

ARTLINK EDINBURGH AND THE LOTHIANS
(A Company Limited by Guarantee)

DIRECTORS' REPORT and FINANCIAL STATEMENTS

Year ended 31 March 2010



ARTLINK EDINBURGH and THE LOTHIANS
REPORT and FINANCIAL STATEMENTS
For the year ended 31 March 2010

Contents	Pages
Annual Review	2 - 3
Directors' Report	4 - 8
Independent Auditor's Report	9 - 10
Statement of Financial Activities	11
Balance Sheet	12
Accounting Policies and Notes to the Financial Statements	13 - 23

ARTLINK EDINBURGH and THE LOTHIANS

ANNUAL REVIEW

Artlink exists to support the right of people who experience disability to access the arts. The work of Artlink is based on the belief that participation in the arts and the artistic process plays a significant role in achieving social change and personal goals. The focus of Artlink's work is within a social context; responding to specific situations, issues or individual circumstances. Artlink seeks to promote an imaginative approach to addressing inequality. Artlink's artistic aims are to:

- support access to the arts as audience member and practitioner
- produce responsive and relevant art processes and outcomes of the highest quality
- match the skills, interests and experience of individuals who use or work within 'care' systems with those of contemporary artists
- create opportunities through which the role of the artist is positively challenged within these partnerships
- pursue new initiatives which expand the context, aesthetic and range of arts practice
- record, document and publish outcomes of the work to support greater awareness and debate of arts within a social context

The last year has seen the continued consolidation of activities. We are continuing to build strong partnerships with communities, families, carers, voluntary and statutory organisations to ensure that our work is well supported and has the best possibility of providing long term and sustainable improvements. The Artlink Board ensure that they are well informed with regard to changes in charity regulation and legislation as well as ensuring there is a clear link with programme activity through regular presentations by staff. Artlink works hard to achieve the best possible opportunities in arts and culture that address barriers which prevent full cultural participation in communities. The arts are a powerful means by which to achieve positive social change.

- The Arts Access programme continues to provide valuable opportunities to participate in cultural opportunities. The number of outings and events this year has shown continued growth. In the last year the work has continued to expand to more specifically support individuals with hearing impairments through the 'In the Loop' programme supporting greater access to galleries and museums in Edinburgh. Work in collaboration with individuals with visual impairments has resulted in a broad range of opportunities for individually tailored opportunities to engage with the arts. Essential to this work is also the enthusiastic and constructive support of arts venues and organisations in Edinburgh.
- A productive network of shared experiences, skills and just sheer enjoyment has emerged over the last years within the major healthcare facilities in Lothian. Patients, staff and the wider community share their skills, gain new ones and contribute to a positive caring environment. The 'Growing Places' programme at the Royal Edinburgh Hospital has involved patients, staff and the wider community to make real positive change within the grounds of the hospital. In St John's Hospital staff have contributed to sporting challenges and an informed local walk which has its start and end point in the hospital.
- Strong communities that involve individuals with learning disabilities as equals are at the heart of our work in Edinburgh and Midlothian. Working in partnership with families and carers we seek to develop quality opportunities which explore possibilities of exchanges of value through bartering skills, experiences and knowledge; create lasting social networks by developing activity our shared interests and learn more about the individuals we work with by creating sensory environments that respond to their unique interest and means of communication.
- By utilising the knowledge and skills of mental health service users in Edinburgh and West Lothian we have built a strong network of varied opportunity, involving gardening; writing; drawing; graphic design; cookery and local history. Sharing skills and collaborating with communities develops an infrastructure of possibilities that provides flexibility and mutual support. The gardening programme at Whyte Place brings together interest in growing, building, drawing, writing and design and shows what can be achieved by working together.

ARTLINK EDINBURGH and THE LOTHIANS

ANNUAL REVIEW (Contd.)

We know that the following year will be tough. Artlink will continue to strongly argue for appropriate support and resources to be made available to ensure that we can continue to increase possibilities for cultural participation. The commitment of our volunteers, artist and staff remains undiminished! We continue to be indebted to them and the many organisations who have continued invest in our work over the last year.

