

GRASSMARKET COMMUNITY PROJECT
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Company Registration Number SC368576

Scottish Charity Number SC041674

GRASSMARKET COMMUNITY PROJECT
FOR THE YEAR ENDED 31 DECEMBER 2023

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GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The company's objects and principal activities remain:

- The prevention and relief of poverty and disadvantage in Edinburgh and the Lothians;
- The advancement of education in such ways as may be thought fit, including the creation of training or retraining, work experience and employment opportunities particularly amongst unemployed and socially disadvantaged people;
- To help people to develop their physical, mental and spiritual capacity so that they may grow to full maturity as individuals and members of society;
- The advancement of arts and culture for the benefit of the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- To relieve unemployment in such ways as may be thought fit, including the creation of training, work experience and employment opportunities;
- The advancement of health in such ways as may be thought fit, including the promotion of healthy eating and healthy lifestyles particularly amongst unemployed and socially disadvantaged people;
- To promote, establish, operate and/or support other schemes of a charitable nature.

Running alongside our Social Enterprises, Grassmarket Community Project offers a range of social integration and educational activities for members as well as practical advice and support aimed at supporting people in crisis or who are destitute reducing social isolation, enhancing life skills, developing confidence and helping people reach their potential.

Grassmarket Community Project (GCP) is a community of individuals who deliver emotional support, services, classes, activities, practical support, and enterprising opportunities by taking a strengths-based approach (an Asset Based Community Development approach). We access the skills, expertise and lived experience of our Members (beneficiaries). We recognise and form partnerships with agencies, businesses and professionals who share our values, who bring to our community technical knowledge, training, resources, and insight from evidence-based approaches. Our staff and volunteer team comprises a compassionate multi-disciplinary team of craftspeople, technicians, social workers, community adult educators, social entrepreneurs, and community workers. By creating a trauma-informed environment with a commitment to equality, anti-oppressive practice, and social inclusion and by providing a range of practical, creative, physical, enterprising and therapeutic activities in a nourishing group setting, we help people to live rich, fulfilling and healthy lives and achieve their goals.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

REVIEW, ACHIEVEMENTS AND PERFORMANCE IN 2023

This year has been one of change as our long-standing CEO, Jonny Kinross, resigned to pursue a new career path, followed by an Interim CEO, and the appointment of new CEO, Helene van der Ploeg in May 2023. This brought a fresh perspective to the organisation and an opportunity to review all structures and operations to build solid foundations for the future. Other highlights include:

- Review of our vision, mission and purpose, and strategic direction of travel, in consultation with Trustees, Staff, Volunteers and Members.
- Full review of our digital applications to define tools, software and applications that are fit for our dynamic and evolving charitable and social enterprise activities.
- Restructure of Member involvement and engagement with Trustees and Staff to ensure we continue to be needs led and person centred, and our Members have a voice in their community.
- All Member activities and Social Enterprises now fully operational onsite post covid, more than 150 volunteers actively engaged, and support from more than 25 corporate volunteer teams.
- Building the 'Coffee Saints' partnership with St Mary's RC Cathedral, with significant increases in income due to the completion of the tram works, opening of St James' Quarter, and a loyal customer base appreciative of the fantastic quality and service provided.
- Launch of the 'Summer Showcase' including art works created by our Members, displays from our Herb Garden, Tartan and Wood Workshop, performances by our Members music group, and attended by over 130 people.
- Development and delivery of a comprehensive programme for young people centred around three interlinked pillars of experiences, learning and social engagement.
- Delivery of accredited learning programmes for people of all ages to build positive opportunities for our Members.

However, there were some significant challenges throughout the year including:

- Supporting Staff, Volunteers and Members whilst a new CEO was appointed, then building their trust and involvement in developing the strategic plans, alongside implementing changes in operations, processes and systems.
- The numbers of Members presenting mental health issues, trauma and impact of social isolation post covid rising and so increasing the need to provide even more targeted support with a limited staff team.
- Cost of living crisis, inflation, housing crisis and cuts through the social care system putting pressure on the organisation to support increasing numbers of people in poverty, as well as our own staff, volunteers and stakeholders, who have all been impacted by the financial crisis.
- Reductions in Local and National Government support to mitigate the financial impact of the challenges detailed despite the clear need for support within our communities.
- Hugely challenging fundraising landscape with unprecedented levels of competition for grants, trusts and foundations, plus the evident lack of disposable income for donations from the general public through our fundraising activities.
- The conflict between our staff capacity to run our social enterprises (hospitality, woodwork and tartan) to generate income, whilst delivering our Member activities in the social enterprises. This particularly impacts our production levels for woodwork and tartan, compromising our ability to maximise potential sales.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

REVIEW, ACHIEVEMENTS AND PERFORMANCE IN 2023 (Continued)

The Senior Management and staff team displayed considerable resilience, maintaining Members activities and successfully building our social enterprises, throughout the period of change until the recruitment of our new CEO in May 2023. Further difficulties arose as our fundraiser left to travel overseas at the start of the year and her replacement was only with us for a short while, resulting in a hiatus in fundraising which had consequences on our financial position. However, the incoming CEO has implemented a period of consolidation, review and rebuild to ensure we have the foundations for success in future years. Working with Community Enterprise we have conducted a review of our strategic plans to inform our plans for the coming five years. This has been supported by a digital review which has proposed solutions to enable more efficient working across the organisation through our use of digital platforms and software.

Our staff team is led by a Senior Management Team comprising the CEO, Social Enterprise Director, Head of Member Services, and Finance Manager. The latter moved to another role at the end of the year due to family needs, and we have since recruited a Finance Director. By December 2023 we employed 40 staff, the majority being in our social enterprises. We are committed to being a Fair Work Employer and accredited as a Real Living Wage employer.

