

Forgan Arts Centre

Report & Financial Statements For the year ended 31 December 2023



Contents

Charity Information	3
Trustees Annual Report	4
Objectives and Activities	4
Our Aims	4
Vision & Mission	6
Structure, Governance and Management	6
Key Achievements & Performance of the Charity	8
Business Planning	15
Funding	16
Financial Review	18
Processes & Policy	18
Budget & Milestones	18
Statement of the charity's policy on reserves	19
Managing Risk	19
Strategic Risk	19
Update on 2023 Activities and Future Plans	21
Independent Examiner's Report	24
Primary Financial Statements and Notes	26
Statement of Financial Activities	27
Balance Sheet	28
Notes to the Accounts	29-39

Charity Information

Charity Name	Forgan Arts Centre
Charity Number	SC008537
Address	59 Kirk Road Newport on Tay Fife DD6 8JB
Telephone Number	01382 542 062
Email Address	info@forganartscentre.co.uk
Website	forganartscentre.co.uk
Socials	Facebook forganartscentre Twitter forganarts Instagram forgan_arts_centre
Trustees	Kate Janik-Smith (co-Chair) Judith Winter (co-Chair) Ailsa McKenzie (Treasurer - appointed August 2023) Jonny Tepp Gilbert Valentine Trudy Cunningham Drew Hemment Blair McCafferty (resigned June 2023) Jenny Alexander (resigned February 2023) Teri Laing (resigned June 2023) Gillian Burch (Chair resigned September 2023)

Trustees Annual Report

The Trustees present their Annual Report and Accounts for the year ending 31 December 2023. The Board of Trustees are satisfied with the performance of the charity during the financial year and consider that the charity is in a strong position to continue its activities during the coming year, and the charity's assets are adequate to fulfil its obligations.

Objectives and Activities

Forgan Arts Centre is an open and welcoming home for community driven and environmentally aware arts and learning. Situated in Newport-on-Tay, Northeast Fife, it provides a space for creatives from all walks of life (artists, makers, artist-educators, and members of the local community) to come together and develop creative skills. The programme of classes, workshops and socially engaged events are underpinned by a shared ethos that art can be transformative, create a sense of belonging, and benefit wider culture and society.

Our Aims

Forgan Arts Centre will advance the arts and lifelong creative practice:

- We will provide the venue for the local community to engage in artistic pursuits, supporting traditional and contemporary approaches to craft and making. We will celebrate diverse and cross-generational learning.
- We will create a space where individuals (regardless of past experiences) can come together to cultivate their understanding of the arts through classes, workshops, residencies, and events.
- We will deliver a creative programme guided by long standing members alongside invited guest artists and makers.

Forgan Arts Centre will place the natural environment at the heart of its activities:

- We will make maximum use of our location between the River Tay and rural Fife. Our studio garden, allotments and surrounding environment will be used as a trigger to support artist-educators whose practice is concerned with art and ecology.
- We will honour the interplay between the natural, built, and social environment and the impact of this on the well-being of the communities we serve.
- We will work to enhance the accessibility of the natural environment and the links between arts-based activities and the world around us.
- We will create pathways for people to develop projects that explore art and the environment, and experiment with materials and biodiversity.

Forgan Arts Centre will provide a sense of place:

- We will cultivate a connected, compassionate creative community in North East Fife, providing a social space to support activities that enhance people's health, happiness, and well-being through place-making.
- We will provide a venue where we balance the safety of the known with the creative potential of the unpredictable and different – where experimentation meets tradition.

Forgan Arts Centre will be a sustainable organisation:

- We will manage the Centre through considered regulatory alignment and good governance that mirrors our organisational ethos.
- We will ensure that our organisation remains responsive to community needs, whilst also cultivating the growth and development of our membership, staff and board.
- We will achieve financial stability by developing funding streams and undertaking self-sufficiency initiatives to ensure the future provision of arts-based opportunities.

Vision & Mission

Our vision is to sustain a uniquely open, welcoming space, to serve the needs of the community through creative practice, and directly enhance arts culture in all its forms.

Our mission: to draw people together, to provide arts-based learning and opportunities from early to advanced stages of practice. Through our empowering and transformative ambition, we will create a grassroots artistic ecology, which is a safe place to take risks, challenge assumptions, and meet other people with a shared interest in the arts. Core to this are our facilities and expertise that offer classes, professional facilities, and studio-based learning, alongside residencies and our events programme.