Jan-Bert van den Berg

4 November 2010

ARTLINK EDINBURGH and THE LOTHIANS

DIRECTORS' REPORT

REFERENCE and ADMINISTRATIVE INFORMATION

The directors present their report and financial statements for the year ended 31 March 2010.

Directors

The members of the Board of Directors who have served since the date of the last report are as follows (with year of original appointment shown in brackets)

(1995) David Hart - Chair
(1997) Christine Lawrie (resigned 18 November 2009)
(1997) Betty Barber - Vice Chair
(1998) Caroline Barr
(2001) Colin Scott - Treasurer
(2004) James Eunson
(2004) Dr Michael Affolter
(2005) Gavin McEwan
(2007) Anna Becker
(2007) David Wright
(2008) Carol Stevenson

Director/Chief Executive Officer

Jan-Bert van den Berg

Registered Office

13a Spittal Street
EDINBURGH
EH3 9DY

Auditor

Chiene +Tait
Chartered Accountants
61 Dublin Street
EDINBURGH
EH3 6NL

Bankers

Bank of Ireland
PO Box 1755
Croydon
CR9 2SB

CAF Bank Ltd

25 Kings Hill Avenue
Kings Hill
West Mailing
KENT
ME19 4JQ

Solicitors and Company Secretary

Turcan Connell
1 Earl Grey Street
EDINBURGH
EH3 9EE

Company Number

SC087845

Charity Number

SC006845

ARTLINK EDINBURGH and THE LOTHIANS

DIRECTORS' REPORT (Contd.)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Artlink is a company limited by guarantee governed by the objects as set out in its Memorandum of Association.

Recruitment and Appointment

In accordance with the Articles of Association, one third of the Board of Directors retire at the Annual General Meeting. The Directors retiring by rotation are David Hart, Colin Scott and David Wright. All offer themselves for re-election. Christine Lawrie retired as a director on 18 November 2009.

Nominations for new Directors if appropriate will be circulated prior to the Annual General Meeting.

Prospective Board Members are invited to attend at least 3 Board meetings as observers before deciding to become a full member. When a new member joins the Board they receive an induction pack which includes the policies and procedures which govern Artlink's activity and background information on Artlink's work.

Organisational Structure and Decision Making

Artlink is a Company Limited by Guarantee with Charitable status. It is managed by a Board of Directors, which includes representation of people with experience of disability. The Board meets six weekly and is responsible for the overall management of the company, financial management and monitoring, employment policy/procedures, company policy/procedures and service planning. Members of the Board bring management, legal, financial, volunteering, administrative, arts and educational skills.

The Staff complement at the beginning of January 2010 was 5 full-time and 7 part-time posts. The organisation also draws on the input of 87 sessional staff (84 in 2008/09) and 149 volunteers (136 in 2008/09). The organisation is managed by the Director, who is answerable to the Board of Directors. The Projects Director has responsibility for the artistic policy and content of Artlink arts programmes and is answerable to the Director and Board of Directors. Both Director and Projects Director have staff management responsibilities for permanent/programme staff. Permanent/programme staff support and supervise sessional staff and/or volunteers. Responsibility for management decisions in the absence of the Director is delegated to the Projects Director. In the unlikely event that no senior member of staff is present when a crisis arises, staff will contact the Chairman/Vice Chairman of the Board for advice.

Risk Management

The directors have conducted a review of the major risks to which the charity is exposed and are satisfied that systems have been established to mitigate those risks.

The principal risks and uncertainties facing the charity relate to future funding and this is managed by preparation of budgets and regular review by the Directors.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are to promote, maintain, improve and advance education and social welfare, particularly by the encouragement of the Arts in various centres, prisons and other institutions, especially with persons who are experiencing ill health or are socially deprived, or have experience of disability.

Charity's Aims and Main Objectives for the Year

Artlink exists to support the right of people who experience disability to access the arts. Artlink believes that participation in the arts plays a significant role in achieving personal goals and social change.

ARTLINK EDINBURGH and THE LOTHIANS

DIRECTORS' REPORT (Contd.)