Throughout covid we received funding to deliver a very broad range of activities and we have taken the time to understand better what has worked well, what are the needs of our community, and how best we can deliver these with a small team, particularly as funding is now so competitive post pandemic. We are in the enviable position of having the support of more than 150 Volunteers, both individuals and corporates, which has been instrumental in our ability to maintain a broad scope of support for our Members. The successful retention and engagement of our Volunteers has been due to recruiting a Volunteer Manager following receipt of funding from The National Lottery and highlights the return on investment this presents to funders. There has been valuable growth in our engagement with corporate teams, predominantly from the financial sector, and we now have support from 21 companies. Corporate teams get involved in so many aspects of the Project, from painting rooms, to cutting tartan. As our Members gain confidence in skills, so they can progress to being Volunteer Members, supporting the Staff and Lead Volunteers in running our huge range of activities. 15 Members have been volunteering over the last year. There is a vital need for volunteer support, either individuals to lead sessions, or to work as teams, as our Members Programme across all activities only employs six staff. We have 37 regular Volunteers who assist our staff team, leading different activities.

Our social enterprises comprise Coffee Saints Café at Little King St; Coffee Saints Café at Candlemaker Row; Events; Outside Catering; Rainy Hall Canteen at New College; Grassmarket Greyfriars Tartan; and the Grassmarket Wood Workshops. The Cafes have both shown incredible growth over the year, generating income to be diverted back into our charitable purpose. They operate as successful commercial enterprises, competing with well-known brands on the 'high street' and achieving a loyal customer base through fantastic homemade food, quality and service. They also provide valuable, supported work environments for our pre-apprentices to provide pathways to future employment.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

REVIEW, ACHIEVEMENTS AND PERFORMANCE IN 2023 (Continued)

Both our Tartan shop and the Woodwork Shop have a dual function; to provide opportunities for our Members and volunteers to develop skills and vital opportunities for social interaction, whilst also producing items for sale to the general public. There has been tremendous growth in the income generated through the Tartan shop as the product range has grown and our profile has increased. We continue to supply Edinburgh Castle and Visit Scotland and there are opportunities to build these contracts and others in the future. The Tartan shop is entirely volunteer led and we were delighted that our lead volunteer was voted Volunteer of the Year in the Social Enterprise Awards in 2023.

The need for our services has never been more in demand. Cuts to budgets and funding is resulting in the loss of third and voluntary sector agencies/organisations, and rising numbers of people in our community desperate for support, currently unavailable to them due to long waiting lists through public services. We have seen an increase in the extent and complexity of need and vulnerability both of our existing Members and of new Members accessing our support. GCP has increasingly seemed the only option for many of the most vulnerable people including those with mental illness, disability and multiple complex needs. We are also seeing an increase in young people accessing our services including refugees and asylum seekers, and ethnic minority groups. We have worked in partnership with many different organisations to support those who are most vulnerable, marginalised, deeply excluded, and without recourse to public funds, through their complex challenges of mental and physical health issues, trauma, and substance use.

Throughout these challenges GCP has continued to be driven by the needs of our communities; person centred, needs led, and with the flexibility to respond to such wide-ranging issues, we consult, listen, and innovate, journeying alongside our people, empowering them to flourish.

As documented in our Impact Report in the 12 months up to October 2023 we have provided a wide range of services and support; one to one support and counselling, group work, mental health work, practical skills and IT training, creative classes, work opportunities, accredited learning, online courses, volunteering opportunities and residential breaks. We offer more than 25 different activities per week in addition to our weekly Community Cinema, country walks and wild swims. We have engaged 504 vulnerable Members, both adults and young people, in a total of 3,981 hours of positive activity, plus 650 hours of individual one to one support, an increase of 21% on last year. It is indicative of the need in the City as numbers of people accessing our services could have been much higher, but we had to close for new referrals at the end of the year as we could not support higher numbers whilst retaining our integrity and values in delivery.

The increase in poverty is clearly demonstrated both by our Members and those attending our weekly Open Door Meals, where we offer a hot two course meal to those who are rough sleeping, homeless, in temporary accommodation and do not have access to money or facilities to feed themselves. We served more than 10,400 meals to our Members and 1,927 Open Door Meals through the year, whilst also offering free monthly haircuts and access to toiletries and clothing.

We give our Members opportunities to flourish whether it be through social interaction, life skills, confidence or accredited learning. There has been particular growth in our online accredited learning and 117 have achieved 2,083 qualifications. We have had 4 pre-apprentices during the year, in paid employment in our social enterprises and we have supported 15 young people to positive destinations through work, volunteering, education and college.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

REVIEW, ACHIEVEMENTS AND PERFORMANCE IN 2023 (Continued)

Partnerships remain key in connecting our community with the most vulnerable in society, with GCP accepting referrals from 52 third sector and public sector agencies in the year and our young people's programme working with 46 partner agencies. Partnerships are also key to fundraising and service delivery and we acknowledge these with grateful thanks; some partnerships of particular significance for our charity and for those we support included:

St Marys Catholic Cathedral – Provided us with their church hall and a partnership profit-share café social enterprise which generates income and provides training and work experience for Members and trainees.

University of Edinburgh – Provided us with their Rainy Hall and a partnership café social enterprise which generates income and provides training and work experience for Members and trainees; assisting with recruitment of Volunteers to support our programmes; delivery of the music group by School of Music students resulting in concerts at the University and GCP; integrated our work into their core Community Social Work teaching by engaging with and hearing our Members voices/lived-experience over 10 weeks as well as bringing us Social Work students year round.

Mercat Tours – provided us with free use of their beautiful accommodation for short weekend respite breaks three times in the year (with 29 members benefiting); 56 educational tours attended by 840 Members; two story-telling workshops attended by 34 Members which is so important as Members are keen to share the stories of their personal struggles and the positive results from being at GCP; day trip to Fife, and the hire of our events space.

Hub Foundation and Hub South East – funded our Young People's Engagement Officer and programme costs in 2022 and 2023 and which supported 83 young people in the last year, 31 of whom completed 117 accredited industry recognised courses; and provided us with one of our highly skilled Trustees.

John Lewis – continued funding of our Woodwork Manager until 2024 – which enabled us to deliver 1,216 hours of woodwork training to young people; supported us with corporate Volunteers from their stores; providing us with a 6-month fully paid retail intern from their store to develop our Tartan Shop; prizes for raffles and events to generate income; and hire of Coffee Saints for their weekly choir.

