographical diversity, and the scale and nature of the services provided.

The Company maintains a policy of regularly providing all employees and, where represented, trade unions with information on the company's performance. The Company operates an Equal Opportunities policy and applies this policy to all employees and job applicants. The policy seeks to ensure that everyone receives

Fife Cultural Trust

Trustees' Report (incorporating the Trustees' Strategic Report) For the year ended 31 March 2023

Staffing and Structure (Cont.)

equality of opportunity, regardless of age, carer responsibility, colour, disability, ethnic origin, gender, marital status, nationality, politics, race, religion, sexuality, social/economic status, trade union membership/activity or any other unjustifiable grounds. All persons employed by the company have the opportunity for training, development and career progression.

Trustees

The trustees of the charity (who are also the directors of the charity for the purposes of company law) who held office during the period and to date are as follows:

Partner Directors

Councillor J Tepp (appointed July 2022)
Councillor G Pryde (appointed Sept 2022)
Councillor L Mowatt (appointed July 2022)
Councillor C Young (appointed Oct 2022)

Independent Directors

E Robertson	Chair
Dr C Eagleton	Vice Chair
SG Renwick	
F Davidson	
P Sykes	
J Carnegie	
C Dow	
G Proudlock	(Appointed Dec 2022)
J Coombes	(Resigned Feb 2023)
G Love	(Appointed Jun 2023)

Secretary

K Keay

Administrative details

Bankers

Royal Bank of Scotland
Glenrothes Branch
3 Falkland Gate
Kingdom Centre
GLENROTHES
KY7 5NS

Investment Advisors

Brewin Dolphin
144 Morrison Street,
EDINBURGH
EH3 8EX

Solicitors

Burness Paull LLP
50 Lothian Road
EDINBURGH
EH3 9WJ

Registered Office

Iona House
John Smith Business Park
Grantsmuir Road
KIRKCALDY
KY2 6NA

Auditors

Henderson Loggie LLP
Ground Floor
11 – 15 Thistle Street
Edinburgh
EH2 1DF

Charity registration number:

SC043442

Company registration number:

SC415704

**Trustees' Report (incorporating the Trustees' Strategic Report)
For the year ended 31 March 2023**

Statement of Trustees' Responsibilities

The Trustees (who are the Directors of the charity for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statement in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statement unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Company website.

Disclosure of Information to the Auditor


To the knowledge and belief of each of the persons who are Trustees at the time the report is approved:

- So far as the Trustee is aware, there is no relevant information of which the Company's auditor is unaware; and
- He/she has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information, and to establish that the Company's auditor is aware of the information.

In approving the Trustees' Report, the Trustees are also approving the Strategic Report in their capacity as Company Directors.

Approved by the Board on

and signed on its behalf by:


Esther Robertson – 2023-10-27, 09:51:57 UTC

Esther Robertson
Chair

**Independent Auditor's Report to the Trustees and Members of Fife Cultural Trust
For the year ended 31 March 2023**

Opinion

We have audited the financial statements of Fife Cultural Trust (the 'parent charitable company') and its subsidiary (the group) for the year ended 31 March 2023 which comprise the Consolidated and Parent Charitable Company Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Parent Charitable Company Balance Sheet, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of the group's and parent charitable company's incoming resources and application of resources, including the group's and parent charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and charitable 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 ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 group and 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 trustees with respect to going concern are described in the relevant sections of this report.

**Independent Auditor's Report to the Trustees and Members of Fife Cultural Trust
For the year ended 31 March 2023**

Other information

The other information comprises the information included in the Report and consolidated financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating the Strategic Report), which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Report (incorporating the Strategic Report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

**Independent Auditor's Report to the Trustees and Members of Fife Cultural Trust
For the year ended 31 March 2023**

Responsibilities of the trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 29, the trustees (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 trustees 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 trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures 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 group and parent charitable 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 group and parent charitable company. We determined that the following were most relevant: health and safety regulations; regulations from the food standards agency; compliance with theatre and alcohol licences; OSCR requirements; Data Protection Act 2018; employment law (including payroll and pension regulations), and compliance with the UK Companies Act;
- We considered the incentives and opportunities that exist in the group and parent charitable 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 group and parent charitable 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.

**Independent Auditor's Report to the Trustees and Members of Fife Cultural Trust
For the year ended 31 March 2023**

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

- Inquiry of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing compliance and checking appropriate theatre licenses are in place;
- Reviewing details of any food hygiene inspections and checking appropriate alcohol licenses are in place;
- 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 the valuation of tangible fixed assets and stock, recoverability of debtors, and the application of accruals and deferred income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

As a result of the nature of the group's operations, we identified the following areas as those most likely to have a material impact on the financial statements:

Owing to the inherent limitations of an audit, there is 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.