Artlink's strategic aims are to:

- achieve practice of the highest attainable quality;
- support the recognition of:
 - the rights and needs of people with a disability within arts provision;
 - the arts as a tool to achieve personal and social development;
 - realistic timescales to develop collaborative working.
- ensure equal access to the arts by people with experience of disability and disadvantages as practitioners and audience members;
- increase the quality and range of arts within healthcare;
- support volunteering opportunities as a means of providing essential access support, training and ensure they are of a high standard;
- run a financially stable, influential and effective organisation, striving for high quality in all our activities and continuous improvement.

Strategies to Achieve the Charity's Objectives

The way in which Artlink will achieve its aims are:

- Arts practice that reinforces the vision, principles and strategic aims of Artlink;
 - arts practice that is of high quality and appropriate in approach to the interests, aspirations and skills of the individual;
 - arts practice that relates to the individual's life;
 - advice and training for artists and volunteers that underpins quality practice.
- Programmes that support individual development through and involvement in the arts:
 - opportunities which support individuals to go to arts events of their choosing;
 - opportunities for defined priority groups:
 - people with enduring mental health problems;
 - people with learning disabilities with higher support needs;
 - opportunities within health care environments supporting patients, healthcare staff and relatives.
- Partnership working with Arts/Voluntary Agencies, Local Authorities and Health Sectors
 - joint work and advice, information and training for local Councils, Health Providers, Arts Agencies, Voluntary Sector and for those in other parts of Scotland.
- Appropriate governance of the organisation
 - Annual review of the Artlink Board's role and responsibilities;
 - Annual review by Artlink Board of its policies and procedures;
 - Six weekly review of programme activities;
 - Monthly monitoring and quarterly review of its finances.

ACHIEVEMENTS AND PERFORMANCE

This is detailed in the annual review on page 2.

FINANCIAL REVIEW

Results for the period

The general unrestricted surplus for the year amounted to £16,790 (2009: £8,369) the restricted surplus for the year amounted to £43,145 (2009: deficit £10,774) and the designated surplus for the year amounted to £5,465 (2009: £2,583).

Investment Policy

The directors consider that where surplus funds are available, they should be held in a suitable interest bearing bank account.

ARTLINK EDINBURGH and THE LOTHIANS

DIRECTORS' REPORT (Contd.)

Reserves Policy

It is the aim of the directors to maintain unrestricted general funds, which are the free reserves of the charity, at a level, which equates to approximately three months unrestricted expenditure. As at the year end the unrestricted reserves were just over three months unrestricted expenditure.

Designated Funds have increased from £14,709 to £20,174 (refer note 8). The nature and purpose of these funds are set out in note 1 to the financial statements.

Restricted Funds have increased from £176,010 to £219,155 (refer note 7). The nature and purpose of these funds are set out in note 1 to the financial statements.

PLANS FOR FUTURE PERIODS

It is clear that over the next few years Artlink will face the challenging financial times. We have confidence that with the appropriate support we can consolidate its position as one of the leading arts organisations working within a social context across diverse communities in Scotland. We will build on our reputation of using investigative arts approach to improve personal circumstances, social situations and positively influence cultural & social policy. To ensure positive and sustainable development Artlink is currently working on:

- A regional information resource and audience development scheme with key partners, which will improve ease of access to arts venues for individuals with sensory impairments and provide market intelligence providing real and accurate data on potential local audiences and local need.
- Specific partnership projects with key cultural agencies in Edinburgh developing their capacity to provide relevant services to deaf and visually impaired audiences and ongoing collaborative projects supporting greater access for Arts Access users who are elderly or have learning disabilities.
- Arts programming that ensures the involvement of users, relatives, carers, support staff and partner organisations and communities in informing and influencing the artistic process with healthcare, mental health and learning disability.
- Specific investment in the artists, looking at ways of realising functional artworks, ways in which the artist is informed, the role of the individual with a disability in the developing the artwork and ways in which the artistic experience can inform a wider audience.
- Artist commissions which respond to issues which directly impact on the individual's freedom to lead as independent a life as possible, using artist practice to question these issues and make work which directly or indirectly challenges them.
- Information provision and communication which supports and underpins our work.