Digital Lifelines programme – enabling us to give out devices freely to people who are digitally excluded; enabled us to train and support 63 homeless or rough sleeping people misusing substances and most at risk of drug-related harm or accidental drug-related death; and enabled us to provide laptops at our Open Door Meal service. Thanks to this partnership we are using technology and digital engagement to transform the lives of the most vulnerable and marginalised people in our society and save lives.

HSBC – funding every quarter to support individual activities; a large donation to renew our kitchen extraction system, without which we would not have been able to open the Cafes to generate the income to support our charitable activities, and the food to support the thousands of meals served every year; a committed corporate volunteer team who have been involved in painting, clear out of the Granton warehouse, and delivery of Member activities.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

REVIEW, ACHIEVEMENTS AND PERFORMANCE IN 2023 (Continued)

For more detailed understanding of our Social Impact in 2023 go to: <https://grassmarket.org/wp-content/uploads/2023/11/GCP-Social-Impact-Report-2023.pdf>.

FINANCIAL REVIEW

The overall net deficit for the year is £54,831 (2022: deficit of £56,713). Total income amounted to £1,212,070 (2022: £1,071,578), of which £259,118 (2022: £402,725) related to restricted projects, including capital funding towards the Pavilion, and £952,952 (2022: £668,853) related to unrestricted funds.

The operations were partially funded by grants received and recognised as income in 2022. To this extent a total of £173,231 was included in last year's accounts that has been spent in the current year and grant income of £115,662 has been recognised this year that will be spent in 2024.

DONATIONS AND GRANT FUNDING

In Notes 2 and 3 on page 21 of the 'Notes to the Financial Statements' we formally identify the income received from Donations and Grant Funding.

Nonetheless, the Board wishes to record its very grateful thanks to the many organisations, trusts and individuals who have so generously provided us with the funding that has enabled us to fulfil the many important tasks and objectives, as outlined in this report.

RISK MANAGEMENT

The organisation has a Risk Register identifying the areas where the charity may be most exposed to risk, particularly those related to its operations and finances. The Risk Register is presented at Board meetings for review, and regular Health & Safety briefings and operational updates were sent to all Board members throughout the year. The Board is satisfied that systems are in place to mitigate exposure to major risks and consider this on a regular basis. In common with most organisations and businesses in the UK and around the world, the charity has continued to be impacted post the covid pandemic and the subsequent cost of living crisis and rising inflation. This has caused greater demand for our services and increased pressure on our finances in a challenging funding landscape. However, the strong return of our social enterprises Cafes has mitigated some of this and we will be building on all our social enterprises in the coming years to reduce our reliance on funding.

Although the charity managed to sustain its activities by securing up-lifts, grants and additional financial support, enabling it to cope with a substantial reduction in social enterprise income, there remain significant risks in terms of the timing, speed and strength of the return of the hospitality social enterprises in particularly events and outside catering, as well as the need to upscale our Tartan and Woodwork enterprise. A best and worst case scenario budget has been developed to take this into consideration. The Finance sub-group meet every month to support the Senior Management team as the charity navigates the uncertain levels of Government financial support and the increasingly competitive grant funding culture. It is also anticipated that due to the marked increase in mental health issues, the negative economic impact and the impact on education will mean the demand for GCP's services will be substantially higher in 2024 and 2025 as we emerge from the cost-of-living crisis and as the UK Government, Scottish Government and the local authority seek to achieve cuts in budget allocation.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

RISK MANAGEMENT (Continued)

Full management accounts are produced as soon as possible with the intention to work towards ten working days following the end of each month. These are routinely presented at the monthly Finance Sub-Group meetings, and to the Board and Senior Management team for scrutiny, to monitor financial progress and to identify both positive and negative trends at the earliest stage possible. The cashflow forecast, presenting a best and worst case, enables the Board and Executive team to assess with a high degree of confidence where the charity could be headed. This focuses energy and resources effectively to avoid any losses of key services, and support and sustain the organisation at a level that will attract funding and allow the existing services to flourish and innovation to new ventures. In addition to inflation and cost of living and cuts to services risks, the principal risks and uncertainties remain as follows:

Risk Description: Governance & Leadership

The Chief Executive Officer (with us for over eight years) resigned at the end of 2022. The post was reviewed widely with all stakeholders included: staff, SMT and Members. The Trustees appointed an interim CEO with substantial Leadership in the third sector experience and the post widely advertised. Interviews were held on 27 March 2023 and the new Chief Executive Officer started in May 2023. One Trustee resigned in 2023, and a further two Trustees in April 2024 (all due to stretched capacity to support GCP), however, we gained one new Trustee in 2024. We currently have a further two potential Trustees who attend meetings as observers until they, and we, are agreed to their appointment to the Board. We benefit from a strong Senior Management team and a highly skilled and experienced Board.

Risk Description: Operational

Limitations of the premises and ability of staff to cope with demand – the Chief Executive and Senior Management team regularly review operations to ensure that staffing levels are sufficient and plans are in place to support demand for services. In addition, the charity works in partnership with other organisations to build capacity to meet the needs of the Members, and signposts to agencies in areas where GCP has less resource or expertise.

Risk Description: Financial

Loss of social enterprise income or grant funding would result in services being reduced or lost, a lower level of support for our Members and staff redundancies. The Trustees and the Chief Executive work closely with the Senior Management team, especially the Finance Manager and the Fundraiser to monitor continually both funding and the impact of programmes.

Risk Description: Environmental

Non-compliance with Health & Safety or license requirements – this could result in significant reputational damage to the charity. A detailed Health and Safety policy is in place managed by the Members' Service Manager (designated person) along with a register of all licenses and permits. Those schedules are monitored by the Senior Management team and any breaches or lapses are documented and reported to the Board.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

RESERVES POLICY

The total reserves held at the end of the year were £720,730 (2022: £775,561) including restricted funds, not available for general purposes, of £119,900 (2022: 161,161) and unrestricted reserves of £600,830 (2022: £614,400). Included with unrestricted funds is £516,802 (2022: £570,954) of funds tied up in fixed assets leaving unrestricted free reserves of £84,028 (2022: £43,446). The Trustees consider that maintaining unrestricted free reserves of at least three months' regular expenditure, currently around £317,000 is desirable for the ongoing work of the Charity and to cover the payment of staff salaries and creditors as they fall due. The Trustees plan to build up unrestricted free reserves over the coming years to match the reserves policy. Meanwhile, liquidity levels remain strong.

