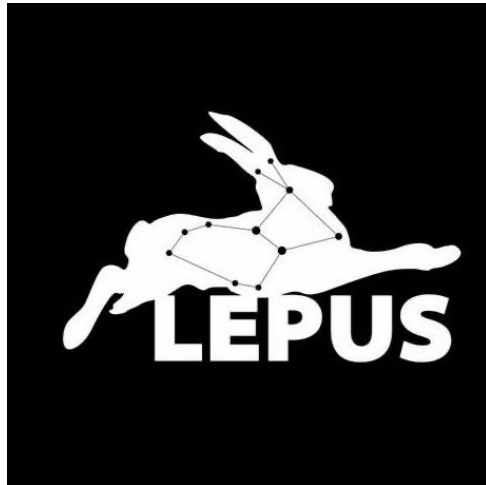


**Report of the Trustees and
Financial Statements for the Period 6 June 2025 to 5 April 2026
for
Lepus Arts**



Brett Nicholls Associates
Herbert House
24 Herbert Street
Glasgow
G20 6NB

Lepus Arts

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for the Period 6 June 2025 to 5 April 2026**

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Lepus Arts

**Reference and Administrative Details
for the Period 6 June 2025 to 5 April 2026**

TRUSTEES	P King - Chair (appointed 6.6.25) N Henderson - Treasurer (appointed 6.6.25) N Savage - Secretary (appointed 6.6.25) M Green (appointed 6.6.25)
PRINCIPAL ADDRESS	4 Chapel Place Pathhead Midlothian EH375QF
REGISTERED CHARITY NUMBER	SC054291
INDEPENDENT EXAMINER	David Nicholls FCCA Brett Nicholls Associates Herbert House 24 Herbert Street Glasgow G20 6NB
BANKERS	The Co-operative Bank 1 Ballon Street Manchester M4 4BE

Lepus Arts

Report of the Trustees for the Period 6 June 2025 to 5 April 2026

The trustees present their report with the financial statements of the charity for the period 6 June 2025 to 5 April 2026. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Lepus Arts was set up to create a space in Pathhead where creative arts can thrive, with new work being created and workshops delivered. The initial year has focussed on the refurbishment of St Mary's Church, now known as The LEAP to become a place for people to gather, learn skills and create work.

The charity's objectives are:

- The furtherment of the arts and education through performative and participatory endeavour.
- The creation of new art and the creation of opportunities for learning and participating in artistic activity.

Our aim is to benefit artists, audiences and communities across the UK and internationally.

Lepus will be working with the local community in Pathhead, as well artists from all over Scotland, the UK and internationally.

2026 has been mainly spent fundraising for the development of The LEAP, with the renovation works beginning very soon. Thanks to support from Midlothian Council, and donations from Trusts and Foundations we've been able to finalise plans for the LEAP, secure a contractor and begin working on a bespoke space for professional and community events.

FINANCIAL REVIEW

Financial position

In its first period of operation, from 6 June 2025 to 5 April 2026, the charity generated a net surplus of £108,696.

At 5 April 2026, total reserves stood at £108,696, of which £11,925 represents the book value of fixed assets and the rest were all unrestricted.

The £100,000 donation from the Josephine Green Gotley Charities Trust is there to ensure stable cash flow during the work on The LEAP. It ensures a core amount of funding for project management and maintains the charity's financially stable position as funding from Midlothian Council is paid retrospectively for completed work.

This year has been mainly a fundraising and planning year, with further fundraising and delivery happening in 26/27. This is reflected in the surplus in the accounts, that are all committed to upcoming activity and delivery of the new arts space in Pathhead.

Reserves policy

The Board of Trustees is responsible for overseeing the charity's reserves policy and ensuring its long-term financial resilience. The trustees have adopted a policy of maintaining free reserves equivalent to at least six months of running costs, providing a financial buffer against unexpected challenges and safeguarding the continuity of the charity's operations.

As this is the first period of the charity's operation - covering 6 June 2025 to 5 April 2026 - the trustees acknowledge that it has not yet been possible to establish a fully reliable estimate of ordinary running costs. For this period, six months of running costs is estimated at £14,242. The trustees recognise that as the charity matures, this figure will become more reliably established, and from next year a more formal reserves policy will be adopted reflecting the charity's settled pattern of activity.

At 5 April 2026, the charity held unrestricted reserves of £96,771, which significantly exceeds the policy threshold. The trustees are therefore satisfied that the reserves policy has been met for this period. The additional reserves held above this level will be applied to the further achievement of the charity's purposes in the coming period.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

FUTURE PLANS

We have several project grants pending including The Pathhead Memory Bank, a digital repository of local oral history. Work will start in July 2026 and we hope to begin welcoming artists to create new work in October 2026 and begin running workshops from then.