Directors' responsibilities

The directors (who are also directors of Artlink Edinburgh and the Lothians for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the net income and expenditure of the charitable company for the year. In preparing the financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The directors are responsible for keeping adequate 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. The applicable law also sets out the directors' responsibilities for the preparation and content of the Directors' Report.

ARTLINK EDINBURGH and THE LOTHIANS

DIRECTORS' REPORT (Contd.)

Directors' responsibilities (continued)

The directors 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 directors confirm that:

- as far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and
- each director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

A resolution to re-appoint Messrs Chiene + Tait, Chartered Accountants, as auditor will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

BY ORDER OF THE BOARD

Turcan Connell
Company secretary

1 November 2010



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF ARTLINK EDINBURGH AND THE LOTHIANS

We have audited the financial statements of Artlink Edinburgh and the Lothians for the year ended 31 March 2010 set out on pages 11 to 23. The financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's directors, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the members and the charity's directors 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 charity, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Directors' Responsibilities.

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities and have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether in our opinion the information given in the Directors' Report is consistent with those financial statements.

We also report to you if, in our opinion, the charity has not kept adequate and proper accounting records, if the charity's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors' remuneration specified by law are not made.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF
ARTLINK EDINBURGH AND THE LOTHIAN (CONTINUED)**



Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities;
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Directors' Report is consistent with the financial statements.

**Malcolm Beveridge BA CA (Senior Statutory Auditor)
For and on behalf of
CHIENE + TAIT
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh, EH3 6NL**

1 December 2010

ARTLINK EDINBURGH and THE LOTHIANS

STATEMENT of FINANCIAL ACTIVITIES

Year ended 31 March 2010

	Notes	Restricted Funds £	Un- restricted Funds £	2010 Total £	2009 Total £
Incoming Resources					
Incoming resources from generating funds:					
Voluntary income	11	21,451	156,506	177,957	171,913
Activities for generating funds	11	5,859	-	5,859	5,018
Investment income	11	-	771	771	3,348
		-----	-----	-----	-----
		27,310	157,277	184,587	180,279
Charitable activities	11	443,049	50,400	493,449	418,863
Other	11	-	303	303	340
		-----	-----	-----	-----
Total incoming resources	11	470,359	207,980	678,339	599,482
		-----	-----	-----	-----
Resources expended					
Cost of generating funds:					
Costs of generating voluntary income	14	-	9,595	9,595	9,120
Charitable activities	15	427,214	168,356	595,570	582,752
Governance	17	-	7,774	7,774	7,432
		-----	-----	-----	-----
Total resources expended		427,214	185,725	612,939	599,304
		-----	-----	-----	-----
Net movement in funds		43,145	22,255	65,400	178
Total funds brought forward		176,010	55,713	231,723	231,545
		-----	-----	-----	-----
Total funds carried forward		219,155	77,968	297,123	231,723
		=====	=====	=====	=====

The company has no recognised gains or losses other than those included in the Statement of Financial Activities.

All activities relate to continuing operations

Company No. SC087845

The notes on pages 13 to 23 form part of these financial statements.

ARTLINK EDINBURGH and THE LOTHIAN

BALANCE SHEET

As at 31 March 2010

	Notes	£	2010 £	£	2009 £
Fixed assets	5		84,754		88,229
Current assets					
Debtors	6	69,851		62,685	
Cash at bank and in hand		194,450		104,556	
		-----		-----	
		264,301		167,241	
		-----		-----	
Creditors:- Amounts falling due within one year					
Other taxes and social security costs		7,877		8,062	
Sundry creditors and accruals		44,055		15,685	
		-----		-----	
		51,932		23,747	
		-----		-----	
Net current assets			212,369		143,494
			-----		-----
Net assets			297,123		231,723
			=====		=====
Funds					
Restricted funds	7		219,155		176,010
Unrestricted funds - General	8		57,794		41,004
- Designated	8		20,174		14,709
			-----		-----
Total Funds			297,123		231,723
			=====		=====

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to smaller companies.