PLANS FOR FUTURE PERIODS

This was the 3rd and final year of our 3 Strategic Business Plan 2020-2023 – a plan very much focused on recovery <https://grassmarket.org/wp-content/uploads/2020/11/Business-Plan-2021-23.pdf>. A new Business Plan has been in development from the end of 2023 and work will continue through 2024, resulting in a 3-5 year plan that will be focused on sustainability and growth of our social enterprises to generate the surplus required to make a significant contribution to the costs of running our charitable activities. GCP is an innovative outward looking organisation, built on collaboration between Grassmarket Mission, Greyfriars Kirk and Greyfriars Charteris Centre. This is how we best meet the needs of our community, through collaboration and partnership.

In 2024 we hope to achieve the following:

- Amongst a landscape of shifting policies and priorities, particularly with a potential general election, to forge strong partnerships and networks in the third sector and local government, to create a more joined-up, collaborative, and participative approach to City-wide services.
- Comprehensive Marketing, Funding/Income, and Events plans to support the overall organisational Business Plan.
- Continue to deliver a needs-led, Member-led innovative programme of activities, opportunities, residential respite breaks and training programmes for the most vulnerable in our city.
- Identify appropriate CRM systems and event booking system for use across the organisation, and secure funding to achieve successful implementation to facilitate more effective and efficient working in the future.
- Sufficient funding to cover the core staff costs for our charitable activities for the next 2 years at a minimum, to ensure we can continue to meet the rising numbers of people who are in such need of support.
- Increase commercial activity and success in our most lucrative social enterprises, Events and Coffee Saints, whilst seizing appropriate opportunities for expansion, to generate surplus to support the charity.
- Successfully secure premises licences for events at GCP and for Café and Events at Coffee Saints to maximise potential income.
- Build and launch a traditional St. Ayles Skiff, funded by the National Lottery Heritage, John Lewis and Edinburgh Airport, built by our Members, Volunteers and Staff.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

PLANS FOR FUTURE PERIODS (Continued)

- Develop and expand our apprentice programme to encompass Modern Apprenticeships in partnership with other learning providers and increase work placement opportunities for all apprenticeships through our social enterprises, supporting young people into long term employment opportunities.
- Sustain the Tartan Shop at 58 Candlemaker Row, identifying partners for increasing production, overall achieving significantly higher sales working towards securing sufficient funds to employ a Textiles Manager in 2024.
- Build on the product range for small retail items, plus commissioned furniture for Grassmarket Wood and Furniture to generate increase sales, whilst maintaining a valuable skills development space for trainees.
- Continue to run an effective Dry Bar facility weekly (with support of the Baird Trust) aimed at reducing people's use of alcohol as self-mediation to support them with their mental health and social isolation, reducing premature death and helping people abstain or manage more effectively their use of alcohol.
- Secure continuation funding for our digital Project Worker beyond 2024 as there is a vital need for this learning by our community of all ages.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 16 November 2009 and obtaining charitable status on 30 July 2010. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Establishment

Grassmarket Community Project has been developed in partnership by Edinburgh: Greyfriars Kirk (Church of Scotland) and the Grassmarket Mission. The Grassmarket Mission was founded in 1890 and has historically provided a variety of services to homeless people in the Grassmarket area of Edinburgh where they traditionally gathered. The two partners have been working alongside each other since 1982. In 2010 Grassmarket Community Project was formed when the two partners decided to establish a stand-alone charity to take forward the work they had established.

Related parties

As described above, the charity has been developed in partnership by Edinburgh: Greyfriars Kirk (Church of Scotland) and the Grassmarket Mission and are regarded as related parties.

Organisational structure

The board meets five times a year and is responsible for the strategic direction and policy of the charity. Sub-groups and involving board members, key personnel, volunteers, and members meet regularly outside the full board meetings.

A scheme of delegation is in place with the day-to-day responsibility for service delivery and staff management resting with the Chief Executive.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

GOVERNANCE, STRUCTURE AND MANAGEMENT (Continued)

Pay policy

The pay of all staff is reviewed annually and normally adjusted in accordance with average earnings. The organisation is a Real Living Wage employer.

Policies and procedures for the induction and training of employees

All new members of staff are required to complete an induction covering an introduction to the Grassmarket Community Project; Terms and Conditions of Employment; Worker/Employee Relations; Conduct and Practicalities; Health and Safety and 'The Job' itself. In 2023 all our policies and contracts were reviewed by the CEO and SMT. In addition, all members of staff have continual access to all HR policies and best practice documents via our SharePoint that is regularly updated and key policies are summarised in staff contracts. These were distributed to the staff and volunteers as required via training and one-to-one meetings to ensure we support our staff, volunteers and Members.

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE INFORMATION

Company Registration Number	SC368576
Charity Number	SC041674
Trustees	D S Armstrong (resigned 3 April 2024) R J Chappell (Vice Chair) J C Elliot N K Findlay (Treasurer) W A Finlayson (resigned 23 February 2023) Rev Dr R E Frazer (Chairman) G Honeyman (appointed 23 February 2023) J Macdougall H M Johnstone (resigned 3 April 2024) H Van Der Ploeg (resigned 12 May 2023) N Novak (appointed 3 April 2024)
Key Management Personnel	H Van Der Ploeg Chief Executive (appointed 15 May 2023) J Kinross Chief Executive (left 10 March 2023) C Jones Social Enterprises Director L Malone Finance Director (left 8 December 2023) J Davidson Finance Director (appointed 8 March 2024) P O'Bray Member Services Director
Registered Office	84 – 86 Candlemaker Row Edinburgh EH1 2QA
Independent Auditor	Ingela Louise Presslie Whitelaw Wells 9 Ainslie Place Edinburgh EH3 6AT
Bankers	The Co-operative Bank PLC P O Box 200 Skelmersdale WN8 6GH

GRASSMARKET COMMUNITY PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees (who are also directors for the purposes of company law) are responsible for preparing a directors' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

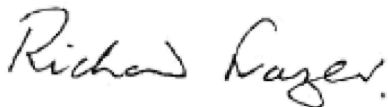
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Financial Statements comply with the Companies Act 2006 and Charities and Trustee Investment (Scotland) Act 2005. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware, and each trustee has taken all the steps 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 auditors are aware of that information.

