

CULTURE

PERTH & KINROSS

Culture Perth and Kinross Limited
(A company limited by guarantee)

Company number: SC518247

Trustees' Report and Consolidated Financial Statements
for the year ended 31 March 2023

Culture Perth and Kinross Limited (a company limited by guarantee)

Trustees' Report and Consolidated Financial Statements

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Chair's Report

It is my enormous pleasure to introduce this report once again on the activity of Culture Perth and Kinross for the year ended 31 March 2023. This report reflects our seventh full year of operation, and one in which we continued our journey of recovery from the disruptions of the COVID-19 pandemic. The excellent team of staff and volunteers have risen to the challenge and their commitment to delivering the very best cultural and heritage services and visitor experiences, is one I, and our Board, have the fullest admiration for.

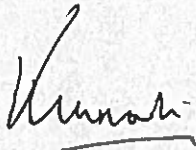
Partnerships and collaborations are at the heart of all that we do and are evident in our success and in this report. We continue to work closely with, and are immensely grateful to, Perth and Kinross Council. Their continued financial and strategic support has ensured we have been able to continue to deliver services in times of great financial and social challenge. Our work together on the new Perth Museum is entering its final phase as we work towards the opening in Spring 2024; however, our continued and shared objectives for culture and heritage in the region remains as a foundation for our continued, and essential, partnership.

The work on the new Museum and ensuring that it achieves its objectives for the people of Perth and Kinross and beyond has been the focus of much of our Board's strategic discussion this year, and this will continue in the year ahead. Our wider services and activities however are extensive and diverse, and this report reflects the reach and impact of our activities across our communities. This vital work remains very much a focus of our Board and Executive and we are grateful for our many partners and supporters who continue to invest in and champion our work not just locally, but across the UK.

Our sincerest thanks to the Gannochy Trust, The Crockett Foundation, the Jimmie Cairncross Charitable Trust, The Scottish Book Trust, Museums and Galleries Scotland, the European Cultural Foundation, National Museums of Scotland, JD Fergusson Art Foundation Forteviot Charitable Trust, the National Library of Scotland, the British Museum, Creative Scotland, the Glover Incorporation, the Hugh Fraser Foundation, the National Gallery, the Scottish Libraries and Information Council and Abertay University.

The support of these organisations, trusts, and foundations has enabled us to deliver an extensive programme of events, workshops, talks, exhibitions and school and community-based work, helping us in targeting our work to those individuals and communities who may be more vulnerable and can most benefit from our work.

Our greatest thanks however, go to you, the people and communities who use our services, engage with our projects and bring life and light to our work. Thank you for your support and continued engagement which means so much to us all. I look forward to an exciting and historic year ahead for Culture Perth and Kinross and hope that you do too.



CHARLES KINNOULL
CHAIR

Culture Perth and Kinross Limited (a company limited by guarantee)

Trustees' Report

The trustees, who are also the directors of the company for the purposes of company law, are pleased to present their annual report and audited financial statements for the year ended 31 March 2023.

Objectives and Activities

The **Articles of Association** for Culture Perth and Kinross detail its objects as being:

- To advance the arts, heritage and culture.
- To provide recreational facilities, and organise recreational activities, with such facilities/activities being made available to members of the public at large, with the object of improving their conditions of life.
- To advance education.
- To advance citizenship and/or community development (which may include the promotion of civic responsibility, volunteering, the voluntary sector and/or the effectiveness or efficiency of charities).
- To relieve those in need by reason of age, ill health, disability, financial hardship or other disadvantage.
- To advance such similar charitable purposes as the directors may consider appropriate from time to time, through the provision of services (including those entrusted to it by Perth and Kinross Council), which contribute to advancing wellbeing (primarily the wellbeing of residents of the area served by Perth and Kinross Council) including:
 - a) the operation, management and development of Cultural Facilities (including arrangements to facilitate access to such facilities by those on lower incomes or with special needs and to encourage wider participation in cultural activities); and
 - b) the development and delivery of Cultural Activities and events directed towards wider participation in such activities.

These objects inform the vision, *'to be at the heart of a community that connects people, ideas, knowledge and collections* and mission, *'to develop and deliver a range of innovative and creative cultural services, public programmes and partnerships which engage a wide and diverse audience in the best of local, national and international culture'* for the organisation, which in turn drive the annual activities of the organisation.

The charity delivers in key service areas set out below.

Libraries and Information Services

- **31.38** staff resources (FTE)
- **12** Libraries in locations across Perth and Kinross. *Coupar Angus Library has been unable to reopen due to ongoing building maintenance issues in Coupar Angus Town Hall. Alternative provision is now being developed within the Strathmore Hub in the town.*
- A mobile library service with 3 vehicles making approx. 102 stops every two weeks to remote rural locations, targeted communities, schools and nurseries, residential care homes and sheltered housing complexes.
- A digital library service which includes eBook, eAudiobook, eNewspaper and eMagazines as well as comprehensive reference resources.
- A range of volunteering, outreach, learning and early years' services designed to support literacies, reader development, inclusion and health and well-being.

Museum and Galleries Services

- **15.78** staff resources (FTE)
- Three **4*** Museums and Galleries venues (Perth Museum and Art Gallery and the Fergusson Gallery in Perth and Alyth Museum) housing a collection of over **450,000** objects which is a Recognised Collection of National Significance to Scotland. *The Fergusson Gallery closed on 31 October 2022 to enable its collections to be relocated to Perth Art Gallery in the summer of 2023.*
- Exhibitions and Public Programming including events, talks and workshops.
- Heritage Learning, Volunteering and Outreach programmes across Perth and Kinross.

Archives and Local and Family History Services

- **6.32** staff employed (FTE)
- The Perth and Kinross Archive holds the records of Perth & Kinross Council and its predecessors, and those of local individuals, estates, businesses and organisations. Records date back over 800 years, and the service is an important resource for researchers and is currently based within the AK Bell Library in Perth.
- Family and Local History services primarily support individuals to find out more about their local area and in particular to discover their ancestry and local family connections. The service has a number of resources and collections which support such research including local books, pamphlets, historic local newspapers

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and maps. *Service delivery has been impacted on by restrictions resulting from the pandemic, however, as these eased increased access to and engagement with services was evident.*

Creativity

- **5.11** Project staff across all areas of the organisation work with partners, communities and individuals to support:
- Training, development and employment opportunities for young people within the cultural and heritage sector.
- A network of Maker_Spaces in 5 Library locations across the region.

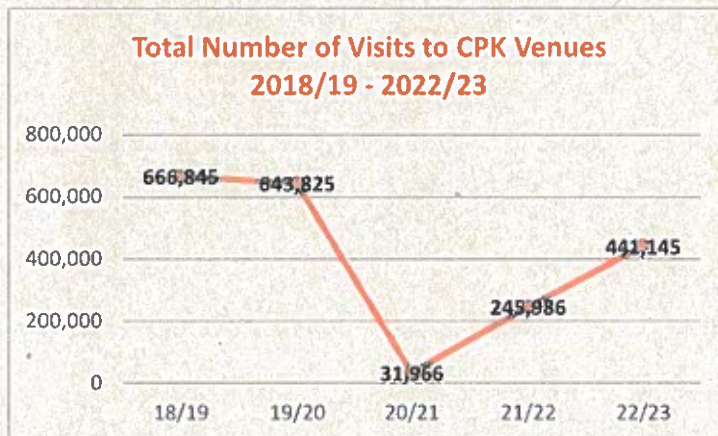
During 2021/22 a review was undertaken of the Strategic Objectives which had been in place for the organisation since 2017. Following this review, a new set of Strategic Objectives and Outcomes (KSO) was identified, and these are set out below. These revised KSO reflect national, local and sectoral strategy and policy and support the delivery of the key objects of Culture Perth and Kinross as set out in the Articles of Association. The KSO inform the **Strategic Operating Plan** and **Team Plans**.

1. To increase access to, and develop new audiences for, our services and collections.
2. To democratise access to digital experiences and technologies for our communities to support their creative, personal and professional development.
3. To use cultural experiences and services to help address inequalities and to promote personal growth and development.
4. To ensure development, conservation and further the understanding of the collections in our care.
5. To deliver a high performing organisation which benefits from strong strategic and operational leadership.

Achievements and Performance

2022 – 2023

This year was the first full operating year with no pandemic related business interruptions, however in many parts of our work, recovery is an ongoing theme as we slowly build back to pre-pandemic levels of engagement and service delivery.

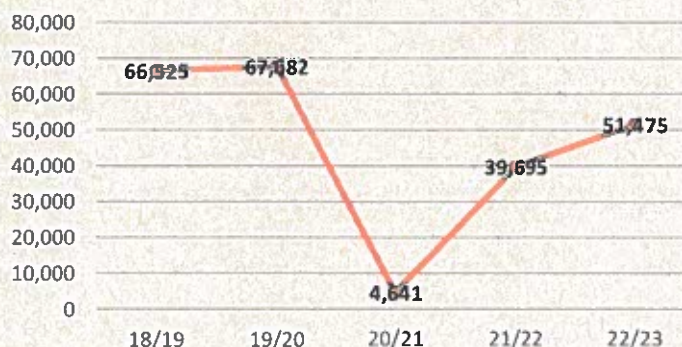


Overall, the number of visits to our venues continued to recover, with a 79% increase on the figures for 2021/22. Whilst performance varies from venue to venue the visits figure remains 31% below our pre-pandemic performance and is an indication of the changed patterns of use and engagement which will be a lasting impact on our services. **Customer satisfaction, gathered from evaluations and formal feedback is at 95%.**

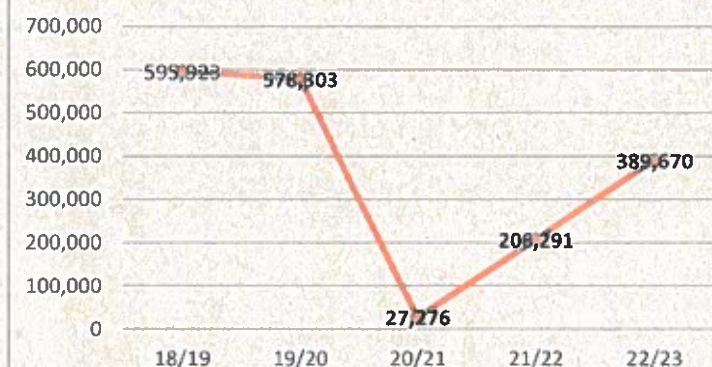
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Overall, recovery of footfall in our museum venues has been stronger than in our libraries, and there is evidence of a return of international tourists alongside our local and UK visitors. Perth Museum and Art Gallery closed its Galleries in December 2022 as refurbishment works were undertaken to help re-position the building as an Art Gallery in advance of the opening of the new Museum in 2024. This impacted on footfall for the final quarter of the year. The refurbishment will mean further disruption to the venue in 2023/24 however plans are for more galleries to be open and available to the public by the Autumn 2023. The Fergusson Gallery has now closed to the public and Alyth Museum remains operational between May and September each year.

Number of Visits to CPK Museums 2018/19 - 2022/23



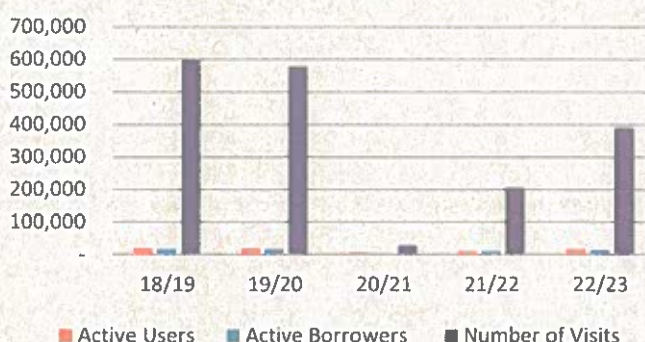
Number of Visits to Library Venues 2018/19 - 2022/23



A review of Library Services was undertaken during the year, and this identified a continued shift in how, where and when people are accessing their Library Services. 12 Library venues are currently operational, alongside 3 Mobile Libraries. Use of the library is continuing to recover following the disruptions of the pandemic with an 89% increase in footfall compared to 2021/22 however this remains 33% below the pre-pandemic (2019/20) figure.

The number of active borrowers using the library has also not yet recovered from its pre-pandemic levels. In 2019/20 there were 15,974 unique active borrowers (those borrowing books and other resources) using library services and in 2022/23 this figure was 14,021, a reduction of 12%. The number of unique individuals actively using services, including borrowing books or booking access to computers is 11% below the 2019/20 figure of 18,889, and was 16,825 in 2022/23. The difference between the shortfall in active borrowers and users and footfall suggest a change in patterns of use, with individuals who use the library doing so less frequently.

Number of Unique Library Service Users and Number of Visits 2018/19 - 2022/23



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Our Public Programmes

Our public programmes are the exhibitions, workshops, talks and other events which we deliver each year. These universal programmes cover diverse subject matters, reflect the needs and interests we identify in our audiences and aim to showcase the very best of what our collections and the wider region can offer.