Lepus Arts

**Report of the Trustees
for the Period 6 June 2025 to 5 April 2026**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is a Scottish Incorporated Charitable Organisation (SCIO) and operates under the rules of its constitution.

Recruitment and appointment of new trustees

Trustees may be appointed by majority board resolution at any time. At each AGM, any trustees appointed since the previous AGM retire from office, along with one third of the remaining trustees (those longest in office retiring first, with ties resolved randomly). Retiring trustees are eligible for re-appointment and will be deemed re-appointed at the next board meeting unless they decline or a re-appointment resolution is not carried.

Organisational structure

The charity is a Scottish Charitable Incorporated Organisation (SCIO). It is governed by a Board of Trustees, which meets regularly and is responsible for the strategic direction and overall management of the charity, including monitoring and controlling its financial position.

Under the charity's constitution, all Board members serve simultaneously as both charity trustees and members of the organisation. Membership is therefore restricted to serving trustees - anyone ceasing to be a trustee automatically ceases to be a member. The Board has the power to appoint trustees to fill vacancies and, acting in their capacity as members, to amend the constitution in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005.

Key management remuneration

The day-to-day management of the organisation is undertaken by the General Manager and the Executive Director. The Executive Director received no remuneration during the period. Total staff costs of £17,600 relate solely to the General Manager role.

22/06/2026

Approved by order of the board of trustees on and signed on its behalf by:

Penny King

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.....
P King - Trustee

**Independent Examiner's Report to the Trustees of
Lepus Arts**

I report on the accounts for the period 6 June 2025 to 5 April 2026 set out on pages five to eleven.

Respective responsibilities of trustees and examiner

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

Basis of the independent examiner's report

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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



— SF7D0000-AA7F-AAB9-EAB8-08DEC6E48CE4 —

David Nicholls FCCA
Fellow of the Association of Chartered Certified Accountants
Brett Nicholls Associates
Herbert House
24 Herbert Street
Glasgow
G20 6NB

22/06/2026

Date: — SF7D0000-AA7F-AAB9-EAB8-08DEC6E48CE4 —

Lepus Arts

Statement of Financial Activities for the Period 6 June 2025 to 5 April 2026

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	3	<u>120,417</u>	<u>11,925</u>	<u>132,342</u>
EXPENDITURE ON				
Charitable activities	4			
Creating new artistic work and delivering participatory workshops to engage artists, audiences and communities in the arts		<u>23,646</u>	<u>-</u>	<u>23,646</u>
NET INCOME		96,771	11,925	108,696
Transfers between funds	13	<u>11,925</u>	<u>(11,925)</u>	<u>-</u>
Net movement in funds		<u>108,696</u>	<u>-</u>	<u>108,696</u>
TOTAL FUNDS CARRIED FORWARD		<u>108,696</u>	<u>-</u>	<u>108,696</u>

CONTINUING OPERATIONS

This statement of financial activities includes all gains and losses recognised in the period. All income and expenditure derive from continuing activities in the period.

Lepus Arts

**Balance Sheet
5 April 2026**

	Notes	£
FIXED ASSETS		
Tangible assets	9	11,925
CURRENT ASSETS		
Debtors	10	79,900
Cash at bank		<u>83,721</u>
		163,621
CREDITORS		
Amounts falling due within one year	11	(66,850)
		<u>96,771</u>
NET CURRENT ASSETS		<u>96,771</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		108,696
NET ASSETS		<u>108,696</u>
FUNDS	13	
Unrestricted funds:		
General fund		96,771
Designated Fixed Assets Fund		<u>11,925</u>
		<u>108,696</u>
TOTAL FUNDS		<u>108,696</u>

10/06/2026

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

Maritn Green

.....
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M Green - Trustee

Lepus Arts

Notes to the Financial Statements for the Period 6 June 2025 to 5 April 2026

1. GENERAL INFORMATION

Lepus Arts (SCIO) ("the charity") is Scottish charitable incorporated organisation governed by its constitution dated 06 June 2025. It was registered as a charity in Scotland (registered number SC054291) on 06 June 2025. Its registered address is 4 Chapel Place, Pathhead, Midlothian, EH37 5QF.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements are prepared on an accruals basis, and on a going concern basis, in accordance with:

- the Charities and Trustee Investment (Scotland) Act 2005;
- Regulation 8 (Statement of account - Fully accrued accounts) of The Charities Accounts (Scotland) Regulations 2006;
- the Financial Reporting Standard applicable in the UK and Republic of Ireland, published in March 2018 ("FRS 102"), to the extent that it applies to small entities and public benefit entities;
- '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, published in October 2019 (FRS 102)' ("the Charities SORP");
- UK Generally Accepted Accounting Practice; and
- the historical cost convention.