Approved by the Directors on 5 June 2024 and signed on their behalf by:



Rev Dr Richard E Frazer
Trustee

GRASSMARKET COMMUNITY PROJECT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS

FOR THE YEAR ENDED 31 DECEMBER 2023

Opinion

We have audited the financial statements of Grassmarket Community Project for the year ended 31 December 2023, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and 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 FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' (who are also the directors of the company for company law purposes) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

GRASSMARKET COMMUNITY PROJECT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS

FOR THE YEAR ENDED 31 DECEMBER 2023

Other information

The other information comprises the information 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on matters prescribed by the Companies Act 2006

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

- the information given in the directors' report, prepared for the purposes of company law and included in the report of the trustees, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included with the report of the trustees, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report, included within report of the trustees, and from the requirement to prepare a strategic report.

GRASSMARKET COMMUNITY PROJECT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS

FOR THE YEAR ENDED 31 DECEMBER 2023

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We performed income and expenditure testing which was designed to identify any irregularities as a result of mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

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

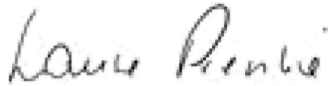
GRASSMARKET COMMUNITY PROJECT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS

FOR THE YEAR ENDED 31 DECEMBER 2023

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and the trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ingela Louise Presslie CA

Senior Statutory Auditor

for and on behalf of Whitelaw Wells, Statutory Auditor

Whitelaw Wells is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

9 Ainslie Place

Edinburgh EH3 6AT

5 June 2024

GRASSMARKET COMMUNITY PROJECT

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 December 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income and endowments from					
Donations and legacies	2	165,529	259,118	424,647	498,797
Charitable activities	3	778,593	-	778,593	566,754
Other trading activities		3,231	-	3,231	5,319
Investments – Bank interest		5,599	-	5,599	708
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		952,952	259,118	1,212,070	1,071,578
Expenditure on:					
Raising funds	6	15,370	-	15,370	23,070
Charitable activities	6	951,152	300,379	1,251,531	1,105,221
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		966,522	300,379	1,266,901	1,128,291
Net (expenditure)		(13,570)	(41,261)	(54,831)	(56,713)
Transfer between funds	13	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		(13,570)	(41,261)	(54,831)	(56,713)
Reconciliation of funds					
Total funds brought forward at 1 January 2023		614,400	161,161	775,561	832,274
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward at 31 December 2023		600,830	119,900	720,730	775,561
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The charity has no recognised gains and losses other than the results for the period as set out above.

All the results of the charity are classified as continuing.

The charity has no recognised gains and losses other than the results for the period as set out above.

All the results of the charity are classified as continuing.

The notes on pages 22 to 34 are an integral part of the financial statements.

GRASSMARKET COMMUNITY PROJECT

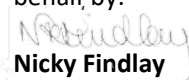
BALANCE SHEET

As at 31 December 2023

	Notes	2023	2022
		£	£
Fixed assets			
Tangible assets	9	520,431	577,212
		<hr/>	<hr/>
		520,431	577,212
		<hr/>	<hr/>
Current assets			
Stock		19,164	10,851
Debtors	10	52,790	121,893
Cash at bank		381,385	307,832
		<hr/>	<hr/>
		453,339	440,576
Liabilities			
Creditors: Amounts falling due within one year	11	(138,144)	(115,603)
		<hr/>	<hr/>
Net current assets		315,195	324,973
		<hr/>	<hr/>
Total net assets less current liabilities		835,626	902,185
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	12	(114,896)	(126,624)
Net assets		720,730	775,561
		<hr/>	<hr/>
Funds			
Restricted funds	13	119,900	161,161
Unrestricted funds		600,830	614,400
		<hr/>	<hr/>
Total funds		720,730	775,561
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements were approved by the trustees on 5 June 2024 and are signed on their behalf by:-


Nicky Findlay
 Trustee

Company Registration Number: SC368576

The notes on pages 22 to 34 form part of these financial statements.

GRASSMARKET COMMUNITY PROJECT

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	2023	2022
	£	£
Cash generated by operating activities	61,122	211,136
Cash flows from investing activities		
Bank interest	5,599	708
Purchase of fixed assets	6,832	(365,115)
	<hr/>	<hr/>
Cash used in investing activities	12,431	(364,407)
	<hr/> <hr/>	<hr/> <hr/>
Cash flows from financing activities		
Loan drawdown	-	187,550
Loan repayments	-	(49,890)
	<hr/>	<hr/>
Cash from financing activities	-	137,660
	<hr/> <hr/>	<hr/> <hr/>
Increase in cash and cash equivalents in the year	73,553	(15,610)
	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year	307,832	323,442
	<hr/>	<hr/>
Total cash and cash equivalents at the end of the year	381,385	307,832
	<hr/> <hr/>	<hr/> <hr/>
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds (as per Statement of Financial Activities)	(54,831)	(56,713)
Adjusted for:		
Depreciation charge	49,949	32,126
Interest received	(5,599)	(708)
Decrease in debtors	69,103	215,359
Increase in creditors	10,813	8,314
(Increase)/decrease in stock	(8,313)	12,371
Loss on disposal of fixed assets	-	388
	<hr/>	<hr/>
Net cash generated by operating activities	61,122	211,136
	<hr/> <hr/>	<hr/> <hr/>

GRASSMARKET COMMUNITY PROJECT

STATEMENT OF CASH FLOWS (Continued)

For the year ended 31 December 2023

Analysis of change in net debt

	At 1 January 2022 £	Cashflows £	At 31 October 2023 £
Cash	307,832	73,553	381,385
Loans falling due within one year	(11,036)	(692)	(11,728)
Loans falling due in more than one year	(126,624)	11,728	(114,896)
Total	<u>170,172</u>	<u>84,589</u>	<u>254,761</u>

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with historical cost convention and applicable United Kingdom accounting standards, including Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

Grassmarket Community Project constitutes a public benefit entity as defined by FRS102 and a company limited by guarantee, incorporated in Scotland with the registered office as noted on page 1. The financial statements are presented in pounds Sterling as that is the functional currency of the charitable company rounded to the nearest pound.