We began the year offering a blended Soutar Festival of Words, bringing people back to venues for a range of events whilst continuing to offer a unique and complementary online programme. The Soutar Festival of Words is a celebration of Scots language, literature and culture for all ages. In-person and virtual events included authors, poetry, creative writing workshops and music. As well as showcasing our venues in Perth we took the festival into Perthshire with events for families in our community campus libraries. 30 varied events were delivered as part of the programme and 410 individuals attended in-person. Imogen Stirling was this year's Soutar Poet and was commissioned to deliver a new piece of work inspired by the festival and its programme. The festival was supported by funding from the Friends of William Soutar, the Jimmie Cairncross Trust and the Forteviot Trust.



Between March and June, for the first time, we delivered an exhibition in Perth Museum and Art Gallery which was aimed at the Under 5's. Blast Off! was a space-themed, interactive and immersive experience for young children which aimed to re-engage families after the disruptions to services resulting from the pandemic and

We just wanted to say thank you so much for this incredible exhibition/playscape! We visited this afternoon with our wee boy who is 2 and he absolutely loved exploring it all. The staff creatively rearranged the soft toys every so often and really encouraged the kids to enjoy playing without worrying about making mess. Calum even got a sticker for helping tidy up. It was a brilliant afternoon and would totally recommend this to other families 😊

Love Reply Hide Send message 20 m

to demonstrate the museum as a welcoming, safe community space to bring young children and spend time together as a family. Whilst the exhibition was on the museum received 17,928 visitors and recorded the highest footfall in a single day of the 2022/23 year of 520. April attendances showed an uplift of 48% on the pre-pandemic April 2019 illustrating the popularity of the exhibition and highlighting the strength and importance of the family audience to our Museum and Gallery venues.

The Catecan Ecomuseum Hub "Museum Without Walls" located in our Alyth Museum (which is open May to September each year), had a successful first year of operation, with a satisfaction rate from visitors of 83%. Visitors enjoyed the unique design of the exhibition, making use of local, sustainable materials as an orientation space to encourage outdoors exploration; 90% of visitors were "encouraged to explore trails and landmarks throughout the area" and 94% of visitors increased their awareness of the area's culture and heritage. The ground floor exhibition: "The Great Imagining" was developed by the local community and focused on myths of the Catecan Ecomuseum area with creative activities for families, including a family craft day.

Our Summer season at Perth Museum and Art Gallery had the theme of 'Sin', the centrepiece of which was a collaboration with the National Galleries to bring to Scotland a selection of works from their critically acclaimed Sin exhibition. Alongside the National Gallery paintings, which included works by Rembrandt, Lucas Cranach the Elder, Jan Steen, Jan Gossaert, Tracey Emin and Ron Mueck, were works from the Perth and Kinross Collections including Christ Displaying his Wounds by Giovanni Antonio Galli; this helps audiences discover the breadth and significance of the Collections held here in Perth.



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To help make the Sin exhibition more accessible, a range of events and activities were undertaken including audio description tours in collaboration with CILPK/Vision PK (shown), engagement with young LGBTQI+ people on the theme of 'It's a Sin?' which resulted in a Community Case display; this was a focal point of PRIDE 2022 and the group had their photo taken by the display with Alan Cumming and Ella Vaday; and encouraging primary and secondary school pupils from Balhousie and, St Ninian's Primary Schools and Bertha Park and Perth High Schools to engage with fine art through Gallery tours and practical workshops led by local artist, Astrid Leeson.

The other temporary exhibitions exploring the theme of 'Sin' included the 'Serpent of Capitalism' a giant inflatable serpent created by artists Walker and Bromwich which was used as part of COP26 protest marches, focusing on the evils of Original Sin and the evolution of capitalism; and Aesop's Fables – 'Life Lessons for All Ages'; alternative stories that help us to navigate tricky moral issues which was linked to the 2022 Year of Storytelling.

"Have been completely blown away by Sin! Wow! So powerful. The placement of Christ and Youth is mindblowing. Member of staff very knowledgeable and had a great in-depth discussion with." Visitor Comment.

In October we opened two exhibitions which had been developed with extensive input from the community.

The first of these, *Muirton of Ardblair – A Lost Community*, explored the history of a settlement just outside Blairgowrie which is now 'lost'. Following the acquisition of a folio of pictorialism-style 19th Century photographs which depicted the former weaving village of Muirton of Ardblair. Working with descendants of individuals who had once lived and worked in the village, the exhibition and related talks and workshops sought to bring to life the history and raise awareness of why it had disappeared linking this to wider cultural, social and economic stories of the local area at the time. The exhibition also explored notions of preservation, heritage and place through the built environment and landscape once occupied by the village.



Image of a Muirton of Ardblair resident from the acquisition folio.



Image of visitors to the exhibition engaged in an in-gallery craft activity.

The second exhibition was *Going to the Dancing*, celebrating 100 years of Perthshire nightlife. The exhibition content was generated through community engagement work which encouraged people to share their experiences and mementos of 'going out'. 32 individuals gave generous and detailed content and oral histories for the exhibition and further 250 images were submitted for inclusion in the gallery displays.

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The exhibition was extremely well received and reconnected a number of people who had worked or performed in venues in Perth. As a result, a follow up event 'Rock Back the Clock' was held at a local pub and music venue, the Twa Tams, which brought together local bands, promoters and staff. In total 150 people attended the event. Both the exhibition and the event generated new content which will be included in the displays of the new Perth Museum helping to ensure the lived experiences of local people feature strongly throughout.

Within our Libraries, our *Cultural Connections* programme, funded through a grant from the Public Library Improvement Fund, brought together artists, performers and curators to explore local culture and heritage with a creative programme within 4 library venues (Pitlochry, Alyth, Comrie and AK Bell Libraries). It delivered artist led workshops in photography, singing, needlework and charcoal drawing. The programme reached out to new and lapsed users, challenging current perceptions of what the library offers and encouraging re-engagement with services following the disruptions of the pandemic. By offering creative, learning experience to our users and promoting libraries as creative hubs that form part of a much larger cultural landscape, we offer more exciting and enticing spaces and encourage the wider community through our doors. The project also supported staff to increase their confidence in offering further cultural programming as part of their local library offer.

"Learned a great deal about the history of melodies and text and how they can interchange. Also learned about Willie Soutar. Enjoyed the singing to cement melodies and text in practical ways. Really enjoyed the last talk where we explored the Atholl collection and heard more about what Library offers".

"Lovely to work with good quality art materials."

"Thank you for the wonderful workshops, hope there are more in the future."

Comments from Workshop Participants

Over the course of the year, there were 26,369 participants in formal learning opportunities delivered as part of our public programme. This is equal to the figure for 2019/20 (26,256) which was pre-pandemic and demonstrates a full recovery and demand for these activities following the years of disruption and restrictions. Participants include primary and secondary school pupils, students, and adults who attend the range of workshops and activities we deliver.

Formal learning opportunities take many forms and are a key route to engage with groups who may find our services harder to access due to their individual needs or circumstances. Our Learning and Communities Team engaged with 62 different community groups over the course of the year working on a number of focused and targeted projects which aim to reflect the diversity in our community. Groups included the Perth and Kinross Visual Impairment Service Activity Group. Visual Impairment is a low incidence disability so individuals and families can feel very isolated. The project we delivered aimed to bring together families who are impacted on by visual impairment and to support them develop a display inspired by the JD Fergusson Exhibition which was relevant to and reflective of their experiences. 8 children and young people and their parent/carers took part in the project and the resulting display, *A Touching Tribute to Fergusson*, was on in the Fergusson Gallery.

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"Was so much fun. My son had a fantastic time."

"It was great to be able to have fun with the kids and they felt like they could be themselves and just fit in with others."

"Was nice to be with other families chatting and socialising. Great to hear other parents' ideas and children laughing together".

"I enjoyed today – I love painting. I liked painting with mum as she's a good painter and gave me ideas. I gave her ideas too. I like flowers. I wanted to use any colour of flower. I used bright and dark colours. I call it Bloom."

Comments from Participants

Working with Our Communities

Working with our communities informs all that we do, and we believe strongly that there is no such thing as a group or community who are 'hard to reach', rather, it is us who may be hard to reach or access for communities. To address this and reduce as many barriers to our services as possible, we work to find ways of making relevant and engaging connections and seek to work collaboratively in ways which are unique to us as an organisation; such as using the museum collections to spark conversations and engagement and build content for the new Perth Museum Displays.



This way of collaborating with communities and putting their experiences at the heart of the stories we tell through our collections, is about making deep connections with communities and amplifying their heritage, cultures and stories. This year, our People of Pullars project brought together people who had recently arrived in the region to explore an important local heritage story and through its connection to their own experiences, understand more of the identity and culture of the region they now call home. Working with the Perth Syrian Families Support Group, the Scottish Refugee Council and the Letham Community Club, 75 individuals engaged with the project resulting in 12 new oral histories and other community submissions to the museum collections.



A multinational group of 12 women from diverse faiths and cultures who have recently moved to Perth from areas of political or military conflict worked with artist Aileen Sherry to explore some of the dying techniques which would have been familiar to Pullars employees locally and, using this and embroidery work, the women overcame language and cultural barriers to work together to produce the most beautiful quilt with emblems and affirmations which reflected their individual identities and were inspired by the heritage of the region. The quilt formed part of a display designed by the women and others engaged in the project at Perth Museum and Art Gallery and all the stories, photographs and objects collected as part of the project, along with the quilt are now part of the museum collections.

Trustees' Report

Our Archive team worked with the family of Fritz Eichmann to bring into the collection a deposit of papers. Fritz was a German Prisoner of War interred at Balhary Camp, Blairgowrie, from 1945-48. During his time there he wrote frequent and detailed letters to his wife describing his life in the camp and surrounding area. Their children discovered the letters after their parents' death and realising their significance looked for an appropriate place to deposit them where they could be used by researchers to build a better understanding of life in Britain's WW2 POW camps. Staff from the Archive Team worked with the family and arranged a visit to Balhary House (the site of Balhary POW Camp) with Fritz Eichmann's daughter, Gudrun, and an archive volunteer to learn more about her father's experiences. The estate owner shared family photographs and memories of the Camp and allowed us to visit the location of the Camp. Staff spent further time with Gudrun in the archive discussing the content of the letters and her father's life which adds personal context to the collection for future researchers to draw from. The collection is in the process of being transcribed by volunteers to make this more accessible.



The Local and Family History service extended their offer considerably this year through a collaboration with the 1745 Association which saw the 1745 Association Collection comprising over 500 books, pamphlets and manuscript material relating to all aspects of Jacobite heritage, collected by Association members over many years make the AK Bell Library its new home. The Association approached us in 2021 with a view to depositing the collection in AK Bell Library as a hub to stimulate research and interest in the Jacobite era. The Local & Family History Team catalogued the books during 2022 and is working with The Association to develop the resource and an associated activities programme. A formal launch of the Collection in its new home was held as part of a conference event in September 2022 and more than 390 of the titles are now available to view via the online library catalogue increasing the accessibility of this important collection.

"This joint venture enables free access to one of the world's finest Jacobite history book collections. And without the aid of all involved working with the AK Bell Library this venture would not have been possible." Kevin F. Smith, 1745 Association

Our heritage is not the only powerful tool for connecting people and we also use our venues as spaces to bring together community groups and encourage their engagement with the resources we have available. At the AK Bell, the Health and Wellbeing Hub is an area within the main library which offers a welcoming space for individual study or small group meetings and is surrounded by a wealth of health and wellbeing resources. Many groups new to the library are now making regular use of the space to meet formally and informally and we have hosted creative writing for wellbeing sessions, mindfulness and health information sessions within the space, encouraging new people into the library. Thanks to funding from the Public Library Improvement Fund we have been able to employ a Library Outreach Officer who has been able to build connections in the wider community including with PKAVS, Perth Baby Bank, The Neuk and the Scottish Refugee Council, to encourage increased engagement with our services. To improve accessibility of library services, a video tour and visual guide have been produced and staff have received additional training including LGBT Youth Scotland information session, Deaf Awareness, Personal Safety, Adult Protection, Autism and Emotional Regulation, and Disability Awareness. This training will help ensure that staff have the confidence to support people and provide a welcoming environment for the public.



Libraries launched a new Jigsaw Exchange project this year. Following the upsurge in interest in jigsaws during the lockdowns of the pandemic, Library staff put a call out to the public for donations of unwanted jigsaws which could be swapped amongst library members and used within libraries. Over 500 jigsaws were donated, and the scheme has proved exceptionally popular in each local library.

Our Reading for Recovery Project, in partnership with HMP Perth was developed as a result of the work already being delivered within the Prison Library and in response to the increasing demand for recovery services within the prison population. The project is one of only 32 from 14 European countries to participate in community prototyping work through the Europe Challenge Fund. We were granted 10,000 Euros to support a Reading for Recovery programme centred on those addressing addiction or mental health and wellbeing. Through the project we offer Reading Group Bibliotherapy, Reading Challenges to develop critical thinking skills and support vocational training with work party reading resources towards accreditation.