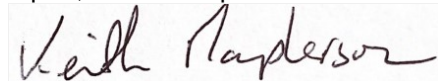
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, 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 trustees, 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 trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Keith Macpherson (Senior statutory Auditor)

For and on behalf of Henderson Loggie LLP

Chartered Accountants & Statutory Auditors

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Ground Floor

11 – 15 Thistle Street

Edinburgh

EH2 1DF

31 October 2023

Fife Cultural Trust

Consolidated Statement of Financial Activities (incorporating a consolidated income and expenditure account) For the year ended 31 March 2023

	Note	Unrestricted Fund 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Income from:					
Charitable activities	4	11,124,235	414,496	11,538,731	9,529,162
Other trading activities	3	1,172,879	-	1,172,879	646,167
Total income		12,297,114	414,496	12,711,610	10,175,329
Expenditure on:					
Charitable activities	5	(12,281,549)	(268,997)	(12,550,546)	(11,349,104)
Raising Funds	3	(986,854)	-	(986,854)	(433,696)
Total expenditure		(13,268,403)	(268,997)	(13,537,400)	(11,782,800)
Net gains/(losses) on investments		(58,982)	-	(58,982)	25,230
Net income/(expenditure)		(1,030,271)	145,499	(884,772)	(1,582,241)
Transfers between funds	19	14,281	(14,281)	-	-
Other recognised gains / (losses):					
Actuarial gains/(losses) on defined benefit pension schemes	17	(4,748,000)	-	(4,748,000)	7,033,000
Net movement in funds		(5,763,990)	131,218	(5,632,772)	5,450,759
Reconciliation of funds:	19				
Total funds brought forward		6,465,601	320,713	6,786,314	1,335,555
Total funds carried forward		701,611	451,931	1,153,542	6,786,314

The Statement of Financial Activities includes all gains and losses recognised in the year. None of the group's activities were acquired or discontinued during the above period.

The notes on pages 38-55 form part of these financial statements

Fife Cultural Trust

Charity Statement of Financial Activities (incorporating an income and expenditure account) For the year ended 31 March 2023

	Note	Unrestricted Fund 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Income from:					
Charitable activities	4	11,376,460	414,496	11,790,956	9,787,205
Total income		11,376,460	414,496	11,790,956	9,787,205
Expenditure on:					
Charitable activities	5	(12,281,549)	(268,997)	(12,550,546)	(11,349,104)
Total expenditure		(12,281,549)	(268,997)	(12,550,546)	(11,349,104)
Net gains/(losses) on investments		(58,982)	-	(58,982)	25,230
Net (expenditure)/income		(964,071)	145,499	(818,572)	(1,536,669)
Transfers between funds	19	14,281	(14,281)	-	-
Other recognised gains / (losses):					
Actuarial gains/(losses) on defined benefit pension schemes	17	(4,748,000)	-	(4,748,000)	7,033,000
Net movement in funds		(5,697,790)	131,218	(5,566,572)	5,496,331
Reconciliation of funds:					
Total funds brought forward	19	6,305,732	320,713	6,626,445	1,130,114
Total funds carried forward		607,942	451,931	1,059,873	6,626,445

The Statement of Financial Activities includes all gains and losses recognised in the year. None of the Company's activities were acquired or discontinued during the above period.

The notes on pages 38-55 form part of these financial statements

Fife Cultural Trust

Balance Sheets at 31 March 2023

		Group		Charity	
	Note	2023	2022	2023	2022
		£	£	£	£
Fixed assets					
Tangible assets	9	368,038	59,802	283,668	25,256
Investments	10	743,967	802,949	744,067	803,049
		1,112,005	862,751	1,027,735	828,305
Current assets					
Stock	11	50,617	45,855	-	-
Debtors	12	253,251	287,464	348,415	385,003
Cash at bank and in hand		850,572	545,611	750,225	334,837
		1,154,441	878,930	1,098,640	719,840
Liabilities					
Creditors: Amounts falling due within one year	13	(1,323,903)	(1,022,367)	(1,277,502)	(988,700)
Net current assets/(liabilities)		(169,562)	(143,437)	(178,862)	(268,860)
Net assets excluding pension asset		942,542	719,314	848,873	559,445
Defined benefit pension scheme asset	17	211,000	6,067,000	211,000	6,067,000
Total net assets	18	1,153,542	6,786,314	1,059,873	6,626,445
The funds of the charity:					
Restricted income funds	19	451,931	320,713	451,931	320,713
Unrestricted funds (excluding pension reserve)	19	490,611	398,601	396,942	238,732
Pension reserve	19	211,000	6,067,000	211,000	6,067,000
Funds		1,153,542	6,786,314	1,059,873	6,626,445