Structure, Governance and Management

Forgan Arts Centre embarked on a transformative journey in 2022 and 2023 following a successful relocation to the Leng Home, made possible through support from the Scottish Land Fund, Fife Council, and the local community. In the previous year, Board Chair, Gillian Birch and the Trustees carefully identified and invited several new Trustees from the community to continue supporting the grassroots ethos of the membership organisation and to extend and expand its aspirations and vision.

In 2023, following the annual Board Development Day hosted at Hospitalfield, Arbroath, and subsequent AGM proceedings, Gillian Burch, Chair, made the decision to step away from the Board. The key aim of the Trustees was to ensure that the governance approach continued smoothly and aligned its practices with the overarching ethos of its artistic programme. There was discussion concerning the traditional delineation between Trustee and Chair roles, necessitating a shift towards a more inclusive and adaptive model. Considering this, Forgan Arts Centre embraced the concept of co-chairing, a model that epitomises collaboration, diversity, and responsiveness. Kate Smith and Judith Winter were voted at the AGM 2023 to co-lead the organisation.

We also identified the need for a new treasurer, Ailsa McKenzie, who was appointed in July.

The Trustees all recognise that effective governance hinges on mutual trust, open dialogue, inclusivity, and a collective dedication to its shared mission. The co-chairing model is integral to enhancing the efficacy of decision-making processes and fostering a culture of inclusivity and innovation. Sharing leadership responsibilities has fortified the centre's capacity to navigate complex challenges with agility and foresight. Moreover, co-chairing has galvanised the commitment to taking a more pluralistic approach to governance, with the ability to harness and build on different perspectives, ensure strong succession planning, and support mentorship and collaboration. Co-chairing draws on expertise of two individuals, Kate Smith (organisational) & Judith Winter (artistic), each possessing a unique blend of skills and perspectives.

The core purpose of the Board is to act as an "observant and critical friend," providing strategic leadership, stewardship, and oversight to ensure the organisation effectively fulfils its mission and serves its beneficiaries in accordance with its charitable purpose and OSCR regulations. It is Forgan Arts Centre's intention that governance also resonates with its artistic, educational, and ecological vision.

The development of the Board of Trustees will continue to develop in parallel with the development of Forgan Arts Centre, with ongoing review of expertise and skills to ensure capacity to steer the organisation according to strategic priorities. We will continue to identify potential areas for board development and actively exploring recruitment of new Trustees with the following areas of expertise:

- Legal
- Marketing
- Sustainable Business Models
- EDI including youth & cross-generational representation.

All potential Trustees will be offered the opportunity to attend Board meetings in advance of their formal application and election or co-option onto the Board. The Committee welcomes approaches from its

members or any local resident to join the committee. Forgan Arts Centre will also proactively explore ways to attract support from a wide range of members with the professional skills and experience that will enable the organisation to meet its stated aims.

Key Achievements & Performance of the Charity

Throughout the financial year ending 31 December 2023, Forgan Arts Centre grew, despite the impact of the pandemic and the re-location to Leng Home.

We have modified the business model to allow for the maintenance of the estate, increased overheads, new staff, enhanced benefits, and an expanded artist-led creative programme. This new mixed economy structure includes fundraising activities, core subsidy, as well as earned income. In 2023, we secured multi-year core funding from Fife Council (North East Fife Area Committee) of £30,000 per year and Northwood Charitable Trust of £20,000 per year for the period 2023-2025. We have new income generating activities including the provision of studios, allotments, and events. Our approach to income generation also balances our commitment to economic accessibility and this can be seen in our equitable approach to pricing.

The Centre's income sources for 2022 and 2023 include self-generated funds that increased by over 50% from 2022 (£108k) to 2023 (£165k). Income from fundraising increased by 42% from 2022 to 2023. Self-generated income represents an average of 35% and fundraising represents the remaining 65%. In 2024 we have developed a portfolio of funders as part of our mixed economy who also provide support, encouragement, and recognition for the quality of our creative programme. For example, in working with Inspiring Scotland, we were offered business development, legal and HR support. This is invaluable to an organisation of our scale and in this exciting period of change and growth, particularly given the economic challenges faced in the cultural sector.