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We were a key partner in the Warm Welcome initiative, a local response to the cost-of-living crisis. We worked to ensure our libraries were welcoming, safe spaces for those seeking a warm place to spend time during the day. With funding from Perth and Kinross Council we were able to distribute 574 warm packs to individuals and families. Each pack contained a warm blanket, thermal socks and gloves, hand warmers and a hot water bottle, information about keeping warm and safe and sources of help and advice. More than 200 people received free tea or coffee to help warm them. We also partnered with Social Flock to offer a free adult and children's outdoor clothing to anyone in need, and with a community based knitted blanket initiative led by local Councillor Liz Barratt. More than 40 of these beautiful blankets were distributed. We provided additional games, jigsaws and drawing materials in all our libraries to help people spend time if they didn't want to read a book or make use of one of the computers.



Our volunteers are an integral part of what we do, and 107 individuals volunteered with us in 2022/23 giving more than 2,678 hours of their time to support our work. This continues to be a key area for development for us as volunteering brings significant benefits to the organisation enabling us to tap into a range of skills, knowledge and expertise we might not otherwise encounter. As we work towards the opening of the new Perth Museum in 2024, the role of our volunteers will become even more prominent.

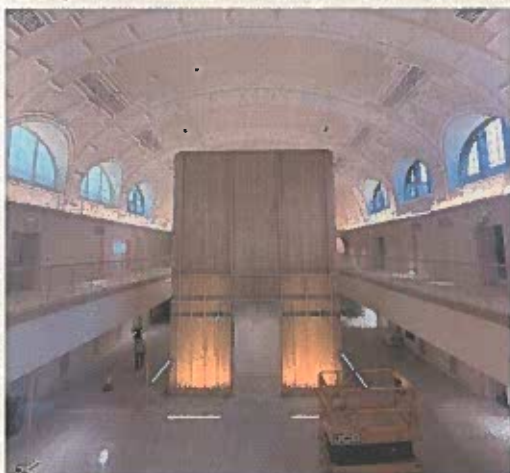
Volunteers are at the heart of several projects, including the Perthshire Seed Library which we launched in November 2021, and which now has 183 members and a catalogue of over 220 different seeds. It is a partnership with Perthshire Organic Gardeners and is registered as a community co-operative supported by us, however delivered by volunteers. Seed library members can access up to 20 packets of heirloom and locally produced seeds each year which are delivered to their local library for collection. As well as access to seeds, members benefit from a monthly newsletter, events and workshops on growing and gardening techniques and on how to collect seeds each season for sharing with members the following year.

"As well as receiving new varieties of seeds I have met new friends."

"Thank you for a super selection of seeds. I can't wait to get into my garden."

"The workshop was really helpful. As a novice gardener I need all the help I can and have always been a bit scared of seedlings!" Comments from Seed Library Members

Perth Museum Project



With its new name of Perth Museum now well established with the public, the City Hall development continued apace entering its final phase of construction this year. This is now complete, and the fit-out phase of work is now well underway. The team working on the project have been focusing on the preparation of objects for display in the new museum as well as ensuring the complex elements of the displays are all being developed according to the design plans. New branding is in development to be launched in early 2023/24 and we are starting to market the new attraction to the travel trade.

Trustees' Report

Work continues to prepare hundreds of objects for display in the new permanent galleries with cleaning and packing ongoing at the existing Perth Museum & Art Gallery conservation lab as well as specialist treatment at studios across Scotland. These include multi-phase treatment programmes at AOC Archaeology (archaeology collections) and Scottish Conservation Studio (archaeology, world culture, social history, textiles) and smaller single-phase projects with Lyndsey MacKinnon (furniture) and Emma Fraser (manuscripts). Multi-phased treatment programmes with Egan, Matthews & Rose (Fine Art) and Graciela Ainsworth Studio (large carved stones) also commenced.



also commenced.

Much of this work is being supported through external fundraising. Work has also been undertaken in-house with a large number of objects receiving remedial treatment, to clean, stabilise and on occasion, mount them for permanent display in Perth Museum. As a result, the objects will now survive longer and look their best whilst on display, but we have also been able to find out more about their provenance and past use in the process, thus gaining a better understanding of our collections, which will inform interpretation. In particular, the Carpow Logboat needed remedial conservation, because it had

warped since its original treatment, and the different sections had become misaligned. The logboat was moved successfully out of the museum. This was a complicated project involving remedial conservators, joiners, and a road closure company, as well as in house staff. The boat was protected for transport, moved out onto a specialist platform, and lifted with a crane onto a truck. It was then conserved using a heat-treatment method by artefacts conservator Charles Stable. A new external support was also created for the logboat, ensuring similar damage does not occur in future. It can now be displayed long-term in the new Museum.



We received £13,000 in funding from the Glover Incorporation of Perth to conserve a number of objects associated with the Incorporation. These include a portrait of St. Bartholomew from the Glovers Chapel at St. John's Kirk, (a rare example of Pre-Reformation Scottish religious panel painting) as well as the Incorporation's silk banner which was carried into the Battle of Tippermuir in 1644 and the Glovers' Dance Dress which, in its original form, was used in a celebrated sword dance performed on a floating stage in the River Tay in honour of Charles I's 1633 visit to Perth.



Our Digital Year

Digital engagement continues to be a feature of much of our work, reflecting the acceleration of online service use, driven by the pandemic. We continue to be at the forefront of the adoption of new technologies and were the first library services in Scotland to offer Hublets in our Libraries and the first Scottish services offering Princh – wi-fi print services. Princh means anyone, even those who are not library members can send documents to print at their local library from anywhere in the world. This is great for people who need to print occasional documents for ID or travel but who do not print enough to have a costly printer at home. All our library venues were set up to use Princh for printing between July and September 2022. Funding was received from Perth and Kinross Council to support this new service and since its introduction, 1,361 individuals have used the service printing 5,563 documents.

Our digital footprint enables us to continue to reach audiences beyond Perth and Kinross. Whilst the appetite for online performances and talks has reduced following the peak seen during the pandemic, there remains a strong interest in accessing online content, and this often enables us to reach audiences for who a physical visit to our services is impossible either due to personal circumstances or location. Our Soutar Festival, which is on this weekend has a number of blended events, those which can be attended in person, and which are also being live-streamed. Over 4,500 individuals participated in virtual events in 2022/23.

Work to further develop access to our network of Maker_Spaces took place this year. Funding from the Crockart Foundation enabled a development officer to support a broad range of both targeted and universal workshop programmes. Working in partnership with Perth Autism Support (PAS), a programme was developed and delivered with children and young people to facilitate their access to creative digital technology. The group attended the

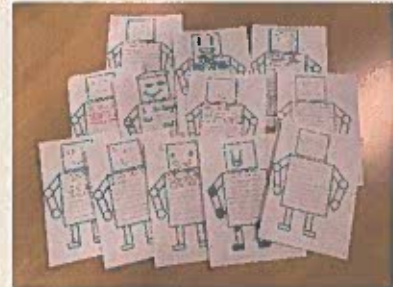
Trustees' Report

Maker_Space in the AK Bell Library every two weeks, taking the week in between to reflect on their progress and plan the next visit. participants made podcasts, created digital artwork, worked with animation and stop motion movies as well as working with non-digital items such as Lego.

"We wanted our young people to explore technology in a safe environment where they felt comfortable, and we have really enjoyed our visits to the Maker_Space and utilising the amazing equipment there. The young people have grown in confidence each week in accessing their public library – some had never been before and now can't wait to attend the group! Staff have tailored their sessions to our young people and their needs and supported PAS staff with information sessions on using the equipment. The sensory bags available at the library have also been incredibly helpful!" Feedback from PAS Key Worker



Other programmes in the Maker_Spaces included 3-D Printing for adults which introduced the basics of using a 3D printer and the fundamentals of 3D software design. Attendees were introduced to the workings of 3D printers and 3D design software, Tinkercad. They completed two projects with links to our Seed Library over four weeks, a plant identification tag and a self-watering plant pot; and The Maker_Space club, offering children aged 6-12 an opportunity to experiment with creative technology and traditional activities. Technology appropriate to age and skills



is used including iPads, remote controlled mBot robots, accessible 3D design software (Tinkercad) and MakeDo construction kit. Participants were encouraged to explore digital technology to design 3D objects, control robots and construct bridges, tracks etc from supplied cardboard and to engage in activities such as drawing and working with Lego.

Digital and online marketing and communications remain a key route to reach our audiences and encourage their engagement with our services. We have a number of Twitter, Facebook and Instagram accounts for discreet areas of the organisation. These target relevant audience segments in order to grow interest and participation in our services. In 2022/23 there were 2,082,356 online visits to our services via our website. This figure does not include quarter 4 (Jan-Mar) data for Ancestry UK which is reported quarterly in arrears and is not expected until the end of June 2023. This performance is in line with that of previous years. Our social media activity saw 3,403,981 engagements across all platforms. This is down on the previous year's figure of 3,834,365 however this is most likely due to the change in the way in which analytic data for both Facebook and Twitter changing making a like for like comparison more challenging. A review of social media channels was undertaken in March and recommendations will be implemented during 2023 which will reflect the establishment of new channels for Perth Art Gallery and Perth Museum respectively and it is expected this will impact positively on levels of engagement over the course of the year.

In addition to the digital programmes and services we deliver, we continue to engage with partners to support the efficient delivery of the organisation and to make our collections resources more accessible.

This year we continued our work with Google Arts and Culture to create a bank of ultra-high-resolution images of objects and artworks within the Collections. Work on this had paused during the pandemic and this year we were delighted to welcome back a photographer from Google Arts and Culture with the specially built Art Camera capable of creating extremely high-resolution gigapixel images from the John Duncan Fergusson paintings and the works selected for our inaugural Perth Art Gallery exhibition Modern Scots.

Work was also undertaken to digitise our collections of local Newspapers to make these more accessible to researchers online as part of the National Library of Scotland's (NLS) *Scotland's News Project*. The project aims to make Scotland's historic newspapers more widely accessible through conservation, digitisation and online publication of newspaper collections held by the NLS and Scotland's public libraries. The digitised newspapers will become publicly accessible on the [Scotland's News](#) section of the NLS website. Culture Perth and Kinross was one of four partner libraries involved in a project pilot that ran from 2020 – 2023. 120 volumes of Perthshire Courier 59 volumes of Blairgowrie Advertiser were sent to NLS for conservation and digitisation in December 2022.



The project has significantly improved the condition of two of our historic newspaper collections and helped us develop a conservation plan for our wider newspaper collections that will be delivered over the next 5 years. It has also helped us develop a cataloguing methodology for newspapers that will enable them to be added to the library catalogue for the first time (they have not been included before now due to their complexity and size).

Culture Perth and Kinross Limited (a company limited by guarantee)

Trustees' Report

We have also improved our staffing systems with the introduction of a cloud-based paperless platform, BrightHR for managing day to day staffing activity such as annual and flexi leave and sickness absences. This has greatly reduced the paperwork burden enabling staff to devote more time to their frontline service development and delivery

Fundraising

Trusts and Foundations – Grant Income to 31 March 2023

Whilst donation and individual giving has been slower to return to pre-pandemic levels we continue to be successful in securing funding from Trusts and Foundations. £504,170 of restricted grants were received in 2022/23.

We are very grateful to these funders who enable us to add value to projects, extend our reach and impact or develop new innovative work. Full detail of our grants can be found in Note 24.

Unrestricted Income from Donations and Individual Giving (incl. year on year comparisons)

Route	2018/19	2019/20	2020/21	2021/22	2022/23
General Donations (Boxes)	£15,193	£14,602.14	£897.00	£10,224	£14,218
Contactless Donations	-	-	-	£2,273	£4,813
Enthuse Platform	£100.50	£848.33	£4,278	£727	£1,122
Give As You Live	£64.05	£139.19	£48	-	-
Archives Appeal	£3,530	£3,717.05	-	-	-
PSNS Campaign	£1,794.03	£322.93	-	-	-
Staff fundraising activities	£2,111	£3,545	£232	£572	£1,860
Mummy Conservation Campaign	-	£1,396.84	£302	-	-
Holiday money exchange	-	£362.46	-	-	£290
Gift Aid on Small Donations Scheme	-	£832.88	-	£130	-
One off donation from individuals	-	-	£1500	-	£55
Tickets (donations on pre-booked tickets)	-	-	£371	£226	£179
Amazon Smile	-	-	-	-	£81
TOTAL	£22,792.58	£25,766.82	£7,628.00	£14,152	£22,618

Trading Operations

Culture Perth and Kinross has one trading subsidiary which is a company limited by shares.

Venue Hire

Our venue hires, which include lecture theatres and meeting rooms at the AK Bell Library and Perth Museum and Art Gallery as well as meeting room space at the Soutar House.

This remains an area of growth for the business and 2022/23 saw an increase in income as businesses began to return to normal practice following the pandemic

Income from Venue Hire in 2022/23 was £47,633

Retail

There is some other occasional activity which generates income for the trading company including commercial event activity (photocopying charges, ticketed, non-charitable) and income from these sources in 2022/23 was **£64,385**

Development

In the six years since its launch, Culture Perth and Kinross has worked to establish a strategic governance framework which ensures best value and a culture of continuous improvement. This framework includes strategic and operational plans, staff development and training, Board scrutiny and oversight and ongoing processes of evaluation, monitoring and reporting.