The financial statements were approved and authorised for issue by the Board on 2023 and signed on its behalf by:


Esther Robertson – 2023-10-27, 09:51:57 UTC

Esther Robertson

Chair

Registered number SC415704

Fife Cultural Trust

Consolidated Statement of Cash Flows for the year ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	20	691,766	(71,271)
Cash flows from investing activities:			
Purchase of property, plant and equipment		(361,420)	(11,181)
Purchase of investments		(138,914)	(98,809)
Proceeds from sale of investments		113,529	83,672
Net cash (used in)/provided by investing activities		(386,805)	(26,318)
Change in cash and cash equivalents in the reporting period		304,961	(97,589)
Cash at the beginning of the reporting period		545,611	643,200
Cash at the end of the reporting period		850,572	545,611

The notes on pages 38-55 form part of these financial statements

1. Accounting policies

General information

Fife Cultural Trust is a charitable company limited by guarantee, registered in Scotland with company registration number SC415704 and with the Office of the Scottish Charity Regulator under charity number SC043442. The registered office is Iona House, John Smith Business Park, Grantsmuir Road, Kirkcaldy, KY2 6NA. The principal activity is the provision of cultural services for Fife.

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 as issued by the Financial Reporting Council, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)", the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended).

Fife Cultural Trust (the Company) meets the definition of a public benefit entity under FRS 102 and has taken advantage of paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Company's activities.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the Company's transactions are denominated.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgements in the process of applying accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertaking Fife Cultural Services Trading Limited made up to 31 March 2023.

Going concern

The financial statements have been prepared on the basis of accounting policies that are consistent with the treatment of the Company as a going concern.

In the Directors' opinion, the Company will be able to continue for the foreseeable future. Underpinning the confidence in this approach is strong and proactive liaison between the Trust and its sole member, Fife Council, as to service delivery and the funding thereof which has been confirmed in a Letter of Support to the Trust.

Having received Fife Council's letter of support dated 19th May 2023 the Directors are of the opinion that the Trust can continue to meet its obligations as they fall due for the next 12 months. As part of the assurance to Directors, Fife Council has provided a commitment to underwrite the Trust's cash flow position for the 2023-24 period and beyond, at least until September 2024, subject to efforts to be made to minimise costs, where possible, and until such time as a sustainable funding package for the services provided can be agreed for the post-pandemic recovery period.

Notes to the financial statements

Fund Accounting

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds are funds subject to specific trusts, which may be declared by the donor or with their authority. Some are restricted income funds expendable at the discretion of the Board in furtherance of a particular activity, such as government grants for a specific centre, and funds raised for particular client groups or activities. Others are capital funds where the assets are required to be invested for long term use.

Unrestricted funds are expendable at the discretion of the Board in furtherance of the objectives of the group. If part of the unrestricted funds is earmarked at the discretion of the Board for a particular project, it is designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Board's discretion to apply the fund.

A transfer is made from unrestricted funds to restricted funds to compensate fully all restricted funds which would otherwise be in deficit at the accounting date unless it is only a short-term deficit and that subsequent funds are received to remove the deficit.

Income

Income is recognised in the statement of financial activities when the charity is entitled to it, it is probable (more likely than not that the economic benefits associated with the transaction or gift will flow to the charity) and the monetary value or amount of income can be measured reliably.

Income from the Fife Council is agreed in advance based on the level of service provided. In addition, Fife Council has agreed top-up support to eliminate any deficit incurred, excluding the accounting impact of pensions, during the pandemic and the ongoing recovery period.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Where costs cannot be directly attributed to a cost heading, they have been allocated on a basis consistent with use of the resources.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. A minimum capitalisation threshold of £1,000 is applied. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

IT Software	- 6 years
IT Hardware	- 4 years
Equipment (Short Life)	- 4 years
Equipment (Medium Life)	- 5 to 8 years
Equipment (Long Life)	- 10 years
Fixtures and Fittings	- 5 years

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 recognised in the statement of financial activities.

Impairment of fixed assets

At each reporting end date, the charity 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).

Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Stocks

Stocks of materials and consumables are stated at the lower of cost and net realisable value in the ordinary course of operating.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed. Trade debtors are recognised at the un-discounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

Cash and Liquid resources

Cash, for the purpose of the statement of cash flows, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Financial assets and financial liabilities

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102. The Trust only holds basic financial instruments.

Financial instruments are recognised in the Statement of Financial Activities when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payment discounted at the market rate of interest for similar debt instrument.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from assets expire, or when the Company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Taxation

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

Pensions

Fife Cultural Trust participates in Fife Council Pension Fund, a Local Government Pension Scheme, which is a defined benefit pension scheme. The Fund is administered by Fife Council in accordance with the Local Government Scheme (Scotland) Regulations 1998 as amended. All existing and new employees have the option of joining the Fund. The assets and liabilities of the scheme are held separately from those of the Trust in an independently administered fund.

The pension costs charged in the period are based on actuarial methods and assumptions designed to spread the anticipated pension costs over the service life of employees in the scheme, so as to ensure that the regular pension costs represent a substantially level percentage of the current and expected future pensionable payroll. Variations from regular costs are spread over the remaining service lives of current employees in the scheme.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses arising from experience adjustments and changes in assumptions are recognised immediately in the Statement of Financial Activities. All costs related to the defined benefit scheme are recognised in the Statement of Financial Activities.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Any asset resulting from the calculation is limited to the present value of available refunds and reductions in future contributions to the plan.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are recognised in the statement of financial activities when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

2. Critical judgements and estimates

In preparing the financial statements, Trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Critical judgements are made in the application of income recognition accounting policies, the timing of the recognition of income in accordance with the Charities SORP (FRS 102), and the assumptions applied in the actuarial valuation of the defined benefit pension scheme.

Notes to the financial statements

Defined benefit pension and other post-employment benefits

The present value of the defined benefit pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pension and other post-employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of pension and other post-employment benefits.

After taking appropriate professional advice, management determines the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms to maturity approximating the terms of the related pension liability.

3 Commercial trading operations and investment in trading subsidiary

The wholly owned trading subsidiary Fife Cultural Services Trading Limited (SC433176), which is incorporated in Scotland, pays all of its taxable profits to the Company by Gift Aid. The Company owns the entire issued share capital of 100 ordinary shares of £1. A summary of the trading results is shown below.

	2023 £	2022 £
Turnover	1,172,879	646,167
Cost of sales	(318,755)	(163,531)
Gross profit	854,124	482,636
Administrative expenses	(787,318)	(348,708)
Operating profit	66,806	133,928
Profit for the year	66,806	133,928
The assets and liabilities of the subsidiary were:		
Fixed Assets	84,370	34,546
Current Assets	212,928	306,034
Current Liabilities	(203,529)	(180,617)
Aggregate share capital and reserves	93,769	159,963

Included in administrative expenses is a management fee of £89,671 from Fife Cultural Trust which has been removed in the consolidated figures.

Included above is a management service fee from Fife Council of £245,961 for the year (2022: £233,960)

Notes to the financial statements

4 Income from charitable activities is as follows:

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Theatres	4,538,347	1,334,691	4,538,347	1,334,691
Libraries and Museums	5,364,180	5,991,152	5,364,180	5,991,152
Cultural Partnerships	917,736	265,146	917,736	265,146
Administration	1,891,347	1,938,173	970,693	2,196,216
Total	12,711,610	9,529,162	11,790,956	9,787,205

A management service fee of £8,333,413 was received from Fife Council to Fife Cultural Trust in 2023 (2022: £7,861,363).

5 Expenditure on charitable activities - Group and charity

	Activities undertaken directly £	Support costs (note 6) £	2023 Total £	Activities undertaken directly £	Support costs (note 6) £	2022 Total £
Theatres	2,101,140	393,383	2,494,523	1,494,556	68,073	1,562,629
Libraries and Museums	5,346,502	1,000,991	6,347,493	5,728,231	1,158,168	6,886,399
Cultural Partnerships	334,744	62,672	397,416	341,653	18,122	359,775
Administration	2,788,956	522,158	3,311,114	2,264,135	276,166	2,540,301
Total	10,571,342	1,979,204	12,550,546	9,828,575	1,520,529	11,349,104

6 Analysis of governance and support costs included in charitable activities - group and charity

	2023 £	2022 £
Audit fees	20,000	20,000
Non audit fees	-	1,200
Legal, professional and consultants fees	346,043	280,727
Total governance costs	366,043	301,927
Support provided by Fife Council	1,613,161	1,218,602
	1,979,204	1,520,529

Fife Cultural Trust receives support services from Fife Council free of charge. Fife Council has provided an estimated value of the services provided and they have been charged in line with the Charities Statement of Recommended Practice.