Living Table: Final Meals by Désirée Coral Guerra and Lucky Pierre

We have delivered the following:

Art & Craft Classes, courses & workshops (developing the atelier model)

We continue to develop the core activity of classes and workshops, supporting all skill levels, from novice to established artist, across diverse creative practices. We have achieved a strong 50-year track record of sustained income and consistent attendance. The programme throughout 2023 has actively expanded to develop professional practice, support experimentation and innovation, as well as bringing new tutors/artists to the centre, developing their teaching skills through training. Alongside providing accessible art & craft facilities bringing income, deepening of practice, and a demonstration of environmentally sustainable production methods. Our aim is to continue to develop the diversity of classes, embedding new innovative, cross-cultural approaches to arts & crafts and how they intersect with traditional methods to spearhead new ways of working, rooted in the protection of the environment.



Image of a pottery students work in the ceramics studio

Studio Members

The centre is now home to 10 artist studios supporting a broad range of established and emerging artists and makers across art forms, including ceramics, painting, sculpture, and music. A further four rooms have been identified as potential artist studios for future development.

Living Table

The project was initiated by Fife-based, Ecuadorian artist, Désirée Coral Guerra, our first G.R.E.E.N. Artist-in-Residence, and included contributions from artists, activists, chefs, curators, environmentalists, farmers, and writers from across Scotland, Europe, and Latin America. The project culminated in a series of free, public events and a publication inspired by the life that grows around a table: from the life of insects that pollinate crops to the cultural and political life made manifest in recipes, traditions, and dinner table habits; from microorganisms to human-migration.



The Gardener's Cottage Restoration

This detached cottage on our grounds was falling into disrepair having been uninhabited for decades. Funding from Scottish Government's Rural & Islands Ideas into Action Fund kick-started a restoration project led by craftspeople Andy Slater and Andrew French. We used the cottage as a live site for teaching trade skills, restoration, and repair, as well as how to make a house more environmentally sustainable. In partnership with Madras College, a local secondary school, a group of students experiencing school exclusion worked with Andy and Andrew over a ten-week period.

Alternative (art) School

Emerging as a direct result of the Gardener's Cottage project, Alternative (art) School is a partnership with Madras College and supports young people experiencing exclusion from mainstream education and labelled 'school refusers'. The reasons students are experiencing exclusion are multifaceted and exacerbated by our rural context. We work holistically with the young people and their families to get them back into the classroom. We do this through a programme they co-design with artist Jek McAllister. Artists including Hannan Jones, Sean Patrick Campbell, and Kate Harvey have delivered this programme of woodwork, gardening, pottery, photography, design, and music making. The young people's confidence, connection to other students, and creativity are nurtured, with everyone having experienced

a positive impact including improved attainment, attendance, or mental wellbeing, as well as some students advancing to further education.



Artist Jek McAllister with Alternative (art) School participants

Children's Art Club

This initiative offers a free & paid-for holiday club utilising creativity and the natural environment. It provides childcare for resident artists, consistent revenue, and employment locally.

Queer Makers Club & Young Queer Makers Club

This targeted activity responds to a local need for safe spaces and accessible creative activities for the rural LGBTQIA community.

Care Makers & Young Carers Club

This targeted activity responds to a local need for judgement-free, accessible creative activities for unpaid carers (adults and young carers).

Gardening for the Future

Gardening for the Future was a project that began in response to a request from someone struggling with their mental health. It has flourished into a welcoming meet-up for people to learn how to sow, grow, and harvest food rooted in permaculture practices that protect the natural environment and sequester carbon. The group mutually support one another, sharing seeds, cuttings, and tools, with relationships blossoming into new support networks. Crops harvested from the community plot fill our community fridge.



Garden Facilitator Dr Helena Simmons at the Community Growing Plot

Seasonal Festival Days

Having trialled the idea of seasonal events, we have now created a regular community programme based on the four annual Gaelic seasonal festivals, Lughnasadh, Samhain, Imbolc, and Beltane. These are open to all. and draw around 500 people from across Scotland. Each event is programmed by a guest curator, invited to share an idea or their enquiry with our community. In 2023 these included storyteller and artist Owen Pilgrim, choreographer and director Fleur Darkin, and the emerging curatorial duo Saoirse Amira Anis and Laura McSorley.

We aim to continue to develop these festivals as part of our business plan 2025-2028.

Image of participants at On The Table community meal

Business Planning



In 2023, 1,039 students attended 138 courses and workshops.

1,129 children joined Children's Arts Clubs with over 150 free places used.

We hosted 142 free community events for 2,033 people with food and travel provided.

111 artists were engaged to deliver these activities hailing from all over Scotland.