Approved by the Board of Directors on 13 October 2010 and signed on its behalf by:

..... Chairman
David Hart

..... Treasurer
Colin Scott

The notes on pages 13 to 23 form part of these financial statements.

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2010

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006, Statement of Recommended Practice - Accounting and Reporting by Charities (SORP) 2005 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal and constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Fixed assets

Items costing less than £500 are not capitalised in the balance sheet.

Depreciation

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, as follows:

Heritable property - 2% straight line
Office equipment - 20%-50% straight line

Donations

Donations are credited in the year they are received.

Grants receivable

Grants, including capital grants, are included in incoming resources when they are receivable.

Operating lease

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

Volunteers

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution of volunteers can be found in the Directors' Report.

Restricted Funds

Property Fund

The Property Fund represents contributions received towards the purchase of the heritable property at 13a Spittal Street, Edinburgh, for use as an office, training centre and for the display of artwork.

Hospital Arts

Programmes for art galleries and an extensive programme of participatory arts projects in hospitals throughout the Lothians.

Arts for Mental Health

Supports the cultural participation of people with mental health problems to promote increased social contact and self confidence and to combat stigma.

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS (Cont'd)

For the year ended 31 March 2010

1. Accounting Policies (Contd.)

Restricted Funds (Contd.)

Arts Access

Enables people with a wide range of disabilities to get out and about to arts venues in the company of a trained volunteer.

West Lothian Programme

Provides community based arts activities for people with mental health problems.

Midlothian

Provides centre and community based arts activities for users with learning disabilities within Midlothian.

Learning Resource

A project which creates an environment for a group of carers and relatives of people with complex learning disabilities to work with international curator Mary Jane Jacob, exploring ways in which a creative voice can address or highlight concerns.

Ideas Team

The Ideas Team is a series of eight projects in which carers, care workers, artists and specialists work together, sharing ideas and skills in order to create an 'artwork' which is of functional value to the individual with a profound learning disability. This project will be accompanied by a series of essays and articles which further discuss and promote the approaches taken.

Organisational Development

This fund has been designated by the directors to establish a clear communication strategy for the organisation.

Capacity Building

This fund has been established to help improve the position of the organisation working in the area of arts and disability.

Unrestricted Funds

General fund

The General fund represents the unrestricted funds, which the directors are free to use in accordance with the charitable objects.

Building maintenance fund

The Building maintenance fund has been established by the directors to cover the costs of future building repairs.

Equipment renewal fund

This fund was set up to provide for future capital purchases.

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2010

2. Net incoming resources	2010	2009
	£	£
This is stated after charging:		
Auditor's remuneration	2,605	2,785
Depreciation	4,105	7,418
	=====	=====
3. Wages and salaries	2010	2009
	£	£
Wages and salaries	263,427	264,396
Social Security costs	25,069	25,441
	-----	-----
	288,496	289,837
	=====	=====

No remuneration is paid to any director. Details of related party transactions are included within note 18.

No expenses were reimbursed to directors during the year.

Average staff numbers during the year were 12 (2009: 13). No employee received emoluments in excess of £60,000.

4. Taxation

Artlink has been accorded charitable status for taxation purposes by HM Revenue and Customs. As in the year to 31 March 2009, in the year to 31 March 2010 it is considered that Artlink's activities were within the scope of the charitable status and accordingly no provision for taxation is necessary.

5. Fixed assets

In March 1992, Artlink purchased heritable property at 13a Spittal Street, Edinburgh, for use as office, training centre and for the display of artwork.

The purchase price, expenses and alterations, including the installation of an access ramp and other adaptations for use by disabled people, amounted to £106,465.

Contributions received towards these costs have been credited to the property fund within the restricted funds in the financial statements (note 7).