Following the exceptional circumstances of 2020/2021, this framework was reviewed in 2021/22 to ensure the governance foundation for the organisation which it provides remained fit for purpose and focused in these most difficult of times and provided strong, clear direction during the process of recovery and building back our services and

Trustees' Report

relationships with audiences in light of lengthy periods of service disruption resulting from lockdowns and operating restrictions.

Following review, 5 refreshed Strategic Objectives and a set of high-level actions were identified, which will be cascaded across the organisation through team and project plans with progress and success being monitored through the use of Key Performance Indicators.

The focus for much of the organisation this coming year will be the launch of the new Perth Museum and establishing the former Perth Museum and Art Gallery as Perth Art Gallery. This major development will require staff time and capacity to be released from ongoing priorities and activity and as such a more scaled back, and focused set of actions have been identified under each of our Strategic Objectives.

1. To increase access to, and develop new audiences for, our services and collections.

How we will do this:

- a. We will focus on the delivery of the new Perth Museum and on establishing the former Perth Museum and Art Gallery as Perth Art Gallery and ensure delivery of our Benefits Realisation Plan.
- b. We will launch a new organisational website and brand and web content for the new Perth Museum.
- c. We will continue to review our Library services to reflect the changing patterns of use we see in our communities. This will include the development of a new Open Library model and seeking opportunities for collaborative and community led service delivery activity.

2. To democratise access to digital experiences and technologies for our communities to support their creative, personal and professional development

How we will do this:

- a. Continue to implement our Digital Strategy and Action Plan.
- b. Continue to seek collaborative working opportunities which bring efficiencies to and improve the effectiveness of our visitor experiences.

3. To use cultural experiences and services to help address inequalities and to promote personal growth and development.

How we will do this:

- a. Launch a new Accessibility Strategy and use this to inform service delivery across the organisation.
- b. Deliver the Culture and Heritage Pathways programme offering young people traineeships, apprenticeships, and work placements to support employability in the culture and heritage sector.
- c. Continue to work with partners to support individuals challenged by the cost of living or who are in vulnerable circumstances.
- d. We will target our Perth Museum schools programme to schools situated in areas of multiple deprivation or which have significant levels of additional support needs within their communities.

4. To ensure development, conservation and further the understanding of the collections in our care.

How we will do this:

- a. Complete the review of our Collections Management Framework to ensure this reflects the impacts on the Collections of the new Perth Museum and Perth Art Gallery developments and that best practice is being implemented wherever possible.
- b. Complete the review of the Library Book Acquisitions Policy to ensure it reflects the communities we serve, their needs and interests.
- c. Continue to embed the principles of co-production and community collaboration in our public programming work.

5. To deliver a high performing organisation which benefits from strong strategic and operational leadership.

How we will do this:

- a. Focus our Fundraising activity on the new Perth Museum.
- b. Continue to diversify and increase income through charges, fees and commercial business activity to the benefit of core budgets.
- c. Continue to invest in leadership development programmes for existing and emerging leaders within the organisation.
- d. Launch our Climate Crisis Action Plan to progress key actions to reduce our impacts on the environment and where required, off-set our carbon footprint.

Culture Perth and Kinross Limited (a company limited by guarantee)

Trustees' Report

Financial Review

The Group's financial results for the year 1st April 2022 to 31st March 2023 are shown on pages 22 to 53.

Total Incoming group resources for the year were £4.06 million including restricted fund income of £493k.

Costs Incurred of £4.22 million has resulted in a deficit of £154k, prior to accounting for the gain on the defined benefit pension scheme, and transfers between funds. Group net assets as of 31 March 2023 were £5.28 million (2022 – £88k) Unrestricted funds at the year-end were £4.53 million, of which £227k were designated.

The restricted funds, of £758k relates to funds which are not available for general purposes of the charity as they have been restricted by the donor to specific purposes. (See note 24 of the financial statements)

Culture Perth and Kinross Trading Ltd

The results of the charity's wholly owned subsidiary company are consolidated with those of the charity in the group financial statements. Further details are provided at note 1. The principal activity of the trading company is the provision of catering, retail services and venue hire.

Culture Perth and Kinross Trading Ltd's operating profit for the year 1st April 2022 to 31st March 2023 was £24,206 and there will be no donation to the to the parent company.

Sources of Finance

Core funding is provided through a service level agreement with Perth and Kinross Council. This provides 79.04% of operating Income for the group with other funds coming from trading activity, ticket sale income and donations. Grant funding of £493k was also received in the year but the majority of this is restricted. Detail of all Group donations (including grants and legacies) is provided on note 3 of the financial statements.

Financial Review

The entrance for the Museum and use of the library is free to the public with small charges for additional services or late books. As well as the primary purpose charitable trading the charity has made some progress in attracting financial support for events and exhibitions through donations, ticket sales and sponsorship.

Group Net Current Assets are £1.69M, of which £1.96M is held in cash at bank and in hand as of 31st March 2023. £1.93M of this is in a temporary deposit account in the name of Culture Perth and Kinross Limited and is administered by Perth and Kinross Council as part of banking and treasury services agreement. Recognition of the group's share of the Tayside Pension Fund surplus has meant £3.54M has been recognised as an asset on the Balance Sheet, resulting in net assets of £5.28M.

Culture Perth and Kinross commenced operations on 1st April 2016, assets and the temporary book collections were transferred to the charity from Perth and Kinross Council. The internationally renowned Permanent Museum collection remains in the ownership of Perth and Kinross Council whilst Culture Perth and Kinross provide the curation, visitor experience and care of the collections. Charitable activity can be seen on note 4 of the financial statements.

Reserves Policy

Maintaining a level of reserves helps to meet unexpected events, and to provide funds for planning and development of cultural services. In 2023/24 we will continue to fundraise for unrestricted reserves and supportive trading opportunities. The Trustees believe that an appropriate level of unrestricted funds would be £500k. General Reserves on 31st March 2023 are in surplus of £4.53M; however, this is after recognition of the company's share of the Tayside Pension Fund surplus of £3.54M. The charity will endeavour to monitor its reserves over the next five years.

Going concern

Core funding from Perth and Kinross Council for 2023/24 has been agreed for the period to 31st March 2024. The Pension Liability is underwritten and guaranteed by Perth and Kinross Council as part of the "TUPE" of staff to Culture Perth and Kinross Limited, which allows the Board to assess going concern at operational surplus. The Charity will respond to anticipated further reductions in core budgets with plans to expand trading opportunities and explore new avenues open to this charity such as increased donations and fundraising. Directors along with the chief executive review the business strategy and are satisfied that they can prepare accounts on a going concern basis. The service level agreement with Perth and Kinross Council has been agreed for 2023/24.

Culture Perth and Kinross Limited (a company limited by guarantee)

Trustees' Report

Risk Management

The major strategic, business and operational risks associated with the charity are identified. An Organisational Risk Register has been developed with risk review and mitigation systems which are reviewed by the management team. The Risk Register is discussed at the Finance and Resources Committee and then presented to the Board to allow Trustees to review these risks and satisfy themselves that adequate systems and procedures are in place to manage the risks identified. Where appropriate, risks are covered by insurance.

All significant activities undertaken are subject to a risk review as part of the initial activity assessment and implementation, for example as part of exhibition and project planning. Major risks are identified and ranked in terms of their potential impact and likelihood. The work has identified risks associated with financial sustainability and developed mitigation steps. Internal control risks are minimised by procedures for all transactions and projects. Attention also has been focussed on risks arising from fire, health and safety of staff and customers and security. Procedures are in place to ensure compliance with health and safety of staff, volunteers and customers.

Structure, Governance and Management

Culture Perth and Kinross Limited is a company limited by guarantee governed by its **Articles of Association** adopted on 6 November 2015. The company is registered with the Office of the Scottish Charity Regulator (OSCR). Culture Perth and Kinross is a sole member company with the sole member being Perth and Kinross Council. As such, a representative is in attendance at Board meetings, but does not have the right to vote at these meetings.

As set out in the Articles of Association the Chair and Vice-Chair are appointed by the Board, which can be up to twelve trustees, from within its membership. Perth and Kinross Council nominates three trustees from its standing elected Councillors. There can be up to nine independent trustees who are nominated by a **Nominations Committee** comprising the whole Board and led by their nominated representatives. The roles of Chair and Vice-Chair can only be held by independent trustees. The trustees have the power to co-opt trustees where there is an identified need for additional specialist knowledge to support decision making.

When considering nominations to the Board use is made of a **Board Skills Matrix** which identifies the critical skills, knowledge and experience required to ensure the success of the charity. This Matrix will be reviewed in 2023 to ensure it remains fit for purpose in advance of the opening of the new Museum.

There is a **Directors Code of Conduct** in place which is reviewed and signed up to by trustees on initial appointment and annually thereafter. This too will be reviewed in 2023.

On appointment trustees are provided with background information on the charity, including copies of annual and performance reports and information on their role and responsibilities as a charity trustee. New trustees meet individually with the Chair of the Board and the Chief Executive as part of an induction programme and are given tours of key venues as an introduction to the staff, operations and key activities of the Charity. Following the first year of operation the induction process for new trustees is being reviewed with a view to developing a revised programme to support future appointments.

The board of trustees administers the charity and the Articles of Association outline what can and cannot be delegated. A **Scheme of Delegation** has been agreed which sets out the detail of tasks and principles which will be delegated by the Board and to whom. The Scheme of Delegation identifies key committees covering finance, resources, strategy and development and the terms of reference for each of these groups. The Chief Executive is appointed to manage the day-to-day operations of the charity and has delegated authority, set out within the Scheme of Delegation for operational matters including finance, employment and programming. The Scheme was most recently reviewed and recommended changes made in 2022.

None of the trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee and a senior manager must be disclosed to the full Board. All meetings are headed with an opportunity for trustees and others present to make a declaration of any interests and a register of any such interests is maintained. A conflict-of-interest policy and register of interests and hospitality are in place.

The Council commissions Culture Perth and Kinross to deliver services on their behalf and there is an annual Services Agreement in place. This agreement is monitored through quarterly contract monitoring meetings and by the Perth and Kinross Council Scrutiny Committee. This Committee oversees all large-scale contractual arrangements undertaken by the Council to ensure Best Value and that the needs and interests of local communities are being met.

Culture Perth and Kinross Trading Limited, which is the trading subsidiary has a Board which comprises three Directors drawn from the Board of Culture Perth and Kinross and including the chair of the Finance and Resources Committee. The business of the trading company is dealt with in the body of the Board meetings and subcommittee structures of the Charity.

Culture Perth and Kinross Limited (a company limited by guarantee)

Trustees' Report

Statement of Trustee' Responsibilities

The Trustees, who are also the directors of Culture Perth and Kinross Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006, with 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each of the persons who are trustees at the time when the Trustees' Report is approved:

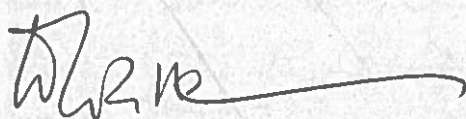
- so far as the trustees are aware, there is no relevant information of which the charity's auditor is unaware; and
- each trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor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

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The report was approved by the Board on **30 June 2023** and signed on its behalf by:



W J H Elles (Vice-Chair)

Culture Perth and Kinross Limited (a company limited by guarantee)

Trustees' Report

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC518247 (Scotland)

Registered Charity number

SC046353

Registered office

AK Bell Library
2-8 York Place
Perth
PH2 8EP

Trustees (and Directors)

W J H Elles
A J Parrott
J D C Findlay
C Kinnoull
Councillor C J Ahern
S Dawe
Councillor S Donaldson

(appointed 21 June 2022)

A Khan
R King
K M Thomson
A Muirhead

(appointed 28 January 2022)

Auditors

Azets Audit Services
Statutory Auditors
5 Whitefriars Crescent
Perth
Perthshire
PH2 0PA

Solicitors

Lindsays Solicitors
Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

Management Accounting

Azets
25 Bothwell Street
Glasgow
G2 6NL

Bankers

Royal Bank of Scotland
Perth Chief Office
12 Dunkeld Road
Perth
PH1 5RB

Senior Officers

Helen Smout
Rhona Corbett
Kenny McWilliam
Ashleigh Hibbins
Ashleigh Fraser
Hailey Revill

Chief Executive Officer
Head of Heritage and Culture
Head of Operations and Support Services
Head of Audiences and Learning
Head of Finance and Resources (appointed 23rd May 2022)
Head of Finance and Resources (resigned 14th April 2022)

Report of the Independent Auditors to the Trustees and Members of Culture Perth and Kinross Limited (a company limited by guarantee)

Opinion

We have audited the financial statements of Culture Perth and Kinross Limited (the 'parent charitable company') for the year ended 31 March 2023 which comprise the Group and Parent Statement of Financial Activities, the Group and Parent Statement of Financial Position, the Group and Parent Statement of Cash Flows, and related 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 regulation 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report of the Independent Auditors to the Trustees and Members of Culture Perth and Kinross Limited (a company limited by guarantee)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the Directors of the Group for the purpose of company 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 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 Group 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 report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