All these activities have resulted from, and feed in to, the development of a creative business plan, through community consultation and our focus on the development of our network of artists and critical friends. The emergence of this plan will enable us to continue to take an active part in the Rural Arts Network and maintain relationships with the participating organisations. Forgan have recently joined membership with SCAN and Future Arts Centres to ensure we are involved in critical national conversations, from art-form development to fairer working conditions, which positively impacts our practice and ability to realise our vision. Our artistic development has included conversations with leading rural arts organisations including Wysing Arts Centre, Grizedale Arts, and consistent support from other rural arts organisations and exemplary curators with a like minded ethos.

Capital Plans / Buildings & Grounds

The primary capital for Forgan is held in our estate, and this represents both a sustainability investment and ambitions for the Leng Home to undertake renovations in alignment with our artistic and environmental ambitions. Supported by Indigo Consultants, Community Ownership Fund and Development Trust Association Scotland, we are developing a capital plan which will launch in the coming years. It was our view that this should develop from the business plan and detail fundraising and community engagement plans. The building as it stands will benefit from (re)insulation including glazing, ground source heat pump, and solar panels.

In terms of changes to the property, we have set up a Capital Sub-group to lead on the development of the Leng Home and Grounds. Architectural plans have been created and drawings from Nicoll Russell Studio (NRS) have been approved by the community and team following a broad consultation process. The proposal from NRS is sensitive to the community request for the building to retain its arts & crafts period features. The financing of the capital programme will include donations through crowdfunding, individual giving, and community bonds.

Funding

The Centre's Grant Funding strategy has focused on three main areas:

- bringing in grant income to cover core costs in running a larger Centre with increased staff and building overheads;
- Grants to establish artistic programmes and events; and
- Capital funding to embark on the longer term programme to modify and upgrade the Centre to create a long term environmentally and financially sustainable base.

Funding in 2023 was awarded and/or expended from the following sources:

- Development Trust Association (Scotland) – Funding Development Officer salary costs (three years)
- Fife Council Local Community Planning Budget - capital project
- The Lady Margaret Skiffington Trust – artist commission for a new sensory garden
- Community Food Growing (Fife Council) - garden activities
- Community Food Provision Grant (Fife Council) – The Coorie Community Club including café provision
- Fife Mental Health and Wellbeing - artist in residence project
- Rural Island and Community Ideas into Action Fund (Inspiring Scotland) – revive and restore the Gardener's cottage
- Rural Island and Community Ideas into Action Fund (Inspiring Scotland) - Rural Connections and Community Connections
- Crown Estate – capital project
- Adapt and Thrive – commission new website
- Scottish Land Fund – building repairs and Centre Director salary (18months)
- Crown Estate – G.R.E.E.N. artist in residence project costs and salary
- Fife Rural Development Fund – Alternative (art) School
- The National Lottery Awards for All – activities in response to rural isolation
- Architectural Heritage Fund – capital plans
- Persimmon Homes – capital plans
- The Stafford Trust – artist-in-residence activity
- Warm Welcome Fund – Coorie Community Café

- Fife Community Climate Action – garden activities
- Rotary Club – activities for young people
- Creative Scotland Participatory Arts & Mental Health Fund – Makers Club programme and Rural Connections

In 2023, the Centre held and achieved nearly £300K in grant income. We would like to extend our thanks to all our funders and stakeholders without whom we would not have been able to provide these activities. Not only does funding ensure we can provide artist-led activities that respond to community need, but employment for artists and arts workers across Scotland.

Funding ensured all projects provided access costs for Lead Artists/Creative Practitioners and participants to include travel, food/refreshments, and any other support needed which means our activities are accessible. Artists were paid as per the Scottish Artist Union recommended rates. Our commitment to Fair Work extends to freelance team members as well as employees.



Financial Review

Financial oversight sits with the Board of Trustees, supported by our Treasurer. The Treasurer receives quarterly reports and analysis from the Director which they discuss and interpret against multi-year forecasts and projections at regular meetings. Quarterly Finance & Audit sub-Committee meetings allow for formal interrogation and information sharing. The accounts are independently examined before submission to OSCR and publication.

During the financial year ending 31 December 2023, Forgan Art Centre increased its funds. There was a £59k increase in the unrestricted funds of the organisation due to growth in fundraising and income generation. The £19k reduction in restricted funds resulted from expenditure being incurred on previously awarded grants. Assets levels were broadly similar to those recorded in 2022 other than the addition within “Debtors and Accrued Income” of grants awarded but not yet received.

