

Marketing Edinburgh reports profit for the year to March 2019

Normally this kind of result would be good news. An Arms Length External Organisation overseen by, and funded by, the council makes a profit.

This is better news than some of the Directorates which make up the council are able to report. Some of those are over budget, and some of that happened before Covid-19 became a problem.

The company accounts lodged at Companies House show that during the year, which was the most successful in its history in terms of revenue, income generated from the company's own activities had risen to 61%, with 39% of grant funding. Revenue levels were £2.326 million up from £1.965 million in the previous financial year. Membership fees were up and the Convention side of the business had a strong order book of conferences coming to Edinburgh, including the TED summit in 2019, which was a considerable coup, along with the World One Health Congress 2020 which had a combined economic impact for Edinburgh of £6 million.

The social media channels along with the company's website had generated more income than in the previous year too. The business delivered a return on investment of £78.1 million for the whole year which is a ratio of 87:1, although down from 99:1 the previous year when Film Edinburgh (part of the

Marketing Edinburgh company) had such success with the films made in the city such as Avengers: Infinity War.

Marketing Edinburgh has now been hibernated by the Board which comprises three councillors, Cllr Kate Campbell, Cllr Claire Miller and Cllr Mandy Watt, and employees have been made redundant with most assets taken over by the council. The directors say they were conducting a redundancy consultation with staff, involving a new model for the business using a reduced grant from the council, just as Covid-19 hit.

The recently filed (and late) accounts also cite Covid-19 as the reason for the hibernation.

But the writing was on the wall for the company some months before. The previous board resigned in October 2019, having presented a business plan to lead the company away from council support. All of the board led by Chairman Gordon Robertson resigned when that plan was rejected by the council as a way forward for the company.

The cost of hibernating the company is around £1.6 million according to the answer to our Freedom of Information request. This compares with the sum of £450,000 which is the price tag associated with the previous board's business plan.

There are some notes to the accounts appended by the auditors who have presented the figures on a break-up basis rather than an ongoing basis.

Recently the council agreed to spend £55,000 on supporting the new [Forever Edinburgh](#) campaign which is being fronted by Edinburgh Tourism Action Group (ETAG), delivering a message firstly to those of us living here that we should rediscover our own patch.