**Report of the Independent Auditors to the Trustees and Members of
Culture Perth and Kinross Limited (a company limited by guarantee)**

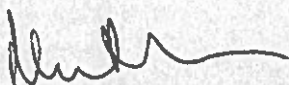
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

From the testing that we conducted as detailed above, we did not identify any irregularities.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Morrison (Senior Statutory Auditor)

for and on behalf of Azets Audit Services

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

5 Whitefriars Crescent

Perth

PH2 0PA

Date: 30th June 2023

Culture Perth and Kinross Limited (a company limited by guarantee)

**Consolidated Statement of Financial Activities (including consolidated income and expenditure account)
for the Year Ended 31 March 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	3	-	493,144	493,144	-	981,120	981,120
JRS grant income		-	-	-	-	81,162	81,162
Charitable activities	4	3,363,756	-	3,363,756	3,224,515	-	3,224,515
Other trading activities	5	110,696	-	110,696	72,684	-	72,684
Investments	6	32,143	-	32,143	4,842	-	4,842
Other income		61,825	-	61,825	14,355	-	14,355
Total income		3,568,420	493,144	4,061,564	3,316,396	1,062,282	4,378,678
Expenditure on:							
Raising funds	7	91,348	-	91,348	77,240	-	77,240
Charitable activities	8	3,442,347	682,160	4,124,507	3,160,295	590,981	3,751,276
Total		3,533,695	682,160	4,215,855	3,237,535	590,981	3,828,516
Net income		34,725	(189,016)	(154,291)	78,861	471,301	550,162
Other financial costs	10	(42,000)	-	(42,000)	48,000	-	48,000
Gain/(loss) on defined benefit pension scheme		5,393,000	-	5,393,000	772,000	-	772,000
Transfers between funds	12	-	-	-	-	-	-
Net movement in funds	13	5,385,725	(189,016)	5,196,709	898,861	471,301	1,370,162
Fund balances at 1 April 2022		(859,716)	947,452	87,736	(1,758,577)	476,151	(1,282,426)
Fund balances at 31 March 2023		4,526,009	758,436	5,284,445	(859,716)	947,452	87,736

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes form part of these financial statements

Culture Perth and Kinross Limited (a company limited by guarantee)

**Company Statement of Financial Activities (including income and expenditure account)
for the Year Ended 31 March 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	3	-	493,144	493,144	-	981,120	981,120
JRS grant income		-	-	-	-	81,162	81,162
Charitable activities	4	3,363,756	-	3,363,756	3,228,648	-	3,228,648
Investments	6	31,696	-	31,696	4,823	-	4,823
Other income		60,503	-	60,503	13,988	-	13,988
Total income		3,455,955	493,144	3,949,099	3,247,459	1,062,282	4,309,741
Expenditure on:							
Charitable activities	8	3,442,347	682,160	4,124,507	3,160,382	590,981	3,751,363
Total		3,442,347	682,160	4,124,507	3,160,382	590,981	3,751,363
Net income		13,608	(189,016)	(175,408)	87,077	471,301	558,378
Other financial costs	10	(42,000)	-	(42,000)	48,000	-	48,000
Gain/(loss) on defined benefit pension scheme		5,393,000	-	5,393,000	772,000	-	772,000
Transfers between funds	12	-	-	-	-	-	-
Net movement in funds	13	5,364,608	(189,016)	5,175,592	907,077	471,301	1,378,378
Fund balances at 1 April 2022		(861,809)	947,452	85,643	(1,768,886)	476,151	(1,292,735)
Fund balances at 31 March 2023		4,502,799	758,436	5,261,235	(861,809)	947,452	85,643

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Culture Perth and Kinross Limited (a company limited by guarantee)

**Consolidated Statement of Financial Position
At 31 March 2023**

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	16		50,159		74,001
Current assets					
Stock		26,146		17,027	
Debtors	18	264,320		701,225	
Cash at bank and in hand		1,955,212		1,977,194	
		2,245,678		2,695,446	
Creditors: amounts falling due within one year	20	(552,392)		(871,711)	
Net current assets			1,693,286		1,823,735
Total assets less current liabilities			1,743,445		1,897,736
Pension asset/(liability)	21		3,541,000		(1,810,000)
Net assets			5,284,445		87,736
Income funds					
Restricted funds	22		758,436		947,452
Unrestricted funds	22		493,187		452,532
Designated funds	22		226,822		232,752
Pension reserve	22		3,806,000		(1,545,000)
			5,284,445		87,736

The financial statements were authorised for approval by the Trustees on 30th June 2023

.....
W J H Elles

Culture Perth and Kinross Limited (a company limited by guarantee)

**Company Statement of Financial Position
At 31 March 2023**

	Notes	2023 £	2022 £
Fixed assets			
Investments	17	1	1
Tangible assets	16	50,158	73,189
		50,159	73,190
Current assets			
Debtors	18	293,927	737,480
Cash at bank and in hand		1,913,443	1,945,100
		2,207,370	2,682,580
Creditors: amounts falling due within one year	20	(537,294)	(860,127)
Net current assets		1,670,076	1,822,453
Total assets less current liabilities		1,720,235	1,895,643
Pension asset/(liability)	21	3,541,000	(1,810,000)
Net assets		5,261,235	85,643
Income funds			
Restricted funds	22	758,436	947,452
Unrestricted funds	22	469,977	450,439
Designated funds	22	226,822	232,752
Pension reserve	22	3,806,000	(1,545,000)
		5,261,235	85,643

The financial statements were authorised for approval by the Trustees on 30th June 2023


W J H Elles

Culture Perth and Kinross Limited (a company limited by guarantee)

**Consolidated Statement of Cash Flows
for the Year Ended 31 March 2023**

	Notes	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash flows from operating activities:					
Net cash provided by operating activities	25	(41,497)	234,913	(50,725)	214,563
Cash flows from investing activities:					
Purchase of tangible fixed assets		(12,628)	(72,207)	(12,628)	(72,207)
Interest received		32,143	4,842	31,696	4,842
Change in cash and cash equivalents in the reporting period		(21,982)	167,548	(31,657)	147,179
Cash and cash equivalents at the beginning of the reporting period		1,977,194	1,809,646	1,945,100	1,797,921
Cash and cash equivalents at the end of the reporting period		1,955,212	1,977,194	1,913,443	1,945,100

The notes form part of these financial statements

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, as issued by the Financial Reporting Council, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and 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). They are prepared on the historical cost basis.

Culture Perth and Kinross Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Trustees to exercise their judgements in the process of applying the 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 financial statements consolidate the results of the Charity and its wholly owned subsidiary, Culture Perth and Kinross Trading Limited (company number SC526979, registered in Scotland), on a line-by-line basis. The Charity, together with Culture Perth and Kinross Trading Limited, comprises the Group.

As described in Note 28, Culture Perth and Kinross Limited is deemed to be a subsidiary undertaking of its ultimate parent, Perth & Kinross Council. Accordingly, the financial statements of Perth & Kinross Council will incorporate the results of Culture Perth and Kinross Limited and its trading subsidiary.

Going concern

These financial statements have been prepared on a going concern basis following assessment by the Trustees of the Group's financial position at the date of approval which included consideration of forward revenue and cash flow projections for the next 12 months.

Culture Perth and Kinross Limited is dependent on the continuance of financial support from its principal funders, Perth & Kinross Council, and on the adequacy of its income generating endeavours in relation to charitable trading activities (which are primarily cultural and educational) and other fundraising.

The Board has reviewed operating revenue and cash flow forecasts prepared by management on the basis of approved income and expenditure budgets, with due allowance made for timing factors associated with grants and other trading receipts.

Management's forecasts indicate the adequacy of working capital to allow the Group to continue to pay its debts as they fall due for at least a year from the date of this report. Accordingly, and in view of the confirmed funding agreements in place for 2023/24 with Perth & Kinross Council, the board is satisfied that the Group can continue to trade as a going concern for the foreseeable future.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Charity's ability to continue as a going concern.

1. ACCOUNTING POLICIES - continued

Recognition and allocation of income

Income is recognised when the Group has legal entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. Where practicable, income is related to the operating activities of the Group. Where there are terms placed on income that limit the Group's discretion over how the income can be used, that income is shown as restricted income in the accounts.

Income from grants, donations and legacies

Where there are performance conditions attached to any grants and donations, income is recognised when the conditions have been met or when meeting the conditions are within the Group's control, and there is sufficient evidence that they have been met or will be met. Where a grant condition allows for the recovery of any unexpended grant, a liability is recognised when repayment becomes probable. Where donor imposed conditions require that the resource is expended in a future accounting period, income is recorded as deferred income at the Statement of Financial Position date.

Entitlement to legacy income exists when the Group has sufficient evidence that a gift has been left, the executor is satisfied that the gift will not be required to satisfy claims on the estate and any conditions are within the control of the Group or have been met. Where legacies have been notified to the Group and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Legacy income is measured at fair value, generally the cash amount receivable, and discounted if deferred for more than 12 months. The unwinding of the discount is recognised as interest receivable.

Where incoming resources are given specifically to provide a fixed asset, or a fixed asset is donated, all of the incoming resource is recognised in the Statement of Financial Activities when receivable. Once the asset is acquired, the relevant fund is reduced over the useful economic life of the asset in line with its depreciation.

Income from charitable activities

Incoming resources from charitable activities Perth & Kinross Council service fees; income derived from the operation of the museum and galleries services; library and other information services and arts and development programmes.

Income from investments

Income from investments is credited to income in the period in which it is receivable.

Recognition and allocation of expenditure

Expenditure is recognised when the Group has entered into a legal or constructive obligation and related where practicable to the operating activities of the Group. Where possible, expenditure is attributed directly to the function to which it relates. Where this is not possible, it is allocated on a percentage basis consistent with the function's use of resources. The allocation of support costs is shown in Note 9.

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of any Value Added Tax which cannot be recovered.

Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds, together with associated support costs.

Charitable activities include expenditure associated with the operation of the museums, galleries and library services, and cultural programmes undertaken to further the purposes of the Charity and include both the direct costs and support costs relating to these activities.

Support costs are the costs of central functions that assist the work of the Charity but do not directly undertake charitable activities. Governance costs relate to the costs associated with the governance of the Charity and its assets and are primarily associated with the constitutional and statutory requirements and include an estimate of the cost of senior management time and other resources on long-term strategy and financial planning activities.

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds are income sources which are receivable for the objects of the Charity without further specified purposes and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Transfers from unrestricted funds are made to meet any shortfalls in restricted projects.

Tangible fixed assets

Fixed assets with a useful life of more than one year are capitalised and held at cost less accumulated depreciation.

Depreciation is provided to write off the cost of an asset, less its estimated residual value, over the anticipated useful economic life of the asset as follows:

Plant and machinery: over 4 years on a straight-line basis

A full year's depreciation is provided in the year of acquisition and no depreciation is charged in the year of disposal.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

The Group's capitalisation policy is £1,000 net.

Investments

The Charity's investment in its wholly owned subsidiary is included in the Charity's Statement of Financial Position at cost less impairment.

Debtors

Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost comprises actual purchase prices of goods for resale and consumables.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, and balances with banks which are readily convertible, being those with maturities of three months or fewer from inception. Cash and cash equivalents are measured at fair value.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less. If not, they are presented as creditors falling due after one year. Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

1. ACCOUNTING POLICIES - continued

Pensions

The Charity is a member of the Tayside Superannuation Fund ('the Fund'), a defined benefit pension scheme. A defined benefit pension plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to: age, length of service, and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the Statement of Financial Position date less the fair value of plan assets at the Statement of Financial Position date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually, the Company engages with independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts, together with the return on plan assets, less amounts included in net interest, are disclosed as 'Actuarial loss on defined benefit schemes'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from an employee service during the period, and;
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The cost is recognised in profit or loss as 'Other finance costs'.

Taxation

Culture Perth and Kinross Limited is a partially exempt organisation under Schedule 9 of the VAT Act 1994. During the year, VAT returns have been submitted on a partially exempt basis.

Irrecoverable VAT is charged against the cost of activities where it is incurred.

Culture Perth and Kinross Limited is a registered Charity, and therefore is not liable to income tax and corporation tax on income and gains derived from its charitable activities, as it falls within the various exemptions available for registered charities.

The subsidiary company has an obligation to covenant any available taxable profits up to Culture Perth and Kinross Limited under Gift Aid.

1. ACCOUNTING POLICIES - continued

Financial instruments

Financial instruments are recognised in the statement of financial position when the Charity 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 payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments are classified as either 'basic' or 'other', in accordance with Chapter 11 of FRS 102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest 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 and 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 the asset expire, or when the Charity has transferred substantially all the risk and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation, or expiry.

Creditors and provisions are recognised where the Group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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 these 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, and the timing of the recognition of income in accordance with the Charities SORP (FRS 102).