Processes & Policy

We have introduced mechanisms to ensure fiscal prudence. We use Liberty software to keep detailed financial records in addition to a hardcopy archive. Liberty issues project budget reports, helpful year-on-year analyses and year-end reports. The Financial Controls Policy includes instructions for delegated authority, cash handling, credit/debit card management, details of who the bank signatories are and how/when to prepare year-end accounts. It also signposts to associated policies such as Ethical Procurement Policy and Ethical Fundraising Policy.

Budget & Milestones

All specifically funded projects have detailed budgets for which spend is attributed, variances assessed, and key milestones established. Projects with high risk have discrete dedicated contingency which requires discussion and approval by the Director before use. The Director approves all project budgets and milestones and reviews them quarterly with the project lead.

The Finance Office issues a monthly report, including income and expenditure, details of restricted and unrestricted funds, and cashflow forecast. The Director interrogates these and with the Finance Officer they annotate anomalies, resolve issues, and create projections related to changes in pattern. Data from these reports inform annual and multi-year forecasts which are presented to the Board at the first meeting of the year in January for approval. With two years of consistent data from our time at the Leng Home, we have a sound understanding of its running costs. Combined with 50 years of data in our previous premises, we make accurate forecasts and various projections in response to risk.

Statement of the charity's policy on reserves

The Trustees regularly review reserves, using the Reserves Policy to support both the Financial Strategy and the Strategic Plan. A risk-based approach is used to calculate an optimal level of reserves that looks at the reliability of income, costs for re-organisation of activities, and specific liabilities. Amounts are included for risks we are aware of as well as contingencies to allow Forgan Arts Centre to cope with unexpected costs and opportunities.

As at 31 December 2023, Forgan Arts Centre has unrestricted cash reserves of approximately £104k. This balance is sufficient to cover the funds that would be required for redundancy costs and amounts owing for running costs should the Centre require to cease operation.

Managing Risk

We assess risk at an operational level, which is managed by the staff, artists and arts workers, and at a strategic level which is managed by the Board. The Director has oversight of all risk.

Strategic Risk

The Board manages a register that encapsulates high level risk and explores organisational sustainability. Over the past year, Trustees have undergone a thorough review of their risk management approach, with a concentrated focus on reputational, operational, strategic, and artistic

risk. Trustees have enhanced their process by using tools such as SWOT and PESTLE analyses at the Board Development Day, to identify areas of risk in these categories. The Board continues to explore new models of risk management, especially in conversation with organisations who have undertaken major capital projects. Risk identified as operational is communicated to the Board co-chairs as appropriate in their regular meetings, while risk identified as strategic is reviewed at each board meeting as a standing item and, in more depth, annually at the Board Development Away Day to ensure the organisation factors this into its business planning strategic risks outlined below:

Economic

The cost-of-living crisis and changes in public finance directly impact our income. For 50 years we have weathered these storms by fostering loyalty with participants and funders.

Societal

There is a mental health epidemic and pressure on community services is immense. Our activities support good mental health, delivered in partnership with services, across sectors.

Technological

Moving to digital risks limiting access for our community. We will embrace digital in our organisation's administration and new technologies in our creative programme and craft processes, without forgetting our roots and multiple pathways, online and in person, to our activities.

Legal

We have invested in creating new policies, procedures, and ongoing, qualified HR support and scheduled annual reviews of these documents.

Environmental

The climate crisis is real and urgent. Reaching Net Zero 2045 and planning for beyond this goal, with our community through a place-based just transition that is central to our sustainable policy.

Political

Changes to local authority administration/elected officials could result in a change of key contacts. We have strong relationships with multiple elected members and across council directorates.

Update on 2024 Activities and Future Plans

In 2023, Forgan Arts Centre progressed with its Grant Funding approach and secured funding to contribute to core salary costs from the Northwood Trust and Fife Council. Fundraising will continue around securing grant income to contribute to the Centre's core costs. At the end of 2023, a stage one application for multi-year funding was submitted to Creative Scotland, the nation's arts and cultural funder. Stage 2 was completed in 2024 and we await the result of this application (October 2024). This process has been generative, establishing a new business plan, vision, and strategic aims for the organisation for the period 2025-2028. This new business plan will be launched in 2024.

In 2024 we continue the Makers Club programme, Alternative (art) School, new residencies programme, and commissions alongside our core activities including Gardening for the Future and Coorie Community Café. New core projects include the Green Bike Borrowing Scheme and Time Bank Volunteer programme.