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2010

5. Fixed assets (continued)

	Office Equipment	Heritable Property	Total
	£	£	£
Cost			
At 1 April 2009	53,572	106,465	160,037
Additions	630	-	630
	-----	-----	-----
At 31 March 2010	54,202	106,465	160,667
	-----	-----	-----
Depreciation			
At 1 April 2009	51,708	20,100	71,808
Charge for year	1,977	2,128	4,105
	-----	-----	-----
At 31 March 2010	53,685	22,228	75,913
	-----	-----	-----
Net book value at 31 March 2010	517	84,237	84,754
	=====	=====	=====
Net book value at 31 March 2009	1,864	86,365	88,229
	=====	=====	=====

6. Debtors

	2010	2009
	£	£
Prepayments	5,121	3,652
Other debtors	64,730	59,033
	-----	-----
	69,851	62,685
	=====	=====

7. Restricted Funds

Funds to be applied for the purposes specified by the Donors.

	Balance at 31 March 2009	Incoming Resources	Outgoing Resources	Balance at 31 March 2010
	£	£	£	£
Property Fund	69,260	-	2,128	67,132
Hospital Arts	22,248	159,966	152,621	29,593
Arts for Mental Health	4,445	33,105	30,057	7,493
Arts Access	5,275	69,184	44,517	29,942
West Lothian Programme	-	22,862	23,282	(420)
Midlothian	30,544	182,242	165,131	47,655
Learning Resource	25,677	3,000	3,866	24,811
Ideas Team	13,978	-	5,163	8,815
Organisational Development	2,939	-	6	2,933
Capacity Building	1,644	-	443	1,201
	-----	-----	-----	-----
	176,010	470,359	427,214	219,155
	=====	=====	=====	=====

The deficit on the West Lothian Programme as at 31 March 2010 will be met by income from this project in the next financial year.

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2010

8. Unrestricted Funds	Balance at 31 March 2009	Incoming Resources	Outgoing Resources	Transfers	Balance at 31 March 2010
	£	£	£	£	£
General fund	41,004	207,980	185,190	(6,000)	57,794
Designated funds					
- Building maintenance fund	6,038	-	220	3,000	8,818
- Equipment renewal	8,671	-	315	3,000	11,356
	-----	-----	-----	-----	-----
	55,713	207,980	185,725	-	77,968
	=====	=====	=====	=====	=====

During the year £3,000 was transferred from the general fund to the 'Equipment Renewal Fund'. This is to comply with grant conditions imposed by the Scottish Arts Council stating that Artlink should set up a reserve to provide for future capital purchases. The directors also agreed to transfer £3,000 to the Building Maintenance Fund to assist with the cost of installing heating within the company's premises.

9. Capital

The company being limited by guarantee has no share capital.

10. Commitments

a) Operating Lease Commitments

At 31 March 2010 the company held annual commitments under a non-cancellable lease as set out below.

	2010	2009
	£	£
Operating leases which expire:		
Less than one year	5,000	981
Between 1-2 years	-	-
	=====	=====

b) Capital Commitments

There were no capital commitments as at 31 March 2010.

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2010

11. Incoming Resources

	Voluntary Income		Activities for Generating Funds		Investment Income		Charitable Activities		Other Incoming Resources		2010	2009
	Un-restricted £	Restricted £	Un-restricted £	Restricted £	Un-restricted £	Restricted £	Un-restricted £	Restricted £	Un-restricted £	Restricted £	Total £	Total £
Grant income	151,276	-	-	-	-	-	50,400	358,335	-	-	560,011	512,757
Project income	-	-	-	-	-	-	-	62,895	-	-	62,895	25,479
Participant income	-	-	-	-	-	-	-	21,819	-	-	21,819	21,370
Donations	5,230	21,451	-	-	-	-	-	-	-	-	26,681	31,170
Membership and administration fees	-	-	-	4,584	-	-	-	-	-	-	4,584	4,310
Commissions	-	-	-	1,260	-	-	-	-	-	-	1,260	616
Publications	-	-	-	15	-	-	-	-	-	-	15	92
Miscellaneous income	-	-	-	-	-	-	-	-	303	-	303	340
Interest	-	-	-	-	771	-	-	-	-	-	771	3,348
Totals	<u>156,506</u>	<u>21,451</u>	<u>-</u>	<u>5,859</u>	<u>771</u>	<u>-</u>	<u>50,400</u>	<u>443,049</u>	<u>303</u>	<u>-</u>	<u>678,339</u>	<u>599,482</u>