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Group and company						
Cultural Redevelopment Project	-	287,736	287,736	-	180,759	180,759
Crookart Foundation	-	-	-	-	110,000	110,000
Heritage Culture Pathways	-	9,817	9,817	-	45,234	45,234
Digital Maker Spaces	-	-	-	-	17,055	17,055
Museums & Galleries Scotland - Perth City Hall	-	23,677	23,677	-	10,595	10,595
Museums & Galleries Scotland - MyMuseum	-	-	-	-	36,322	36,322
SLIC/PLIF Cultural & Heritage Connections	-	4,450	4,450	-	10,360	10,360
Small Grants & Donations	-	4,760	4,760	-	-	-
MGS Alyth Museum	-	8,764	8,764	-	41,000	41,000
Soutar Festival and Competition	-	4,252	4,252	-	2,095	2,095
Living Communities Participation Fund	-	-	-	-	25,000	25,000
SLIC Public Library Covid Relief fund	-	15,704	15,704	-	36,639	36,639
Archives Appeal	-	-	-	-	118	118
Archives Revealed	-	7,134	7,134	-	21,948	21,948
Forthergill Trust	-	-	-	-	1,578	1,578
General Restricted Funds - Museums and Galleries	-	265	265	-	2,030	2,030
GRF – Libraries and Information Services	-	-	-	-	351,875	351,875
CPK Acquisitions	-	-	-	-	9,218	9,218
City Hall Fundraising Conservation	-	-	-	-	17,000	17,000
Bookmark Donation	-	-	-	-	250	250
Book Week Scotland	-	750	750	-	750	750
NGS Engagement Activities	-	-	-	-	1,360	1,360
Seed Library	-	167	167	-	3,195	3,195
Museums & Galleries Scotland - Organisational development	-	(5,513)	(5,513)	-	27,096	27,096
Creative Scotland Funding	-	7,500	7,500	-	22,500	22,500
Europe Challenge	-	7,695	7,695	-	-	-
National Museum Scotland - Purchase Grant	-	5,850	5,850	-	-	-
Gannochy - Pathways Programmes	-	52,910	52,910	-	-	-
Gannochy - Conservation of Flag	-	7,975	7,975	-	-	-
Cost of Living Community Fund	-	16,911	16,911	-	-	-
Digital Inclusion Fund for the Open Printing Solution Project	-	19,283	19,283	-	-	-
Eric King Chiu Lo Legacy	-	6,841	6,841	-	-	-
Roger Bilcliffe - Fergusson workshops	-	1,000	1,000	-	-	-
National Museum Scotland - NFA funding	-	300	300	-	-	-
National Museum Scotland - MacGregor clans by P Cameron	-	1,150	1,150	-	-	-
Auchterarder Library Donation	-	2,358	2,358	-	-	-
FIHP Fund	-	1,408	1,408	-	-	-
Pop Out Perth	-	-	-	-	7,143	7,143
	-	493,144	493,144	-	981,120	981,120

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Group						
Perth & Kinross Council service fees	3,219,116	-	3,219,116	3,178,116	-	3,178,116
Donations and gifts	96,070	-	96,070	14,065	-	14,065
Museums and galleries	22,611	-	22,611	7,483	-	7,483
Libraries and information	25,959	-	25,959	24,851	-	24,851
	3,363,756	-	3,363,756	3,224,515	-	3,224,515
	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Company						
Perth & Kinross Council service fees	3,219,116	-	3,219,116	3,178,116	-	3,178,116
Donations and gifts	96,070	-	96,070	15,782	-	15,782
Museums and galleries	22,611	-	22,611	7,483	-	7,483
Libraries and information	25,959	-	25,959	27,267	-	27,267
	3,363,756	-	3,363,756	3,228,648	-	3,228,648

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Group						
Cafeteria and trading activities	110,696	-	110,696	72,684	-	72,684
	110,696	-	110,696	72,684	-	72,684

6. INCOME FROM INVESTMENT

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Group						
Bank interest	32,143	-	32,143	4,842	-	4,842
	32,143	-	32,143	4,842	-	4,842
Company						
Bank interest	31,696	-	31,696	4,823	-	4,823
	31,696	-	31,696	4,823	-	4,823

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

7. EXPENDITURE ON FUND RAISING ACTIVITIES

	Direct costs	Support costs	Governance costs	Total 2023	Direct costs	Support costs	Governance costs	Total 2022
	£	£	£	£	£	£	£	£
Group								
Cafeteria and trading activities	91,348	-	-	91,348	77,240	-	-	77,240
	91,348	-	-	91,348	77,240	-	-	77,240

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	Governance costs	Total 2023	Direct costs	Support costs	Governance costs	Total 2022
	£	£	£	£	£	£	£	£
Group								
Museums and Galleries (including Arts development)	1,244,356	602,548	12,624	1,859,528	996,717	546,076	10,383	1,553,176
Libraries and information	1,688,098	564,257	12,624	2,264,979	1,687,495	500,312	10,293	2,198,100
	2,932,454	1,166,805	25,248	4,124,507	2,684,212	1,046,388	20,676	3,751,276

Company								
Museums and Galleries (including Arts development)	1,244,356	602,548	12,624	1,859,528	996,717	546,076	10,427	1,553,220
Libraries and information	1,688,098	564,257	12,624	2,264,979	1,687,495	500,312	10,336	2,198,143
	2,932,454	1,166,805	25,248	4,124,507	2,684,212	1,046,388	20,763	3,751,363

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

9. SUPPORT COSTS ALLOCATED TO ACTIVITIES

	Museums and Galleries (including Arts development) £	Libraries and information £	Total 2023 £	Museums and Galleries (including Arts development) £	Libraries and information £	Total 2022 £
Group and company						
Promotion, publicity and sales	54,245	15,954	70,199	57,411	11,647	69,058
Supplies and services	110,278	110,278	220,556	110,656	110,656	221,312
Support services	438,025	438,025	876,050	378,009	378,009	756,018
	<u>602,548</u>	<u>564,257</u>	<u>1,166,805</u>	<u>546,076</u>	<u>500,312</u>	<u>1,046,388</u>

The costs of advertising are included in promotion, publicity and sales.

Supplies and services incorporate other overhead costs relating to property, transport, materials/supplies, and various other office related costs.

Support services incorporate employment costs related to central finance and administration.

10. OTHER FINANCIAL ASSETS

	2023 £	2022 £
Interest on pension scheme liabilities	(447,000)	(288,000)
Return on pension scheme assets	405,000	336,000
	<u>(42,000)</u>	<u>48,000</u>

11. GOVERNANCE COSTS ALLOCATED TO ACTIVITIES

	Museums and Galleries (including Arts development) £	Libraries and information £	Total 2023 £	Museums and Galleries (including Arts development) £	Libraries and information £	Total 2022 £
Group and company						
Accountancy and audit fees	12,063	12,063	24,126	9,591	9,501	19,092
Other	561	561	1,122	792	792	1,584
	<u>12,624</u>	<u>12,624</u>	<u>25,248</u>	<u>10,383</u>	<u>10,293</u>	<u>20,676</u>

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

12. TRANSFER BETWEEN FUNDS

There were no transfers between funds in the year to 31 March 2023.

13. NET MOVEMENT OF FUNDS

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
This is stated after charging:				
Auditor's remuneration	15,000	12,000	10,000	8,000
	<u>15,000</u>	<u>12,000</u>	<u>10,000</u>	<u>8,000</u>

14. BOARD MEMBERS

Trustees were not paid, nor did they receive any other benefits from employment with the Charity or its subsidiary, nor did they receive payment for professional or other services supplied to the Charity. One Trustee was reimbursed for travel expenses, amounting to £77 (2022: £Nil), incurred in connection with their duties as a trustee during the year.

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

15. EMPLOYEES

Number of employees

The average number of employees, per head count, during the year was:

	Group 2023 number	Group 2022 number	Company 2023 number	Company 2022 number
Museums and Galleries (including Arts development)	15	15	15	15
Libraries and Information	113	98	113	98
Catering and Trading activities	-	-	-	-
	128	113	128	113

The average number of employees, on a full time basis, during the year was:

Museums and Galleries (including Arts development)	12	12	12	12
Libraries and Information	46	31	46	31
	58	43	58	43

Employment costs

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	2,432,331	2,273,539	2,432,331	2,273,539
Social security costs	208,168	176,673	208,168	176,673
Pension costs	399,866	360,049	399,866	360,049
	3,040,365	2,810,261	3,040,365	2,810,261

The key management personnel of the Group comprise the Chief Executive and the senior management team detailed on page 18. The employee benefits for key management, included within employment costs above, totalled £281,079 (2022 - £83,090).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	Group 2023 number	Group 2022 number	Company 2023 number	Company 2022 number
£60,000 - £70,000	3	1	3	1
£80,000 - £90,000	1	-	1	-

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

16. TANGIBLE FIXED ASSETS

	Plant and machinery £	Total £
Group		
Cost		
At 1 April 2022	143,799	143,799
Additions	12,628	12,628
At 31 March 2023	<u>156,427</u>	<u>156,427</u>
Depreciation		
At 1 April 2022	69,798	69,798
Charge for year	36,470	36,470
At 31 March 2023	<u>106,268</u>	<u>106,268</u>
Net book value		
At 31 March 2023	<u>50,159</u>	<u>50,159</u>
At 31 March 2022	<u>74,001</u>	<u>74,001</u>
	Plant and machinery £	Total £
Company		
Cost		
At 1 April 2022	137,950	137,950
Additions	12,628	12,628
At 31 March 2023	<u>150,578</u>	<u>150,578</u>
Depreciation		
At 1 April 2022	64,761	64,761
Charge for year	35,659	35,659
At 31 March 2023	<u>100,420</u>	<u>100,420</u>
Net book value		
At 31 March 2023	<u>50,158</u>	<u>50,158</u>
At 31 March 2022	<u>73,189</u>	<u>73,189</u>

Culture Perth and Kinross Limited (a company limited by guarantee)**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023****17. FIXED ASSET INVESTMENTS**

Company	Unlisted investments £
At 31 March 2022 and 31 March 2023	<u>1</u>

Unlisted investments relate entirely to Culture Perth and Kinross Limited's beneficial interest in its trading subsidiary, Culture Perth and Kinross Trading Limited. It is represented by one £1 ordinary share held in Culture Perth and Kinross Trading Limited (company number SC526979).

Culture Perth and Kinross Trading Limited, incorporated in Scotland, is a wholly owned trading subsidiary of Culture Perth and Kinross Limited, established in order to operate catering services on behalf of the Group.

Net assets of Culture Perth and Kinross Trading Limited as at 31 March 2023 totalled £23,209 which comprised fixed assets of £Nil, current assets of £78,665, and liabilities of £55,456. Relevant financial information regarding Culture Perth and Kinross Trading Limited for the year ended 31 March 2023 is as follows:

	2023 £	2022 £
Turnover	110,698	72,771
Cost of sales	(37,529)	(31,392)
Gross profit	<u>73,169</u>	<u>41,379</u>
Administrative expenses	(50,731)	(51,955)
Other operating income	1,322	434
Interest receivable and similar income	447	18
Profit/(loss) on ordinary activities before taxation	<u>24,207</u>	<u>(10,124)</u>
Tax on profit on ordinary activities	(3,090)	1,906
Profit/(loss) for the financial period	<u>21,117</u>	<u>(8,218)</u>

18. DEBTORS

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	76,870	13,134	71,399	10,012
Sundry debtors	187,450	688,091	182,170	684,871
Due by Group company	-	-	40,358	42,597
	<u>264,320</u>	<u>701,225</u>	<u>293,927</u>	<u>737,480</u>

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

19. CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	1,955,212	1,977,194	1,913,443	1,945,100
	<u>1,955,212</u>	<u>1,977,194</u>	<u>1,913,443</u>	<u>1,945,100</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade creditors	284,822	723,835	281,404	718,945
Taxes and social security costs	215,801	108,772	211,155	107,691
Other creditors	51,769	39,104	44,735	33,491
	<u>552,392</u>	<u>871,711</u>	<u>537,294</u>	<u>860,127</u>

21. PENSION AND OTHER POST-RETIREMENT BENEFITS

Culture Perth and Kinross Limited is a member of the Tayside Superannuation Fund ('the Fund'), a defined benefit scheme with the assets held in separate trustee administered funds. This Local Government Pension Scheme ('LGPS') is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme (Scotland) Regulations 2014 and currently provides benefits based on career average revalued earnings. The administering authority for the Fund is Dundee City Council. The Pension Fund Committee oversees the management of the Fund whilst the day-to-day fund administration is undertaken by a team within the administering authority. Where appropriate, some functions are delegated to the Fund's professional advisers.

As the administering authority to the Fund, Dundee City Council (after consultation with the Fund Actuary and other relevant parties) is responsible for the preparation and maintenance of the Funding Strategy Statement and the Investment Strategy Statement.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2024 and will set contributions for the period from 1 April 2024 to 31 March 2027. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

On the Employer's withdrawal from the Fund, a cessation valuation will be carried out in accordance with Regulation 62 of the Local Government Pension Scheme (Scotland) Regulations 2014, which will determine the termination contributions due by the Employer, on a set of assumptions deemed appropriate by the Fund Actuary.

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

- Investment risk – the Fund holds investment in asset classes, such as equities, which have volatile market values and, while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk – the Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cash flow. As the Fund holds assets such as equities, the value of the assets and liabilities may not move in the same way;
- Inflation risk – all of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that assets are not linked to inflation, and;
- Longevity risk – in the event that the members live longer than assumed, a deficit will emerge in the Fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the Tayside Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations, so that the difference may fall on the remaining employers.