After several increasingly detailed studies and costings, the Capital Programme project has now progressed to the stage of applying for grants to fund the substantial amounts required to upgrade the Centre. The plans for the building include:



- re-configuring the currently poor internal layout to optimise use space on the ground floor, creating better access to the upper floors;
- creating a more accessible entry to both the building and also the garden (which is confused and badly compromised by former building work carried out to enable the building to work as a care facility); and
- replacing or upgrading the outdated heating and electrical systems.

It is anticipated that the totality of a phased capital improvement plan will be in the region of £3.9m (circa 2023). This figure will likely increase due to inflation and ongoing increases in costs for materials and labour. To enable the Centre to continue to operate whilst necessary works take place, a phased approach will be needed, and the Board of Trustees has set up an internal working group of staff and Trustees to bring together the required expertise and planning to progress this. To ensure that we continue to be a long-term asset to our community we plan that any investment in the building optimises the need for both accessibility for all users and is as environmentally sensitive and as sustainable as possible.

Approved by the Trustees and signed on their behalf by

A handwritten signature in black ink that reads "Judith Winter".

Judith Winter
Co-Chair
4th September 2024

A handwritten signature in blue ink that reads "Kate Smith".

Kate Smith
Co-Chair
4th September 2024

Independent Examiner's Report

I report on the accounts of the charity for the year ended 31 December 2023 which are set out on pages 26 to 39.

Respective responsibilities of Trustees and examiner

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

Basis of independent examiner's statement

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

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations and to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A handwritten signature in dark blue ink, consisting of a stylized 'D' followed by several horizontal strokes.

.....

David Johnston ACMA
19 Bingham Terrace
Dundee
DD4 7HQ

4th September 2024

Primary Financial Statements and Notes



Forgan Arts Centre (Charity No SC008537)

Statement of Financial Activities

For the year ended 31 December 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income					
Subscriptions and Voluntary	3	138,631	-	138,631	106,752
Allotment Rental	3	1,349	-	1,349	-
Sales of class materials	3	4,222	-	4,222	-
Venue Hire	3	1,390	-	1,390	-
Studio Rental	3	19,002	-	19,002	1,090
Donations	4	4,838	-	4,838	1,383
Grant Income	4	88,375	205,398	293,773	205,865
Investment	5	3,716	-	3,716	176
Total Income		261,523	205,398	466,921	315,266
Expenditure					
Staff Costs	9	57,690	86,152	143,842	88,458
Other Expenditure	10	143,003	125,248	268,251	195,582
Governance costs	11	2,119	9,280	11,399	8,770
Depreciation	12	-	4,093	4,093	4,117
Total Expenditure		202,813	224,772	427,585	296,927
Net income / (expenditure) and net movement in funds for the year		58,711	(19,374)	39,337	18,339
Reconciliation of funds					
Total funds brought forward		39,741	322,116	361,857	343,518
Total funds carried forward		98,452	302,742	401,194	361,857

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

The accounting policies and notes on pages 29 to 39 form part of these financial statements.

Forgan Arts Centre (Charity No SC008537)

Balance Sheet

As at 31 December 2023

		Unrestricted Funds	Restricted Funds	31 December 2023	31 December 2022
		£	£	£	£
	Notes				
Fixed assets					
Tangible Assets	12	-	197,634	197,634	201,727
Current assets					
Cash at bank and in hand		103,503	60,660	164,163	165,953
Debtors and accrued income	13	596	50,256	50,852	5,475
Prepayments	13	2,246	-	2,246	2,162
		106,345	110,916	217,261	173,591
Creditors: due within one year	14	7,893	5,808	13,701	13,461
Net current assets		98,452	105,108	203,560	160,130
Total assets less current liabilities		98,452	302,742	401,194	361,857
Funds					
Restricted income funds - property	12	-	197,634	197,634	201,727
Restricted income funds	15	-	105,108	105,108	120,389
Unrestricted income funds	16	98,452	-	98,452	39,741
Total Funds		98,452	302,742	401,194	361,857

These financial statements were approved by the members of the committee on XX September 2024 and are signed on their behalf by:

.....
Judith Winter
Co-Chair
XX September 2024

.....
Kate Smith
Co-Chair
XX September 2024

The accounting policies and notes on pages 29 to 39 form part of these financial statements.

Forgan Arts Centre (SC008537)

Notes to the Accounts

1. Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the ability to continue as a going concern.