Going Concern

The trustees consider there are no material uncertainties about the ability of the charitable company to continue as a going concern for a period of at least 12 months from the date of signing of these financial statements. Accordingly the financial statements have been prepared on a going concern basis.

Income recognition

Income is included in the Statement of Financial Activities when the charity is entitled to the income, there is probability of receipt and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Donations are included in full in the Statement of Financial Activities when there is entitlement; probability of receipt
- Grants are recognised in the year of award where the conditions for receipt are met. Where there are performance conditions attached to grants and donations, income is recognised when the performance conditions have been met or when the conditions are within the charity's control and there is sufficient evidence that they have been met or will be met.
- Donated assets are recognised where the benefit to the Charity is reasonably quantifiable and measurable. The value placed on these services is the estimated price that would be paid in the open market for an equivalent service or facility.
- No amounts are included in the financial statements for services carried out by volunteers, including professional services provided directly by volunteers.
- Income from the sale of goods and services is recognised when goods and services are delivered.
- Investment income is included when receivable.

Expenditure

Expenditure is recognized on an accruals basis.

Allocation of Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs which support the Trust's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. Accounting Policies (cont.)

Fixed Assets and Depreciation

Assets are initially recorded at cost.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:-

Assets under construction	Nil
Workshop and kitchen equipment	20% straight line
Fixtures, fittings and office equipment	33.3% - 50% straight line

The charity has the policy not to capitalise items under £2,000 unless they are part of a larger project.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost for donated items is determined using open market of comparable items at date of donation.

Fund Accounting

The nature and purpose of each fund is explained in note 16.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose 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.

Pensions

The Charity contributes to a staff personal pension scheme for members of staff, which are defined contribution schemes. The assets of the scheme are held separately from those of the charity in an independently administered fund. Pension costs charged in the Statement of Financial Activity represent the contributions payable by the charity in the period.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value since these are repayable on demand.

Judgements and estimates

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. Accounting Policies (cont.)

Judgements and estimates (cont.)

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the charitable company as a lessor are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

2. Income from donations

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Binks Trust	71,200	-	71,200	70,000
Donations – Individuals	64,654	2,635	67,289	31,895
Donations – Trusts and organisations	26,510	-	26,510	22,157
Public sector grants	3,165	71,030	74,195	98,058
Other Trust income	-	149,453	149,453	241,687
Grassmarket Mission	-	36,000	36,000	35,000
	165,529	259,118	424,647	498,797
	165,529	259,118	424,647	498,797

Income from donations was £424,647 (2022: £498,797) of which £165,529 (2022: £96,072) was unrestricted and £259,118 (2022: £402,725) was restricted. Public sector grants were received as follows; National Lottery Community Fund £40,326 National Lottery Anchor Fund £16,870, Scottish Government via delivery partners £16,999.

3. Income from charitable activities

	Unrestricted 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£
Furniture sales	56,309	-	56,309	58,804
Textile sales	31,044	-	31,044	16,733
Candle sales	377	-	377	414
Catering income	676,327	-	676,327	481,838
Other sundry income	14,536	-	14,536	8,965
	778,593	-	778,593	566,754
	778,593	-	778,593	566,754

Income from charitable activities was £778,593 (2022: £566,754) of which £778,593 (2022: £566,754) was unrestricted and £Nil (2022: £Nil) was restricted.

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

4. Net incoming resources

	2023	2022
	£	£
This is stated after charging:		
Depreciation	49,949	32,126
Auditors' remuneration – current audit fee	7,500	6,275
Auditors remuneration – predecessor's audit fee	5,010	-
Operating lease charges	36,250	32,629
	<u> </u>	<u> </u>

5. Trustees' remuneration and governance costs

The trustees received no remuneration or reimbursement of expenses in the current or prior period.

6. Analysis of expenditure

	Charitable Activities			Total 2023	Total 2022
	Raising Funds	Social Enterprise £	Member Activities £		
	£	£	£	£	£
Salaries (note 7)	7,370	535,471	183,316	726,157	653,591
Direct costs	8,000	226,322	20,482	254,804	237,132
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	15,370	761,793	203,798	980,961	890,723
Support costs					
Premises costs	-	120,900	17,854	138,754	129,285
Administrative costs	-	64,908	15,578	80,486	58,094
Depreciation	-	43,931	6,018	49,949	32,127
Irrecoverable VAT	-	3,415	826	4,241	8,317
Legal fees	-	-	-	-	3,470
Governance costs					
Audit fees	-	10,076	2,434	12,510	6,275
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	243,230	42,710	285,940	237,568
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditure	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	15,370	1,005,023	246,508	1,266,901	1,128,291
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Expenditure from charitable activities was £1,266,901 (2022: £1,128,291) of which £966,522 (2022: £781,692) was unrestricted and £300,379 (2022: £346,599) was restricted.

Overhead and support costs are allocated to activities based on the percentage of directly allocated costs.

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

7. Summary analysis of expenditure and related income for activities

The table shows the cost of the main activities and the sources of income that support those activities:

	Fundraising	Social Enterprise	Member Activities	Total 2023	Total 2022
	£	£	£	£	£
Costs	(15,370)	(1,005,023)	(246,508)	(1,266,901)	(1,128,291)
Donations	-	4,663	77,346	82,009	50,562
Charitable activities grants	-	148,637	194,000	342,637	448,235
Furniture sales	-	56,309	-	56,309	58,804
Textile and other sales	-	45,272	2,289	47,561	26,112
Catering sales	-	530,703	317	531,020	397,698
Event income	-	146,935	-	146,935	89,459
Interest	-	4,510	1,089	5,599	708
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(15,370)	(67,994)	28,533	(54,831)	(56,713)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Fundraiser is involved in generating donations and grants reported under both Social Enterprise and Members activities.