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2010

12. Grants, Donations and Project Income	2010	2009	
	£	£	
Revenue Grants (note A)	454,259	402,759	
Donations and project grants (note B)	108,393	77,383	
NHS Lothian - West Lothian Healthcare	19,010	20,000	
NHS Lothian - Lothian University Hospital Division	38,020	40,000	
NHS Lothian - Lothian Primary & Community Division	48,720	50,000	
Arts Access membership and administration fees	4,583	4,310	
Miscellaneous	352	567	
Painting Commission	1,260	616	
Publication Sales	15	92	
Arts Access Training	2,366	-	
Gift Aid	590	407	
	<u>677,568</u>	<u>596,134</u>	
 Revenue Grants (note A)			
City of Edinburgh Council	Corporate Services (Culture & Sport Division)	51,404	51,404
	Health & Social Care	27,787	27,787
Scottish Arts Council	Foundation Funding	141,400	141,400
	Organisational Development	-	3,400
	Resilience	19,933	-
	Partners	10,976	3,000
	Older People	20,331	-
	Animated Story Project	-	4,410
	EVOC Seminar Partnership	3,000	-
	Learning Resource	-	25,677
Midlothian Council		153,861	123,421
West Lothian Council	Mental Health Specific Grant	22,860	22,260
Tyne-Esk Leader		2,707	-
		<u>454,259</u>	<u>402,759</u>
 Donations and project income (note B)			
Miss Agnes Hunter's Trust		-	3,000
The Alma and Leslie Wolfson Charitable Trust		100	100
Anonymous		-	1,000
Artlink Midlothian - Participant Income		21,819	21,371
Arts Access Client & Volunteer Donations		2,901	2,403
Bacher Trust		1,000	-
Bailey Thomas Charitable Fund		-	15,000
Balfour Beatty Capital		2,800	-
The Binks Trust		500	500
Citygroup		189	-
City of Edinburgh Council	South Central Neighbourhood Partnership	2,290	-
City of Edinburgh Council	Fairer Scotland	5,318	-
Cruden Foundation Ltd		750	750
The Evelyn Drysdale Charitable Trust		1,000	1,000
Ethos Environmental Ltd		-	510
Carried over		38,667	45,634

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2010

12. Grants and Donations (Contd)	2010	2009
	£	£
Brought over	38,667	45,634
Faith in Older People	6,000	-
Heritage Lottery Fund	-	4,850
Sir Iain Stewart Foundation	250	250
John Chant Centre	-	249
Sir Jules Thorn Charitable Trust	-	1,100
Lloyds TSB Foundation for Scotland	8,000	7,000
Lothian Health Promotion Service	-	1,800
Mrs MA Lascelles Charitable Trust (formerly The Mitchell Trust)	400	400
Martin Connell Charitable Trust	-	1,000
Midlothian Community Hospital (NHS Lothian University Hospitals)	38,800	-
The Miller Foundation	-	1,150
MK Hunter	291	-
Nancie Massey Charitable Trust	-	2,500
The Robertson Trust	6,000	6,000
The Ronald Miller Foundation	1,100	-
The Royal Bank of Scotland - Community Cash Back Awards	250	-
Royal Infirmary of Edinburgh (NHS Lothian – University Hospital Division)	-	1,450
Royal Edinburgh Hospital (Lothian Primary Care NHS Trust)	2,100	-
The Russell Trust	1,500	-
Saints and Sinners Club of Scotland	800	800
St Johns Hospital Palliative Care	173	600
St Johns Chaplaincy	3,000	-
Scottish Arts Council	-	800
State Street Matched Funding	162	-
Sylvia Aitken's Charitable Trust	700	500
Wigan Leisure & Culture Trust	-	500
William Grant & Sons	200	200
WM Mann Foundation	-	600
	<u>108,393</u>	<u>77,383</u>

Not included within the above grants received in the year is £23,090 of deferred income. The movements on deferred income included in creditors were as follows:-