2. Accounting policies

2.1 Reconciliation with previously Generally Accepted Accounting Practice

In preparing the Accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

2.2 Funds Structure

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the

Trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

2.3 Income Recognition

All income is recognised once the charity has entitlement to the income. It is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

2.4 Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure. It is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings.

2.5 Depreciation of Assets

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life. Depreciation on buildings is charged from the date the underlying assets are first brought into use. Depreciation is charged on a straight line basis over a 50 year period at 2% per annum.

3. Income for charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Subscriptions & Voluntary	138,631	-	138,631	106,752
Allotment Rental	1,349	-	1,349	-
Sales of class materials	4,222	-	4,222	-
Venue Hire	1,390	-	1,390	-
Studio Rental	19,002	-	19,002	1,090
	164,594	-	164,594	107,842

4. Donations and Grant Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Donations				
Fundraiser event	4,838	-	4,838	1,383
Other	-	-	-	-
Total Donations	4,838	-	4,838	1,383
Grants Receivable				
Fife Council Grant	67,875	-	67,875	7,500
Scottish Land Fund	-	19,000	19,000	70,200
Development Trust Association Scotland: Strengthening Communities Programme	-	35,243	35,243	26,525
Creative Scotland Participatory Arts & Mental Health Fund	-	32,290	32,290	-
Crown Estate	-	27,966	27,966	3,496
Northwood Charitable Trust	20,000	-	20,000	-
Rural & Island Communities Ideas into Action Fund -Gardeners Cottage	-	18,842	18,842	18,842
Inspiring Scotland: Rural & Island Communities Ideas into Action Fund	-	16,660	16,660	16,660
Fife Rural Development Fund	-	16,519	16,519	-
National Lottery Awards for All	-	9,976	9,976	-
Architectural Heritage Fund	-	7,875	7,875	-
Northeast Fife Food Growing Fund	-	5,000	5,000	-
Persimmon Homes	-	5,000	5,000	-
The Stafford Trust	-	5,000	5,000	-
Warm Welcome Fund	-	4,527	4,527	-
Fife Communities Climate Action	-	1,500	1,500	-
Rotary Club of North Fife	500	-	500	-
Crown Estate	-	-	-	35,000
Fife Voluntary Action	-	-	-	8,777
Fife Council Community Food Provision	-	-	-	6,970
The Lady Margaret Skiffington Trust	-	-	-	5,908
Dandelion Ltd.	-	-	-	2,987
Fife Council Community Food Provision	-	-	-	2,000
Arnold Clark	-	-	-	1,000
Total Grants Receivable	88,375	205,398	293,773	205,865
Total Donations and Grant Income	93,213	205,398	298,612	207,248

5. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Bank Interest	3,716	-	3,716	176

6. Income on Charitable Activities by Activity Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Core Costs	25,457	35,243	60,699	143,455
Artistic Programmes and Events	236,066	134,315	370,381	66,611
Capital Programme	-	35,841	35,841	105,200
	261,523	205,398	466,921	315,266

7. Expenditure on Charitable Activities by Fund

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Unrestricted Funds	202,813	-	202,813	156,366
Inspiring Scotland: Rural & Island Communities Ideas into Action Fund - Gardeners Cottage		37,685	37,685	
Scottish Land Fund		34,112	34,112	58,538
Inspiring Scotland: Rural & Island Communities Ideas into Action Fund		33,320	33,320	0
Development Trust Association Scotland: Strengthening Communities Programme		32,569	32,569	16,399
Crown Estate		19,680	19,680	
Fife Rural Developmet Fund		16,519	16,519	
Crown Estate		9,865	9,865	11,796
Fife Voluntary Action		6,081	6,081	
Fife Council Community Food Provision		5,102	5,102	1,868
The Stafford Trust		4,453	4,453	
Persimmon Homes		4,233	4,233	
Adapt & Thrive		4,140	4,140	31,906
Creative Scotland Participatory Arts & Mental Health Fund		3,813	3,813	
The Lady Margaret Skiffington Trust		2,569	2,569	
Northeast Fife Food Growing Fund		2,516	2,516	
Development Trust Association (Scotland) - Green Shoots		2,022	2,022	4,478
Fife Council Community Food Provision		2,000	2,000	
Fife Council Grant		-	-	7,500
Dandelion Ltd.		-	-	2,958
Arnold Clark		-	-	1,000
Depreciation		4,093	4,093	4,117
	202,813	224,772	427,585	296,927

8. Expenditure on Charitable Activities by Activity Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Core Costs	64,752	53,588	118,339	216,649
Artistic Programmes and Events	127,830	110,595	238,425	5,826
Capital Programme	10,231	60,590	70,821	74,452
	202,813	224,772	427,585	296,927

The classification of expenditure by Activity Type has been updated in the annual accounts to 31 December to more closely reflect the guidance provided by funding providers.