All of the risks above may also benefit the Employer e.g. higher than expected investment returns or employers leaving the fund with excess assets which eventually get inherited by the remaining employers.

Perth & Kinross Council provides underwriting and a guarantee to Culture Perth and Kinross Limited's admitted employees' membership of the LGPS, administered by Dundee City Council.

Culture Perth and Kinross Limited (a company limited by guarantee)**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

The estimated asset allocation for Culture Perth and Kinross Limited as at 31 March 2023 is as follows:

Asset breakdown	31 Mar 2023		31 Mar 2022	
	£000s	%	£000s	%
Equities	10,868	72%	10,853	71%
Gilts	364	2%	722	5%
Other bonds	1,902	13%	1,830	12%
Property	1,472	10%	1,671	11%
Cash	414	3%	235	2%
Alternatives	26	0%	15	0%
Total	15,046	100%	15,326	100%

We have estimated the bid values where necessary. Please note that the individual percentages shown are to the nearest percentage point for each asset class and may not sum to 100%. The final asset allocation of the Fund assets as at 31 March 2023 is likely to be different from that shown due to estimation techniques. Based on the above, the Employer's share of the assets of the Fund is approximately 0.31%.

The financial assumptions used to calculate the results are as follows:

Financial assumptions	31 Mar 2023	31 Mar 2022	31 Mar 2021
	p.a.	p.a.	p.a.
Discount rate	4.80%	2.60%	2.00%
Pension increases (CPI)	2.85%	3.20%	2.85%
Salary increases	3.85%	4.20%	3.85%

These assumptions are set with reference to market conditions as at 31 March 2023.

Our estimate of the Employer's past service liability duration is 19 years. This has been calculated based on the membership data provided for the most recent full valuation of Employer's liabilities at 31 March 2023. This may differ from the estimated duration at the previous accounting date.

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

Balance sheet	As at	As at	As at
Net pension asset in the statement of financial position	31 Mar 2023	31 Mar 2022	31 Mar 2021
	£000s	£000s	£000s
Present value of the defined benefit obligation	11,505	17,136	16,804
Fair value of Fund assets (bid value)	15,046	15,326	14,222
Deficit / (Surplus)	(3,541)	1,810	2,582
Present value of unfunded obligation	-	-	-
Unrecognised past service cost	-	-	-
Impact of asset ceiling	-	-	-
Net defined benefit liability / (asset)	(3,541)	1,810	2,582

The amounts recognised in the profit and loss statement	Year to	Year to
	31 Mar 2023	31 Mar 2022
	£000s	£000s
Service cost	965	1,032
Net interest on the defined liability / (asset)	42	48
Administration expenses	4	6
Total loss / (profit)	1,011	1,086

Remeasurement of the net assets / (defined liability) in other comprehensive income	Year to	Year to
	31 Mar 2023	31 Mar 2022
	£000s	£000s
Return on Fund assets in excess of interest	(1,163)	504
Other actuarial gains / (losses) on assets	-	-
Change in financial assumptions	8,102	1,020
Change in demographic assumptions	-	-
Experience gain / (loss) on defined benefit obligation	(973)	(23)
Changes in effect of asset ceiling	-	-
Remeasurement of the net assets / (defined liability)	5,966	1,501

Reconciliation of opening & closing balances of the present value of the defined benefit obligation	Year to	Year to
	31 Mar 2023	31 Mar 2022
	£000s	£000s
Opening defined benefit obligation	17,136	16,804
Current service cost	965	1,032
Interest cost	447	336
Change in financial assumptions	(8,102)	(1,020)
Change in demographic assumptions	-	-
Experience loss/(gain) on defined benefit obligation	973	23
Liabilities assumed / (extinguished) on settlements	-	-
Estimated benefits paid net of transfers in	(53)	(167)
Past service costs, including curtailments	-	-
Contributions by Scheme participants and other employers	139	128
Unfunded pension payments	-	-
Closing defined benefit obligation	11,505	17,136

The experience loss/(gain) on the defined benefit obligation includes £973,000 in respect of the allowance for actual pensions increases and CPI inflation over the accounting period.

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

Sensitivity analysis	£000s	£000s	£000s	£000s	£000s
Adjustment to discount rate	+0.5%	+0.1%	0.0%	-0.1%	-0.5%
Present value of total obligation	10,524	11,299	11,505	11,716	12,618
Projected service cost	407	454	467	480	536
Adjustment to long term salary increase	+0.5%	+0.1%	0.0%	-0.1%	-0.5%
Present value of total obligation	11,711	11,546	11,505	11,465	11,307
Projected service cost	468	467	467	467	465
Adjustment to pension increase and deferred revaluation	+0.5%	+0.1%	0.0%	-0.1%	-0.5%
Present value of total obligation	12,429	11,680	11,505	11,335	10,701
Projected service cost	538	480	467	454	405
Adjustment to life expectancy assumptions	+1 Year		None		- 1 Year
Present value of total obligation	11,846		11,505		11,174
Projected service cost	485		467		450

Projected pension expense	Year to 31 Mar 2024
	£000s
Service cost	467
Net interest on the defined liability / (asset)	(180)
Administration expenses	4
Total loss / (profit)	291
Employer contributions	396

These projections are based on the assumptions as at 31 March 2023, as described earlier in this report. The figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2023.

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

22. MOVEMENT IN FUNDS (GROUP AND COMPANY)

	Balance at 31 March 2021 £	Net movement in funds £	Transfers between funds £	Balance at 31 March 2022 £	Net movement in funds £	Transfers between funds £	Balance at 31 March 2023 £
Unrestricted funds							
General funds	313,269	137,170	-	450,439	16,211	3,327	469,977
Pension reserve	(2,365,000)	820,000	-	(1,545,000)	5,351,000	-	3,806,000
	(2,051,731)	957,170	-	(1,094,561)	5,367,211	-	4,275,977
Designated funds							
COVID-19 Fund	22,845	(2,532)	-	20,313	(2,603)	(13,888)	3,822
City Hall	-	-	-	-	-	63,000	63,000
Library Review	100,000	-	-	100,000	-	(40,000)	60,000
Organisational							
Redevelopment	100,000	-	-	100,000	-	-	100,000
Carry Forward Costs	60,000	(47,561)	-	12,439	-	(12,439)	-
	282,845	(50,093)	-	232,752	(2,603)	(3,327)	226,822
Restricted funds							
Crockart Foundation	172,171	50,352	-	222,523	(96,175)	-	126,348
City Hall Fundraising							
Conservation	-	17,000	-	17,000	(17,000)	-	-
Book Week Scotland	-	750	-	750	-	-	750
Seed Library	-	2,752	-	2,752	(1,235)	-	1,517
Creative Scotland Funding	-	2,891	-	2,891	(2,891)	-	-
Pop Out Perth	-	3	-	3	-	-	3
Archives Revealed	-	17,252	-	17,252	(17,252)	-	-
SLIC/PLIF Cultural &							
Heritage Connections	-	10,360	-	10,360	(6,223)	-	4,137
National Museum Scotland							
Acquisition Grants	405	-	-	405	-	-	405
Small Grants - Library	768	-	-	768	-	-	768
MGS Small Grant -							
Dehumidifier	-	-	-	-	3,528	-	3,528
Living Communities							
Participation Fund	52,536	7,212	-	59,748	(56,559)	-	3,189
Cultural Redevelopment							
Project	4,857	22,321	-	27,178	5,340	-	32,518
General Restricted Funds -							
Museums and Galleries	115,298	(4,037)	-	111,261	(7,048)	-	104,213
General Restricted Funds -							
Library Information Services	39,468	349,908	-	389,376	(8,374)	(350,000)	31,002
Archives Appeal	4,390	(1,812)	-	2,578	(1,812)	-	766
Mummy Grant	120	-	-	120	-	-	120
Soutar Festival and							
Competition	1,000	(981)	-	19	358	-	377
Legacy – Mrs A Robertson	600	-	-	600	-	-	600
Bookmark Donation	500	250	-	750	-	-	750
Enchanted Forest	784	-	-	784	-	-	784
Digital Maker_Spaces	-	8,347	-	8,347	(6,803)	-	1,544
Forteviot Grant	4,573	(634)	-	3,939	(3,939)	-	-
Heritage & Culture Pathways							
Programme	44,014	(19,227)	-	24,787	(19,773)	-	5,014
Scottish Forestry	1,940	-	-	1,940	-	-	1,940
SLIC Film Club	2,497	(762)	-	1,735	(762)	-	973

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

22. MOVEMENT IN FUNDS (GROUP AND COMPANY) cont

Total from overleaf	445,921	461,945	-	907,866	(236,620)	(350,000)	321,246
Idlewild Trust	3,000	(1,395)	-	1,605	(1,605)	-	-
Museums & Galleries Scotland - Perth City Hall	14,942	(14,942)	-	-	-	-	-
Museums & Galleries Scotland - COVID-19 grant	2,509	(1,290)	-	1,219	(1,219)	-	-
FIHP Fund	-	-	-	-	181	-	181
Auchterarder Library Donation	-	-	-	-	2,358	-	2,358
Digital Inclusion Fund for the Open Printing Solution Project	-	-	-	-	315	-	315
Europe Challenge	-	-	-	-	3,207	-	3,207
Gannochy - Pathways Programmes	-	-	-	-	46,380	-	46,380
Cost of Living Community Fund	-	-	-	-	4,984	-	4,984
Eric King Chiu Lo Legacy Roger Bilcliffe - Fergusson workshops	-	-	-	-	6,841	350,000	356,841
Museums & Galleries Scotland - Organisational development	9,656	(9,656)	-	-	-	-	-
SLIC Public Library Covid Relief fund	-	36,639	-	36,639	(14,838)	-	21,801
Carnegie Kindness Project	123	-	-	123	-	-	123
	476,151	471,301	-	947,452	(189,016)	-	758,436
TOTAL FUNDS (Company)	(1,292,735)	1,378,378	-	85,643	5,175,592	-	5,261,235
Unrestricted funds subsidiary	10,309	(8,216)	-	2,093	21,117	-	23,210
TOTAL FUNDS (Group)	(1,282,426)	1,370,162	-	87,736	5,196,709	-	5,284,445

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

22. MOVEMENT IN FUNDS (GROUP AND COMPANY) cont

Net movement in funds, included in the above, are as follows:

	Incoming Resources £	Resources expended £	Gains and losses £	Movement In funds £
Unrestricted funds				
General funds	3,568,420	(3,533,695)	5,351,000	5,385,725
Restricted funds				
Crockart Foundation	-	(96,175)	-	(96,175)
National Museum Scotland Acquisition Grants	-	-	-	-
General Restricted Funds - Museums and Galleries	265	(7,313)	-	(7,048)
Book Week Scotland	750	(750)	-	-
Living Communities Participation Fund	-	(56,559)	-	(56,559)
Digital Maker_Spaces	-	(6,803)	-	(6,803)
Heritage & Culture Pathways Programme	9,817	(29,590)	-	(19,773)
Cultural Redevelopment Project	287,736	(282,396)	-	5,340
SLIC Film Club	-	(762)	-	(762)
Archives Appeal	-	(1,812)	-	(1,812)
Soutar Festival and Competition	4,252	(3,894)	-	358
Forteviot Grant	-	(3,939)	-	(3,939)
Museums & Galleries Scotland – COVID-19 grant	-	(1,219)	-	(1,219)
Museums & Galleries Scotland – Organisational development	(5,513)	5,513	-	-
General Restricted Funds – Library Information Services	-	(8,374)	-	(8,374)
City Hall Fundraising Conservation	-	(17,000)	-	(17,000)
Seed Library	167	(1,402)	-	(1,235)
Idlewild Trust	-	(1,605)	-	(1,605)
Museums & galleries Scotland - Perth City Hall	23,677	(23,677)	-	-
Creative Scotland Funding	7,500	(10,391)	-	(2,891)
Archives Revealed	7,134	(24,386)	-	(17,252)
SLIC/PLIF Cultural & Heritage Connections	4,450	(10,673)	-	(6,223)
MGS Alyth Museum	8,764	(8,764)	-	-
Europe Challenge	7,695	(4,488)	-	3,207
National Museum Scotland - Purchase Grant	5,850	(5,850)	-	-
Gannochy - Pathways Programmes	52,910	(6,530)	-	46,380
Gannochy - Conservation of Flag	7,975	(7,975)	-	-
Cost of Living Community Fund	16,911	(11,927)	-	4,984
Digital Inclusion Fund for the Open Printing Solution Project	19,283	(18,968)	-	315
Eric King Chiu Lo Legacy	6,841	-	-	6,841
Roger Bilcliffe - Fergusson workshops	1,000	-	-	1,000
National Museum Scotland - NFA funding	300	(300)	-	-
National Museum Scotland - MacGregor clans by P Cameron	1,150	(1,150)	-	-
Auchterarder Library Donation	2,358	-	-	2,358
FIHP Fund	1,408	(1,227)	-	181
MGS Small Grant - Dehumidifier	4,760	(1,232)	-	3,528
SLIC Public Library Covid Relief fund	15,704	(30,542)	-	(14,838)
	493,144	(682,160)	-	(189,016)
TOTAL FUNDS	4,061,564	(4,215,855)	5,351,000	5,196,709

23. PURPOSES OF DESIGNATED FUNDS

COVID-19 Fund

In March 2020, as the COVID-19 pandemic took hold, a stop was placed on non-essential spend in the organisation. It was recognised that reopening of venues would result in substantial PPE, equipment, signage costs and require new ways of working in the organisation. The board agreed to set up a fund to cover the additional costs arising from the COVID-19 pandemic and the equipment and adaptations required to reopen our venues safely.