In addition to those disclosed above, services in kind of £89,671 (2022: £38,158) have also been recognised in the activities of the trading subsidiary disclosed in Note 3.

Notes to the financial statements

7 Net income/(expenditure)

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Net income/(expenditure) is stated after charging				
Auditors' remuneration (including expenses) for audit	22,500	20,000	22,500	20,000
for other services	-	1,200	-	-
Depreciation	53,184	52,236	33,338	31,757

8 Staff numbers and costs

	2023	2022
	£	£
The remuneration and associated costs of the Group were:		
Wages and salaries	6,092,326	5,053,056
Social security costs	469,228	361,551
Pension contributions	1,148,334	1,014,899
FRS 102 pension scheme adjustments	1,255,000	1,765,000
	8,964,888	8,194,506

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Employees	289	261
	====	====

The number of employees whose emoluments amounted to £60,000 or more in the year were as follows:

	2023	2022
	Number	Number
£60,000 - £70,000	-	3
£70,001- £80,000	3	-
£100,001-£110,000	1	1
	4	4

The total employee benefits of the senior management team were £434,225 (2022: £410,660).

No member of the Board received remuneration or any expenses from Fife Cultural Trust other than Directors indemnity insurance (2022: nil).

Notes to the financial statements

9 Tangible assets

	Group £	Charity £
Cost		
As at 1 April 2022	617,286	513,463
Additions	361,420	291,750
As at 31 March 2023	978,706	805,213
Depreciation		
As at 1 April 2022	(557,484)	(488,207)
Charge	(53,184)	(33,338)
As at 31 March 2023	(610,668)	(521,545)
Net book value		
As at 31 March 2022	59,802	25,256
As at 31 March 2023	368,038	283,668

10 Investments

	2023 £	Group 2022 £	2023 £	Charity 2022 £
Investment in subsidiary	-	-	100	100
Listed investment portfolio	743,967	802,949	743,967	802,949
	<u>743,967</u>	<u>802,949</u>	<u>744,067</u>	<u>803,049</u>

Fife Cultural Services Trading Limited is a wholly owned subsidiary, incorporated in Scotland. The results for the year are detailed at note 3.

	Group & Charity 2023 £
Fair value of portfolio at 1 April 2022	802,949
Additions at cost	138,914
Disposals	(113,529)
Unrealised gain on revaluation	(84,367)
Fair value of portfolio at 31 March 2023	743,967

11 Stock

	2023 £	Group 2022 £	2023 £	Charity 2022 £
Stock	<u>50,617</u>	<u>45,855</u>	<u>-</u>	<u>-</u>

Notes to the financial statements

12 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	70,867	217,396	48,733	183,295
Prepayments and accrued income	99,263	70,068	93,433	59,467
Amounts due from subsidiary	-	-	157,128	142,241
Other debtors	83,021	-	83,121	-
	253,151	287,464	382,415	385,003

13 Creditors: Amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	224,906	102,409	204,847	70,430
VAT	294,024	359,626	270,174	364,329
Accruals and deferred income	804,973	560,332	816,270	553,941
	1,323,903	1,022,367	1,291,291	988,700

14 Deferred income

	Group & company
	£
Deferred income comprises advanced ticket sales.	
Balance as at 1 April 2022	150,302
Amounts released to income during the year	(150,302)
Amounts deferred in year	209,467
Balance at 31 March 2023	209,467

15 Financial assets and liabilities held at fair value through net income/(expenditure)

	Group and charity	
	2023	2022
Listed investment portfolio	743,967	802,949

16 Commitments

Peppercorn rental is paid to Fife Council for the use of the premises for the provision of the services on behalf of the Council.

Notes to the financial statements

17 Pension scheme

Fife Cultural Trust is an admitted body of the Fife Council Pension Fund. The Superannuation Fund is a defined benefit scheme into which employee' and employer's contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. Employees' contributions are tiered, and employer's basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and in a position to meet its future liabilities. The actuarial method used is known as Projected Unit Credit Method.