9. Staff Costs and Emoluments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Wages and Salaries	43,315	64,031	107,346	75,614
Social Security & Pension Costs	14,375	22,121	36,495	12,844
	57,690	86,152	143,842	88,458

The average number of employees during the year, calculated on the basis of full-time equivalents was as follows:

	2023 No	2022 No
Number of staff - charitable activity	3.5	3.5

No employee received emoluments of more than £60,000 during the year (2021 - Nil)

10. Other Expenditure

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Tutor Fees	63,230	6,627	69,857	52,587
Class Supplies	14,168	4,689	18,857	10,114
Building Repair, Maintenance & Devt	10,231	56,496	66,727	46,353
Insurance	3,039	-	3,039	6,099
Rent	-	-	-	1,750
Building Overheads	22,560	-	22,560	16,488
Admin & Miscellaneous Expenses	26,164	12,995	39,159	49,459
Project Workers	3,542	40,628	44,169	-
Professional Fees	69	3,813	3,882	12,732
	143,003	125,248	268,251	195,582

11. Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Legal Costs	1,619	9,280	10,899	8,000
Accountancy Fees	500	-	500	770
	2,119	9,280	11,399	8,770

12. Tangible Fixed Assets

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Cost				
At 1 January 2023	-	205,844	205,844	205,844
Additions	-	-	-	-
At 31 December 2023	-	205,844	205,844	-
Depreciation				
At 1 January 2023	-	4,117	4,117	-
Depreciation charged during the year	-	4,093	4,093	4,117
At 31 December 2022	-	8,210	8,210	4,117
Net Book Value				
At 1 January 2023	-	201,727	201,727	205,844
Additions Less Depreciation Charged	-	(4,093)	(4,093)	(4,117)
At 31 December 2023	-	197,634	197,634	201,727

The purchase of Leng Home was completed in 2021 and the building came in to use from January 2022. Depreciation has been charged from 1 January 2022 on a straight line basis.

13. Debtors: Amounts falling due within one year

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Debtors	596	-	596	1,979
Accrued Income	-	50,256	50,256	3,496
Prepayments - Insurance	2,246	-	2,246	2,162
	2,842	50,256	53,098	7,637

14. Creditors: Amounts falling due within one year

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Creditors - Suppliers	2,305	1,458	3,763	-
Accruals - Tutor Fees	-	-	-	840
Accruals - Building Repair, Maintenance	408	-	408	130
Accruals - Property Expenses	2,569	-	2,569	1,628
Accruals - Advertising & Marketing	-	3,000	3,000	6,000
Accruals - Professional Services	-	-	-	3,273
Accruals - Bookkeeping	326	-	326	-
Accruals - Project Workers	-	1,350	1,350	-
Accruals - Accountancy Fees	500	-	500	500
Creditors - Studio Deposits	1,785	-	1,785	1,090
	7,893	5,808	13,701	13,461

15. Movement on Restricted Funds

	Balance at 01-Jan-23 £	Incoming Resources £	Outgoing Resources £	Balance at 31-Dec-23 £
Core Costs		35,243	(53,588)	(18,345)
Artistic Programmes and Events		134,315	(110,595)	23,720
Capital Programme		35,841	(60,590)	(24,748)
		205,398	(224,772)	(19,374)
Represented by:				
Property	201,727	-	(4,093)	197,634
Assets less liabilities	(5,778)	-	50,226	44,448
Cash	126,166	(65,506)	-	60,660
	322,116	65,506	46,133	302,742

16. Movement on Unrestricted Funds

	Balance at 01-Jan-23 £	Incoming Resources £	Outgoing Resources £	Balance at 31-Dec-23 £
Income from charitable activities		164,594	(202,813)	(38,219)
Donations and Grant Income		93,213	-	93,213
Investment Income		3,716	-	3,716
		261,523	(202,813)	58,711
Represented by:				
Assets less liabilities	(46)	-	(5,005)	(5,051)
Cash	39,787	-	63,716	103,503
	39,741	-	58,711	98,452