8. Staff costs

Staff costs comprise:	2023	2022
Salaries and wages	662,350	597,029
Redundancy costs	-	1,077
Social security costs	44,533	40,434
Pension cost – Defined contribution	19,274	14,952
	<hr/>	<hr/>
	726,157	653,491
Self employed sessional staff	-	100
	<hr/>	<hr/>
	726,157	653,591
	<hr/> <hr/>	<hr/> <hr/>

The average number of staff (excluding sessional staff) during the period was 44 (2022: 39).

The charity considers its key management personnel comprise of the Chief Executive, Social Enterprises Director, the Service Manager, Administration and Finance Managers. The total employment benefits including employer pension contributions of the key management personnel was £167,065 (2022: £154,541). No employee has emoluments of more than £60,000 during either the current or previous year.

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

8. Staff costs (cont.)

The trustees received no remuneration, other benefits or reimbursement of expenses in the current or prior period. Trustee indemnity insurance was in place for the benefit of Trustees throughout the period.

Pensions

The company contributed to an individual personal pension scheme during the year. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £19,274 (2022: £14,952). At the year-end, contributions totalling £1,390 (2022: £860) were outstanding.

9. Tangible fixed assets

	Fixtures, fittings and other equipment £	Workshop Equipment £	Leasehold Improvements £	Total £
Cost				
At 1 January 2023	188,655	73,460	530,622	792,737
Additions	-	-	(6,832)	(6,832)
Disposals	-	-	-	-
	_____	_____	_____	_____
At 31 December 2023	188,655	73,460	523,790	785,905
	_____	_____	_____	_____
Depreciation				
At 1 January 2023	140,941	67,183	7,401	215,525
Charge for year	24,496	3,249	22,204	49,949
	_____	_____	_____	_____
At 31 December 2023	165,437	70,432	29,605	265,474
	_____	_____	_____	_____
Net Book Value				
At 31 December 2023	23,218	3,028	494,185	520,431
	=====	=====	=====	=====
At 31 December 2022	47,714	6,277	523,221	577,212
	=====	=====	=====	=====

The negative addition represents an adjustment to the VAT refund on the capital works carried out in the previous year.

GRASSMARKET COMMUNITY PROJECT
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

10. Debtors: amounts falling due within one year

	2023	2022
	£	£
Trade debtors	31,441	96,227
Prepayments and accrued income	21,349	25,666
	<hr/>	<hr/>
	52,790	121,893
	<hr/> <hr/>	<hr/> <hr/>

11. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	46,376	41,128
Other creditors	13,898	14,263
Accruals	35,001	17,361
VAT	31,141	31,815
Loan	11,728	11,036
	<hr/>	<hr/>
	138,144	115,603
	<hr/> <hr/>	<hr/> <hr/>

12. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Loan repayable:		
In two to five years	51,516	51,516
In more than five years	63,380	75,108
	<hr/>	<hr/>
	114,896	126,624
	<hr/> <hr/>	<hr/> <hr/>

The Foundation Scotland Loan is being repaid monthly over the ten year period to June 2032 and attracts an interest of 6.1%.

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

13. Funds

2023	Balance at 1 January 2023	Income	Expenditure	Transfers	Balance at 31 December 2023
	£	£	£	£	£
Unrestricted funds					
General fund	34,384	952,952	(911,530)	(5,000)	70,806
Designated fund:					
Capital fund	570,954	-	(54,152)	-	516,802
Designated fund:					
External Maintenance and repairs	9,062	-	(840)	5,000	13,222
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	614,400	952,952	(966,522)	-	600,830
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds					
Furniture fund	26,389	1,000	(26,387)	-	1,002
Members fund	131,132	169,681	(188,202)	-	112,611
Core fund	3,040	85,802	(83,155)	-	5,687
Retail	-	2,635	(2,635)	-	-
Courtyard Development Fund	600	-	-	-	600
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	161,161	259,118	(300,379)	-	119,900
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	775,561	1,212,070	(1,266,901)	-	720,730

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

13. Funds (cont.)

2022	Balance at 1 January 2022	Income	Expenditure	Transfers	Balance at 31 December 2022
	£	£	£	£	£
Unrestricted funds					
General fund	123,254	668,853	(750,274)	(7,449)	34,384
Designated fund:					
Capital fund	244,611	-	(30,480)	356,823	570,954
Designated fund:					
External Maintenance and repairs	5,000	-	(938)	5,000	9,062
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	372,865	668,853	(781,692)	354,374	614,400
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds					
Furniture fund	20,862	26,387	(20,860)	-	26,389
Members fund	123,323	215,617	(207,808)	-	131,132
Retail fund	-	6,205	(6,205)	-	-
Core fund	6,220	82,385	(85,565)	-	3,040
Covid-19 fund	2,110	584	(2,694)	-	-
Courtyard development fund	306,894	50,000	(1,920)	(354,374)	600
Catering fund	-	21,547	(21,547)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	459,409	402,725	(346,599)	(354,374)	161,161
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	832,274	1,071,578	(1,128,291)	-	775,561

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

13. Funds (cont.)

Designated fund:

Capital fund This fund represents the net book value of the charity's tangible fixed assets.

External maintenance & repairs This fund represents funds set aside by the trustees for the future upkeep of buildings

Restricted funds:

Furniture fund Funding received to fund the work carried out through the furniture programme. The transfer from the fund represents assets purchased.

Members fund Funding received to support the work carried out under the membership programme.

Catering fund Funding has been received to fund the costs, including salaries, of the catering projects, including the open door meal project, run by the charity. The transfer from the fund in the prior year represents fixed assets purchased.

Core fund Funding has been received from trusts and grant providers to fund core costs.