	2023	2022
	£	£
The movement in the defined benefit obligation over the year is as follows:		
Opening defined benefit obligation	59,414,000	59,901,000
Current service cost	2,397,000	2,470,000
Past service cost (including curtailments)	24,000	975,000
Interest cost on defined benefit obligation	1,626,000	1,224,000
Contributions by members	311,000	288,000
Actuarial losses/(gain)	(21,354,000)	(4,405,000)
Benefits paid	(1,027,000)	(1,028,000)
Unfunded benefits paid	(11,000)	(11,000)
Closing defined benefit obligation	41,380,000	59,414,000

The movement in the fair value of plan assets in the year is as follows:

Opening fair value of plan assets	65,481,000	60,700,000
Interest income on plan assets	1,773,000	1,222,000
Contributions by members	311,000	288,000
Contributions by the employer	1,155,000	1,671,000
Contributions in respect of unfunded benefits	-	-
Actuarial (losses) /gain	(3,777,000)	2,628,000
Benefits paid	(1,027,000)	(1,028,000)
Unfunded benefits paid	-	-
Closing fair value of plan assets	63,916,000	65,481,000
Defined benefit pension scheme surplus	22,536,000	6,067,000
Impact of asset ceiling	(22,325,000)	-
Defined benefit pension scheme asset recognised in the balance sheet	211,000	6,067,000

Notes to the financial statements

17 Pension scheme (continued)

Amounts recognised in net income/expenditure (per SOFA):

Current service cost	(1,255,000)	(1,763,000)
Past service cost (including curtailments)	-	-
Total service cost	(1,255,000)	(1,763,000)
Net interest		
Interest income on plan assets	1,773,000	1,222,000
Interest cost on defined benefit obligation	(1,626,000)	(1,224,000)
Total net interest	(147,000)	(2,000)
Total defined benefit cost recognised in net income/expenditure per the SOFA	(1,108,000)	(1,765,000)

	2023 %	2022 %
The major categories of plan assets as a % of the total plan assets are as follows:		
Equities	66	63
Bonds	24	25
Property	6	7
Cash	4	5
	====	====

The estimated employer contributions for the year to 31 March 2023 are £1,155,000 (2022 - £1,176,000).

The principal actuarial assumptions used in the calculations are:

	% per annum	% per annum
Pension Increase Rate	2.95	3.20
Salary Increase Rate	3.45	3.70
Discount Rate	4.75	2.70

Mortality

Vita curves with improvements in line with CMI 2022 model assuming the current rate of improvements has peaked and will converge to a long-term rate of 1.5%. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	20.0	22.9
Future Pensioners	21.1	24.9

Notes to the financial statements

18 Analysis of net assets between funds

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Group						
Balance at 31 March						
Represented by:						
Fixed assets	1,112,005	-	1,112,005	862,751	-	862,751
Net current liabilities	(621,394)	451,931	(169,463)	(464,150)	320,713	(143,437)
Retirement benefit scheme	211,000	-	211,000	6,067,000	-	6,067,000
	<u>701,611</u>	<u>451,931</u>	<u>1,153,542</u>	<u>6,465,601</u>	<u>320,713</u>	<u>6,786,314</u>
Charity						
	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Balance at 31 March						
Represented by:						
Fixed assets	1,027,735	-	1,027,735	828,305	-	828,305
Net current liabilities	(630,793)	451,931	(178,862)	(589,573)	320,713	(268,860)
Retirement benefit scheme	211,000	-	211,000	6,067,000	-	6,067,000
	<u>607,942</u>	<u>451,931</u>	<u>1,059,873</u>	<u>6,305,732</u>	<u>320,713</u>	<u>6,626,445</u>

Notes to the financial statements

19 Reserves

	Opening Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	Closing Balance at 31 March 2023 £
Unrestricted reserves year ended 31 March 2023						
Group						
Unrestricted Pension reserve	398,601 6,067,000	12,297,114 -	(12,160,403) (1,108,000)	14,281 -	(58,982) (4,748,000)	490,611 211,000
	<u>6,465,601</u>	<u>12,549,333</u>	<u>(13,268,403)</u>	<u>14,281</u>	<u>(4,806,982)</u>	<u>701,611</u>
Charity						
Unrestricted Pension reserve	238,732 6,067,000	11,376,460 -	(11,173,549) (1,108,000)	14,281 -	(58,982) (4,748,000)	396,942 211,000
	<u>6,305,732</u>	<u>11,376,460</u>	<u>(12,281,549)</u>	<u>14,281</u>	<u>(4,806,982)</u>	<u>607,942</u>
	Opening Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	Closing Balance at 31 March 2022 £
Unrestricted reserves year ended 31 March 2022						
Group						
Unrestricted Pension reserve	202,608 799,000	9,971,286 -	(9,836,439) (1,765,000)	35,916 -	25,230 7,033,000	398,601 6,067,000
	<u>1,001,608</u>	<u>9,971,286</u>	<u>(11,601,439)</u>	<u>35,916</u>	<u>7,058,230</u>	<u>6,465,601</u>
Charity						
Unrestricted Pension reserve	(2,833) 799,000	9,583,162 -	(9,402,743) (1,765,000)	35,916 -	25,230 7,033,000	238,732 6,067,000
	<u>796,167</u>	<u>9,583,162</u>	<u>(11,167,743)</u>	<u>35,916</u>	<u>7,058,230</u>	<u>6,305,732</u>