The charity 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.

The financial statements are presented in UK sterling, which is the charity's functional currency, and rounded to the nearest pound.

There have been no changes to the basis of preparation this financial year or to the previous financial year's financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets in the course of construction are stated at cost. No depreciation is charged on these assets until construction is complete and the asset is brought into use, at which point an appropriate depreciation policy will be adopted.

Taxation

Lepus Arts is a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Lepus Arts

Notes to the Financial Statements - continued for the Period 6 June 2025 to 5 April 2026

3. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total funds £
Donations	120,050	-	120,050
Grants	-	11,925	11,925
Interest Received	<u>367</u>	<u>-</u>	<u>367</u>
	<u>120,417</u>	<u>11,925</u>	<u>132,342</u>

Grants received, included in the above, are as follows:

	£
Midlothian Council - Place Based Investment	<u>11,925</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
Creating new artistic work and delivering participatory workshops to engage artists, audiences and communities in the arts	<u>22,029</u>	<u>1,617</u>	<u>23,646</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	£
Staff costs	17,600
Advertising	2,463
Accommodation	250
Administration & IT costs	13
Rent	1,380
Travel Expenses	<u>323</u>
	<u>22,029</u>

Lepus Arts

Notes to the Financial Statements - continued for the Period 6 June 2025 to 5 April 2026

6. SUPPORT COSTS

	£
Insurance	267
Preparation & Independent Examination of Accounts	<u>1,350</u>
	<u>1,617</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 5 April 2026.

Trustees' expenses

During the period, two trustees (N Savage and P King) were reimbursed for travel and accommodation expenses totalling £573.

8. STAFF COSTS

	£
Wages and salaries	<u>17,600</u>
	<u>17,600</u>

The average monthly number of employees during the period was as follows:

Management	<u>1</u>
------------	----------

No employees received emoluments in excess of £60,000.

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings
	£
COST	
At 6 June 2025 and 5 April 2026	<u>11,925</u>
NET BOOK VALUE	
At 5 April 2026	<u>11,925</u>

Lepus Arts

**Notes to the Financial Statements - continued
for the Period 6 June 2025 to 5 April 2026**

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Other debtors	77,515
VAT	<u>2,385</u>
	<u>79,900</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Accrued expenses	1,350
Deferred grants	<u>65,500</u>
	<u>66,850</u>

Deferred income comprises grant received from the Midlothian Council Investment Fund which Lepus Arts was not entitled to in the 2025/26 year.

	2026
	£
At 6 June	-
Deferred in year	65,500
Released in year	<u>-</u>
At 5 April	<u>65,500</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
Fixed assets	11,925	-	11,925
Current assets	163,621	-	163,621
Current liabilities	<u>(66,850)</u>	<u>-</u>	<u>(66,850)</u>
	<u>108,696</u>	<u>-</u>	<u>108,696</u>

13. MOVEMENT IN FUNDS

	Net movement in funds	Transfers between funds	At 5/4/26
	£	£	£
Unrestricted funds			
General fund	96,771	-	96,771
Designated Fixed Assets Fund	<u>-</u>	<u>11,925</u>	<u>11,925</u>
	96,771	11,925	108,696
Restricted funds			
Midlothian Council	<u>11,925</u>	<u>(11,925)</u>	<u>-</u>
TOTAL FUNDS	<u>108,696</u>	<u>-</u>	<u>108,696</u>

Lepus Arts

Notes to the Financial Statements - continued for the Period 6 June 2025 to 5 April 2026

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	120,417	(23,646)	96,771
Restricted funds			
Midlothian Council	11,925	-	11,925
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>132,342</u>	<u>(23,646)</u>	<u>108,696</u>

14. RELATED PARTY DISCLOSURES

During the period, the charity received a donation of £20,000 from Lepus Productions Limited, a company in which M Greens (trustee) is a director. There were no other related party transactions during the period.

15. PURPOSE OF UNRESTRICTED FUNDS

General - The free unrestricted reserves of the charity

Designated Fixed Asset Fund - represents the net book value of the charity's tangible fixed assets

16. PURPOSE OF RESTRICTED FUNDS

Midlothian Council Place Based Investment Fund - represents a grant received from Midlothian Council towards the restoration and improvement of Old St Mary's Church, Pathhead, including accessibility and energy efficiency works.