Covid-19 fund Funding received to cover costs incurred as a result of the ongoing pandemic, including CJRS support received.

Courtyard development fund Funding received for the ongoing capital project to extend the building. The transfer from the fund represents a reallocation of the costs to fixed assets.

Retail fund Funding has been received to fund costs, including salaries of the tartan/retail social enterprise.

Transfers between funds represent the release of restrictions on capital additions in the previous year.

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

14. Analysis of net assets between funds

	Fixed Assets £	Net Assets £	Total Funds £
Restricted funds	3,629	116,271	119,900
Unrestricted funds:			
General	-	70,806	70,806
Designated	516,802	13,222	530,024
	_____	_____	_____
Net assets at 31 December 2023	520,431	200,299	720,730
	=====	=====	=====
Comparative figures:			
General	Fixed Assets £	Net Assets £	Total Funds £
Restricted funds	6,258	154,903	161,161
Unrestricted funds:			
General	-	39,384	39,384
Designated	570,954	4,062	575,016
	_____	_____	_____
Net assets at 31 December 2022	577,212	198,349	775,561
	=====	=====	=====

15. Operating lease commitments

As at 31 December 2023 the charity had total commitments under non-cancellable operating leases, payable as follows:

	2023 Land & buildings £	2023 Other £	2022 Land & buildings £	2022 Other £
Within one year	20,400	7,545	23,317	6,213
Within two to five years	41,150	4,081	50,400	4,062
More than five years	175,000	-	185,000	-
	_____	_____	_____	_____
Net assets at 31 December 2023	236,550	11,626	258,717	10,275
	=====	=====	=====	=====

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

15. Related Party Transactions

Trustees Rev Dr R E Frazer and J C Elliot are also Trustees of Edinburgh: Greyfriars Kirk (Church of Scotland). Grassmarket Community Project paid rent of £12,000 (2022: £12,000) to Edinburgh: Greyfriars Kirk (Church of Scotland) and £500 (2022: £Nil) for fundraiser venue costs. Grassmarket Community Project recharged café sales of £2,125 (2022: £Nil). £840 was received from Edinburgh: Greyfriars Kirk (Church of Scotland) for furniture commissions. Grassmarket Community Project received £1,060 from Edinburgh: Greyfriars Kirk (Church of Scotland) for provision of payroll services (2022: £973). In 2023, £Nil (2022: £348,825) of construction invoices were recharged by Edinburgh: Greyfriars Kirk (Church of Scotland) to Grassmarket Community Project for the construction of the Pavilion project, however £6,832 was re-charged for the VAT refund on the Pavilion. £6,109 of insurance premiums were recharged to the Grassmarket Community Project by Greyfriars Kirk (Church of Scotland) (2022: £6,535). At the period end £2,382 (2022: £4,425) was due to Edinburgh: Greyfriars Kirk (Church of Scotland) and £278 (2022: £235) was due from Edinburgh: Greyfriars Kirk (Church of Scotland).

Trustees Rev Dr R E Frazer, J C Elliot and G Honeyman are Trustees of Greyfriars Charteris Centre SCIO. Grassmarket Community Project received £893 (2022: £3,835) for provision of payroll services and bookkeeping services from Greyfriars Charteris Centre SCIO. Grassmarket Community Project paid £Nil (2022: £1,200) to Greyfriars Charteris Centre SCIO for office rental. £3,312 (2022: £Nil) was received from Greyfriars Charteris Centre SCIO for furniture commissions. At the year end, £Nil (2022: £Nil) was due to Greyfriars Charteris Centre SCIO and £586 (2022: £681) was due from Greyfriars Charteris Centre SCIO.

Trustees D S Armstrong was also a Trustee of Grassmarket Mission in the period. During the year, a regular grant of £36,000 (2022: £35,000) was received from Grassmarket Mission. At the year end, there were no outstanding balances between these parties at either year end.

Trustee D S Armstrong was also a Director of MHscot Workplace Wellbeing CIC in the period. During the year, £Nil (2022: £1,200) of staff training was purchased from MHscot Workplace Wellbeing CIC. At the year end, there were no outstanding balances between these parties at either year end.

Trustee M Johnstone is a member of the Scotland Committee of the National Lottery Communities Fund, in the year a grant of £40,326 (2022: £41,205) was received from the National Lottery Communities Fund. At the year end there were no outstanding balances due from National Lottery Communities Fund.

Trustee M Johnstone is a Trustee of Christian Aid, in the year £Nil (2022: £300) was received from Christian Aid for event catering services. At the year end, there were no outstanding balances due from Christian Aid.

GRASSMARKET COMMUNITY PROJECT

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

15. Related Party Transactions (cont.)

Trustee J C Elliot is also a Trustee of Crossreach, in the year £790 (2022: £1,000) was received from Crossreach for event catering services and £60 was received for furniture commissions. At the year end £790 (2022: £Nil) was due from Crossreach.

Trustee J C Elliot is also a Trustee of Scottish Grantmakers SCIO, in the year £Nil (2022: £276) was received from Scottish Grantmakers SCIO for room hire and catering services. At the year end, there were no outstanding balances due from Scottish Grantmakers SCIO.

A donation of £71,200 (2022: £70,000) was received from the Binks Trust, of which J C Elliot is a trustee. No amounts are outstanding at the year end.

Trustee R J Chappell is a Trustee of Social Enterprise Scotland and in the year £2,881 (2022: £Nil) was received from Social Enterprise Scotland for event catering services. In the year £300 (2022: £Nil) was paid to Social Enterprise Scotland for membership fees. At the year end, there were no outstanding balances due to or from Social Enterprise Scotland.

Donations totalling £Nil (2022: £558) were received from no (2022: one) trustees. Expenses of £54 were reimbursed to one (2022: £Nil) trustee. £3,354 (2022: £Nil) was received from one (2022: Nil) trustee for events services and furniture commission.

16. Company Limited by Guarantee

The members have indicated that they will contribute £1 each in the event of the winding up of the company.

17. Ultimate controlling party

The charitable company is constituted by its Articles of Association and is controlled by its Board of Trustees.