Library Review

This fund was set up to meet the costs associated with a review of libraries to address changing patterns of use, impacts of the pandemic, changing community needs, and the need to find a more sustainable model of service provision.

Organisational Redevelopment

This fund was set up to meet the costs associated with business change, new ways of working, and organisational development.

Carry Forward costs

This fund was set up to meet the costs of exhibitions, marketing, book purchases, property costs etc planning for 2020/21, but delayed due to the COVID-19 pandemic.

24. PURPOSES OF RESTRICTED FUNDS

The Crockart Foundation

The Charity benefits from the net annual income of this Foundation of the late James Baird Crockart. The funds are to be used in the purchase of books on outdoor sports and handed over to public Library for use of the public both within and out with the county of Perth or other such activities as approved by the Foundation's Trustees and chief librarian. The Foundation's Trustees have also approved the purchase of e-resources from this funding.

National Funding for Acquisitions Grants

Grants received support the purchase of new acquisitions to Perth and Kinross permanent collections in line with the Collections Development Policy. These grants fund part of the acquisition costs with Culture Perth and Kinross Limited providing the match funding.

Living Communities Participation Fund

Funds received from the Gannochy Trust to support the Living Communities Participation Fund, which aims to increase the engagement of schools in local heritage learning, and increase the involvement with Perth & Kinross Council Museum and Gallery collections. Culture Perth and Kinross Limited pays small grants to the schools based on the fund criteria.

Cultural Redevelopment Project

This income represents additional funds received from Perth & Kinross Council, specifically for costs incurred in relation to supporting work on the Capital Developments projects.

General Restricted Funds - Museums and Galleries

The transfer of various trusts from Perth & Kinross Council's reorganisation of small trusts. This has been done via a formal application with the Office of the Scottish Charity Regulator, for a Charity reorganisation scheme. This fund has been set up to recognise that the restriction of these trusts are for the promotion, improvement, purchase of items, and encouragement of engagement with fine arts, painting, sculpture, and museum collections.

General Restricted Funds - Library Information Services

The transfer of various trusts from Perth & Kinross Council's reorganisation of small trusts. This has been done via a formal application with the Office of the Scottish Charity Regulator, for a Charity reorganisation scheme. This fund has been set up to recognise that the restriction of these trusts are for the promotion and improvement of libraries and the purchase of books/media to enhance the literature collection in the libraries.

Archives Appeal

As part of Perth & Kinross Archive's 40th anniversary celebrations, a fundraising campaign was launched in order to raise funds to purchase two museum quality display cases. The cases will allow our archive to develop a small

exhibitions programme, showcasing regular displays and stories from our archive collections. The fundraising target for the campaign is £7,400.

Mummy Grant

This was a £1,300 grant from National Museums Scotland to deliver activities linked to the "Conservation in Action: Saving the Perth Mummy" exhibition.

Soutar Festival and Competition

Grant funding was received to deliver the Soutar Festival of Words 2021. This literary festival included over 20 events, performances and readings celebrating the diversity of Scots language, literature and culture inspired by Perth Poet and Writer, William Soutar.

Legacy – Mrs Anne S Robertson

A bequest of artwork consisting of an oil painting of her father, John McMillan Marshall, by JD Fergusson and a £5,000 cash legacy. The artwork was added to the Council's permanent collection, which Culture Perth and Kinross Limited administers. The expenditure to date has been on the conservation of the piece.

Bookmark Donation

Donation from Bookmark Festival to support Blairgowrie Library.

Museums & Galleries Scotland - MyMuseum

Funding received from Museums & Galleries Scotland, the MyMuseum project aims to inspire a step change in CPK's capacity to meaningfully connect people with objects and their stories by introducing innovative and interactive digital engagement opportunities using accessible and fun online platforms. This project will work in partnership with students to create the digital tools the museum requires to connect audiences to collections, enabling them to become advocates through creating and sharing their own content. Funding of £59,924 was awarded for this two year project.

Enchanted Forest

An award of £1,378 was received from the Enchanted Forest Community Trust, to enable Culture Perth and Kinross Limited to run monthly reminiscence sessions at Pitlochry Library.

Digital Maker_Spaces

Funding received from Perth & Kinross Rural LEADER Programme, the Public Library Improvement Fund, and Perth & Kinross Council Economic development, to develop a network of digital technology hubs within key rural library locations which make cutting edge creative digital technologies more accessible across rural Perthshire. The Maker_Spaces, located in Breadalbane Community Library, Strathearn Community Library, and Blairgowrie Library provide free access to the latest hi-spec creative technologies, and offers users a collaborative working space to explore the potential of how technology can be utilised to develop business capacity and creative practice. A Creative Technologist, and 2 Digital Enablers were also recruited as part of this project.

Forteviot Grant

A grant of £13,887 to allow Culture Perth and Kinross Limited staff to work with specialist conservators, to carry out essential condition assessments of exhibits destined for the new Museum within Perth City Hall.

Gannochy Trust – Heritage & Culture Pathways Programme

The Heritage & Culture Pathways Programme aims to deliver a programme of work placements, foundation and modern apprenticeships and paid graduate internships for young people aged 16 – 25yrs which support career pathways in the heritage and culture sector. Funding of £25,000 per year was secured for this 3 year programme.

City Hall Fundraising Conservation

Donations received to support conservation of collections for City Hall display. £15,000 was received from Whisky Auctioneer Limited and £2,000 from the Gordon Fraser Charitable Trust.

24. PURPOSES OF RESTRICTED FUNDS - continued

Book Week Scotland

Donation from Scottish Book Trust to support Book Week Scotland.

Seed Library

Funding for seed library initiative. This new initiative, supported by 8 volunteers, aims to promote the development of a biodiverse and ecologically sustainable seed system in Perthshire and to encourage growing and gardening for health and wellbeing.

Creative Scotland Funding

Funds were awarded by Creative Scotland through Lottery Funding from the Open Fund: Sustaining Creative Development Programme. This money was used to create new work for two galleries at Perth Museum and Art Gallery.

Pop Out Perth

Funds awarded from Perth & Kinross Council to support the Pop Out Perth Festival 2021. Pop Out Perth delivered 20 events utilising spaces within the local public realm aimed at encouraging audiences to re-engage after the lockdowns of the pandemic.

Archives Revealed

Grant funding received from the National Archives and others for "In Our Own Words", a project to catalogue the sound collection held in Perth and Kinross Archives to improve public access to this resource.

SLIC/PLIF Cultural & Heritage Connections

Grant Funding was awarded from the Scottish Library and Information Council (SLIC) through the public library improvement fund for the Cultural Heritage Connections programme. The Cultural Connections programme is delivering creative workshops linked to Museum Collections in Library settings to build cross services audiences.

SLIC Public Library Covid Relief fund

Grant Funding was awarded from the Scottish Library and Information Council (SLIC) through the public library Covid relief fund for the "Outreach in Our Communities" project. The project will fund an Outreach Officer to work with socially disadvantaged communities in the immediate catchment of the Library to increase engagement and use of library resources.

Scottish Forestry – Forest Memories

A grant awarded from the Scottish Forestry to support a Forest Memories event in March 2020. A Collecting Day was planned, this one day event was designed to bring people in to meet the team and share their stories and memorabilia. It was hoped the event would assist in identifying a few people to interview and record their personal experiences of working in forestry. Unfortunately the event was cancelled due to the COVID-19 pandemic, however it will be rescheduled for a later date.

SLIC Film Club

£3,000 was awarded as part of a joint PLIF application to set up a SLIC Library film club. 12 library authorities across Scotland all received funding to set up film clubs in a local library with the aim to improve the provision of film and moving image education, and to engage communities with public libraries and with each other through film. By setting up a film club in one of our community libraries we hope to bring new audiences to the library, provide an opportunity for increased engagement between library services and their community and support people who otherwise would not have the opportunity to experience film. The funding we received has purchased high quality technical equipment to provide a cinematic experience, funds to purchase a licence to screen a wide range of commercially available films, and specialist staff training for film education activity.

Idlewild Trust

A grant of £3,000 was awarded towards the cost of the conservation works required on the Osteology exhibits destined for display in the new Museum in Perth City Hall.

Museums & Galleries Scotland - Perth City Hall

£59,770 awarded by Museums and Galleries Scotland, in order to clean and conserve 462 Archaeology, Social History and World Cultures Recognised Collections exhibits for display in the new Museum in Perth City Hall.

Museums & Galleries Scotland – COVID-19 grant

An award from the Museums Galleries Scotland COVID-19 adaptation fund, to support the costs of making adaptations to allow museums to reopen safely and sustainably, and in accordance with COVID-19 restrictions.

Museums & Galleries Scotland – Organisational development

An award from Museums Galleries Scotland, Museum Development fund, this will support transformation of our digital services. Focussing on embedding sustainable digital programming and engagement practices across Museum and Galleries services, the transformation process will address our profound digital capacity shortfall which has been acutely in evidence during the pandemic and has impacted their ability to adapt and respond to our changed circumstances and evolving needs of our audiences.

Carnegie Kindness Project

Funding received as part of the Carnegie Trust UK Kindness in Libraries Initiative, this project paired our most vulnerable Books on Wheels customers with staff volunteers in a pen pal letter writing relationship.

FIHP Fund - Food Insecurity during the Holiday Period

Grant received from Perth and Kinross Council to address food insecurity for children, young people and families who received free school meals during term time.

Auchterarder Library Donation

Restricted individual donation from library user to be used in Auchterarder

Digital Inclusion Fund for the Open Printing Solution Project

Grant received from Perth and Kinross Council to fund installation of Princh open printing system and associated Samsung tablets.

Europe Challenge

Grant from European Cultural Foundation to develop Reading for Recovery project at HMP Perth Prison.

Gannochy - Pathways Programmes

Grant from The Gannochy Trust to support Living Communities and Heritage & Cultural pathways programmes.

Cost of Living Community Fund

Grant from Perth and Kinross Council to provide warm packs and warm spaces for communities.

Eric King Chiu Lo Legacy

Legacy donation gratefully received. This donation is to be used to create a collection of foreign language books, fund a part-time Climate Worker post and contribute to the purchase of an electric mobile library van.

Roger Bilcliffe - Fergusson workshops

A donation from the JD Fergusson Art Foundation for a series of workshops.

Culture Perth and Kinross Limited (a company limited by guarantee)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

25. RECONCILIATION OF NET INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	5,196,709	1,370,162	5,175,592	1,378,378
Adjustments for:				
Movement in defined pension benefit liability	(5,351,000)	(772,000)	(5,351,000)	(772,000)
Interest received	(32,143)	(4,842)	(31,696)	(4,823)
Depreciation	36,470	35,300	35,659	34,487
(Increase)/Decrease in stocks	(9,119)	(3,294)	-	-
Decrease/(Increase) in debtors	436,905	(537,033)	443,553	(567,282)
(Decrease)/Increase in creditors	(319,319)	146,620	(322,833)	145,803
Net cash provided by operating activities	(41,497)	234,913	(50,725)	214,563

26. RELATED PARTIES

The parent and ultimate controlling party is Perth & Kinross Council.

Substantial funding is received from Perth & Kinross Council by way of grants and service level fees for general purposes and other activities.

Perth & Kinross Council is the sole member of Culture Perth and Kinross Limited. As sole member, Perth & Kinross Council has certain powers of control, which are set out in the Articles, including the right to nominate up to 3 elected members of the Council to serve on the board of Directors, as well as to decide on the appointment and removal of all other Directors.

Given the degree of control and influence which exists in the funding, operational and governance relationship, 100% of Culture Perth and Kinross Limited's general funds and net assets are consolidated in Perth & Kinross Council's annual Group accounts, in accordance with financial reporting and accounting standards and other regulations applicable to local authorities delivering services through arm's length external organisations.

Related party transactions and balances with Perth & Kinross Council are exempted from disclosure in accordance with paragraph 33.11(a) of FRS 102.

Balances and transactions between the company and its wholly owned subsidiary, Culture Perth and Kinross Trading Limited, have been eliminated on consolidation in these Group accounts and are exempted from disclosure in accordance with paragraph 1.12(e) of FRS 102.

27. COMPANY STATUS

Culture Perth and Kinross Limited is a company limited by guarantee, and the contribution of members to the liability of the Company is restricted by the Memorandum and Articles of Association to a maximum of £1. The company is registered in Scotland.

28. OPERATING LEASE COMMITMENTS

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Within one year	2,281	2,281	2,281	2,281
Total	2,281	2,281	2,281	2,281