Notes to the financial statements

19 Reserves

	Opening Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Closing Balance at 31 March 2023 £
Restricted funds year ended 31 March 2023					
Childrens University	3,768	-	-	-	3,768
Comic Con	15,236	-	-	-	15,236
Creative Scotland – Small Scale Capital Grant	18,532	-	-	-	18,532
CS Youth Arts Small Grants Scheme	890	5,000	-	-	5,890
Dunfermline Wellbeing through Heritage	32,541	1,061	(847)	-	32,755
Fife Art Exhibition	19,801	-	(780)	-	19,021
FVA - SGA Mental Health & Wellbeing	11,505	10,000	(16,250)	-	5,255
Height machine	13,900	-	-	(13,900)	-
In the Footsteps	1,061	-	(1,061)	-	-
Janet Brown Bequest	20,214	-	-	-	20,214
Life Changes Trust					
Dementia Funding	12,888	37	(8,366)	-	4,559
Menopause Project	14,789	375	(2,550)	-	12,614
MGS Summer Programme	1,148	-	3,050	-	4,198
Moments in Time	14,117	-	(77)	-	14,040
Public Library Improvement Fund - PLIF	3,614	-	-	-	3,614
SLIC - Work in Progress	42,000	18,000	(6,462)	-	53,538
The Arts Hub	30,811	(100)	-	-	30,711
Warm Spaces	-	40,800	(6,343)	-	34,457
Flooring the World	-	53,391	(43,755)	-	9,636
CS - Recovery Fund for Cultural Organisations	-	242,434	(77,429)	-	165,005
Small funds (<£10,000)	63,898	43,498	(108,127)	(381)	(1,112)
	320,713	414,496	(268,997)	(14,281)	451,931

Notes to the financial statements

19 Reserves

	Opening Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Closing Balance at 31 March 2022 £
Restricted funds year ended 31 March 2022					
Childrens University	8,489	-	(4,721)	-	3,768
Comic Con	15,236	-	-	-	15,236
Creative Scotland – Performing Arts Venue Relief Fund	30,356	93	(10,169)	(20,280)	-
Creative Scotland – Small Scale Capital Grant	18,532	-	-	-	18,532
CS - PAVRF 2		48,187	(37,856)	(10,331)	-
CS Youth Arts Small Grants Scheme	45,000	-	(44,110)	-	890
Dunfermline Wellbeing through Heritage	-	-	(1,061)	33,602	32,541
Fife Art Exhibition	13,118	8,340	(1,657)	-	19,801
FVA - SGA Mental Health & Wellbeing	-	11,505	-	-	11,505
Height machine	13,900	-	-	-	13,900
In the Footsteps	34,663	-	-	(33,602)	1,061
Janet Brown Bequest	20,214	-	-	-	20,214
Life Changes Trust	7,040	7,338	(1,490)	-	12,888
Dementia Funding					
Menopause Project	7,241	19,400	(11,851)	-	14,789
MGs Summer Programme	-	12,682	(11,534)	-	1,148
Moments in Time	14,117	-	-	-	14,117
Public Library Improvement Fund - PLIF	12,110	12,540	(21,036)	-	3,614
SLIC - Work in Progress	-	42,000	-	-	42,000
The Arts Hub	25,686	5,125	-	-	30,811
Visit Scotland Growth Fund Dunfermline	7,500	5,000	(12,500)	-	-
Small funds (<£10,000)	60,745	31,833	(23,376)	(5,305)	63,897
	204,043	(181,361)	(35,916)	320,713	333,947
	=====	=====	=====	=====	=====

19. Reserves (continued)

Purposes of restricted funds

The restricted funds relate to funds received from other bodies as contributions to specific projects:

Children's university	Funding Secured from the Public Library Improvement Fund to implement system changes to allow and encourage children to join the Children's University through public Library membership and projects
Fife Art Exhibition	The money was secured from Shell UK to pay for non-core staffing costs, payments to artists, advertising and promotional costs and purchasing the 6 winning pieces of artwork plus cash prizes for the winners.
Comic Con	Fife Council, Kingdom Centre and Go Glenrothes provided funding to support the creation and running of Glenrothes Comic Con.
Height Machine	Funds from the DCL&G capital project fund, for the provision of a working at height machine for use in the Galleries and Museum spaces.
In the Footsteps	A project funded primarily by Scottish Enterprise, Fife Council and Carnegie Dunfermline Trust. Two parts- one to create a virtual reality app for Fife's royal linked heritage sites, two to develop a series of Digital Tours and Welcome Walks as part of the Dunfermline Heritage Partnership
Janet Brown Bequest	Funds bequeathed to museums by Janet Brown in June 2010
Macmillan Cancer Project	Funded by MacMillan the funding provides a project officer and volunteer coordinator, along with the necessary furniture and equipment to create information points within libraries with volunteers to provide support for those living with cancer
Menopause Project	"Pause not Full stop" funded by Carnegie UK this project encourages people to challenge their own and society's view of the menopause, using creative activities to encourage discussion about the subject.
Moments in Time	Money secured from Dementia Strategy Group to provide support and activities for those living with Dementia and their carers.
The Arts Hub	This is income from the children's classes that we offer at Lochgelly and Adam Smith. We work in partnership with YMTS to offer some of these classes and pay them accordingly.
Visit Scotland Growth Fund Dunfermline	A Dunfermline Heritage Partnership project in which the Trust is lead partner. Funding is from Visit Scotland for a digital marketing campaign.
SLIC – Work in Progress	Scottish Library Information Council funded project working with ONFife to discover what members of the community in Templehall and Cowdenbeath areas would want from their local library service
MGS Summer Programme	Museums Galleries Scotland funding to expand the summer holiday provision by piloting outdoor activities

Notes to the financial statements

20 Notes to the statement of cash flows

	2023 £	2022 £
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the SOFA)	(884,772)	(1,582,241)
Adjustments for:		
Depreciation	53,184	52,236
Net cost in respect of pensions	1,108,000	1,765,000
(Increase) in stock	(4,762)	(4,411)
Decrease in debtors	34,213	191,131
Increase/(Decrease) in creditors	301,536	(473,557)
Decrease/(Increase) in value of investment	84,367	(19,429)
Net cash provided by/(used in) operating activities	<u>691,766</u>	<u>(71,271)</u>
Analysis of cash and cash equivalents		
Cash at bank and in hand	<u>850,572</u>	<u>545,611</u>
Total cash and cash equivalents	<u>850,572</u>	<u>545,611</u>
The group has no debt financing.		

21 Related parties

Fife Council made a contribution in line with the Services Agreement of £8,333,413 (2022: £7,861,353). Facilities were leased to Fife Cultural Trust for a peppercorn rent. Fife Council also provided various support functions including Legal, Finance and IT which the Company received free of charge. Services in kind of this nature have been given a value and are recognised in the financial statements as disclosed at Note 6. Details of sums due to/from Fife Council are disclosed in notes 12 and 13.

22 Ultimate Holding Organisation

The sole member of Fife Cultural Trust is Fife Council. The directors are appointed by the members and 4 of the 13 directors of Fife Cultural Trust are appointed from the Council

Notes to the financial statements

23 Comparative Statements of Financial Activities

Group	Unrestricted Fund 2022 £	Restricted Funds 2022 £	Total 2022 £
Income from:			
Charitable activities	10,245,270	445,066	10,690,336
Other trading activities	345,512	-	345,512
Total income	10,590,782	445,066	11,035,848
Expenditure on:			
Charitable activities	(10,156,082)	(355,377)	(10,511,459)
Raising Funds	(174,930)	-	(174,930)
Total expenditure	(10,331,012)	(335,377)	(10,686,389)
Net losses on investments	84,194	-	84,194
Net (expenditure)/income	343,964	89,689	433,653
Transfers between funds	(2,190)	2,190	-
Other recognised losses:			
Actuarial gains on defined benefit pension schemes	(852,000)	-	(852,000)
Net movement in funds	(510,226)	91,879	(418,347)
Charity			
Income from:			
Charitable activities	10,343,270	445,006	10,788,336
Total income	10,343,270	445,006	10,788,336
Expenditure on:			
Charitable activities	(10,156,082)	(335,377)	(10,511,459)
Total expenditure	(10,156,082)	(335,377)	(10,511,459)
Net losses on investments	84,194	-	84,194
Net (expenditure)/income	271,382	89,689	361,071
Transfers between funds	(2,190)	2,190	-
Other recognised losses:			
Actuarial gains on defined benefit pension schemes	(852,000)	-	(852,000)
Net movement in funds	(582,808)	91,879	(490,929)