	At		Released to		At
	31 March	Deferred	Revenue in	31 March	2010
	2009	income	the year	2010	2010
	£	£	£	£	£
West Lothian Council	-	23,090	-	23,090	
	<u>-</u>	<u>23,090</u>	<u>-</u>	<u>23,090</u>	
	<u><u>-</u></u>	<u><u>23,090</u></u>	<u><u>-</u></u>	<u><u>23,090</u></u>	

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2010

13. Analysis of net assets between funds	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted	67,132	152,023	219,155
General Fund	17,622	40,172	57,794
Designated funds	-	20,174	14,709
	-----	-----	-----
	84,754	212,369	297,123
	=====	=====	=====
 14. Costs of generating funds		2010 £	2009 £
Bank charges		131	99
Administrative salaries		9,464	9,021
		-----	-----
		9,595	9,120
		=====	=====

ARTLINK EDINBURGH and THE LoTHIANS

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2010

15. Resources expended - Charitable Activity

	Property Fund	Org Dev	Capacity Building	Artlink Midlothian	Arts for Mental Health	Arts Access	Hospital Arts	Artlink West Lothian	Ideas Team	Learn	2010	2009
	£	£	£	£	£	£	£	£	£	£	£	£
Staff	-	-	-	25,152	13,589	56,310	47,418	13,589	-	-	156,058	145,588
Artists	-	-	-	101,849	16,219	-	57,274	4,082	1,665	125	181,214	172,795
Travel	-	6	443	15,964	1,441	2,622	5,920	3,318	166	3,652	33,532	24,683
Materials	-	-	-	7,208	1,984	7,006	33,615	2,024	1,100	91	53,028	41,325
Venue Hire	-	-	-	7,620	-	1,980	-	-	-	-	9,600	9,473
Training	-	-	-	-	324	2,892	186	31	16	-	3,449	2,809
Publicity	-	-	-	-	500	1,161	2,702	237	2,216	-	6,816	21,738
Administration	-	-	-	6,277	4,000	3,445	5,502	-	-	-	19,224	21,382
Supervision	-	-	-	5,000	-	-	4,004	3,000	-	-	12,004	9,004
Support	2,128	-	-	21,327	9,553	36,965	37,797	10,383	1,246	1,246	120,645	133,955
	2,128	6	443	190,397	47,610	112,381	194,418	36,664	6,409	5,114	595,570	582,752

Included within the support costs of £120,645 (2009: £133,955) are amounts funded from the company's unrestricted funds of £117,956 (2009: £127,437). In addition, the cost of artists includes an amount of £50,400 that has been funded from the company's unrestricted funds.

ARTLINK EDINBURGH and THE LOTHIANS

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2010

16. Support costs

	Un- restricted £	Restricted £	Total 2010 £	Total 2009 £
Rates and insurance	3,560	-	3,560	3,498
Training	112	-	112	161
Heat and light	1,709	-	1,709	1,632
Advertising	3,468	-	3,468	5,867
Annual review	4,577	-	4,577	4,433
Cleaning	1,591	-	1,591	1,578
Repairs and renewals	1,643	-	1,643	2,523
Telephone	1,796	-	1,796	1,879
Stationery and postage	2,940	-	2,940	2,919
Equipment rental:				
photocopier	1,334	-	1,334	1,980
Computer maintenance	540	-	540	434
Subscriptions and literature	470	-	470	422
Bookkeeping	3,029	-	3,029	2,861
Other expenditure	937	-	937	1,781
Depreciation	1,416	2,689	4,105	7,418
Administrative salaries	88,834	-	88,834	94,569
Total	117,956	2,689	120,645	133,955

17. Governance costs

	2010 £	2009 £
Travel	952	822
Audit fee	2,605	2,785
Professional fees	174	(65)
Bookkeeping	730	686
Administrative salaries	3,313	3,204
Unrestricted	7,774	7,432

18. Related party transactions

During the year fees of £175 (2009: £335) were paid to Turcan Connell a firm in which Gavin McEwan, a director of the charity, is an associate. Fees amounting to £1,058 (2009: £1,058) were also paid to Geoghegans. Colin Scott, a director and treasurer of the charity, is a partner of this firm.