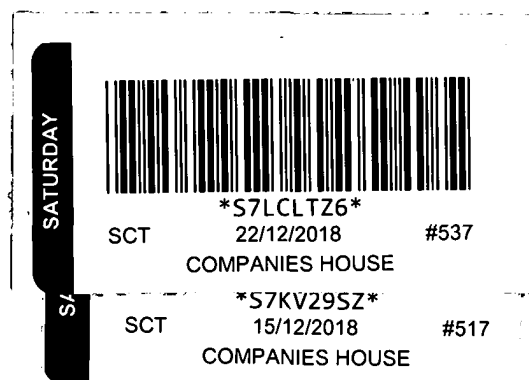


CHARITY NUMBER: 028874
COMPANY NUMBER: SC219307

THE AYRSHIRE COMMUNITY TRUST
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2018



JOHN KERR & COMPANY
CHARTERED ACCOUNTANTS

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Constitution

The Ayrshire Community Trust is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity number: SC028874. Company number: SC219307.

Members of the Council and Trustees

The Directors of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Members of the Council of the Trust are listed below and such other persons as the Board of Directors shall admit to membership from time to time.

Members of the Council

Agnes Smith (Company Secretary)
Kenneth Buchanan
David Irving
Michael Nellany
Frances Tate
Colin Wilson
Alan Clayton (resigned 11.10.17)
William Lamb (appointed 28.03.18)

Subject to the provisions of the Act and the Ayrshire Community Trust Articles of Association, the business of the Trust shall be conducted by the Board of Directors which shall act in all things for, and in the name of, the Trust and which may exercise all such powers of the Trust as are not by statute or by the Articles required to be exercised by the Trust in General Meeting.

LEGAL AND ADMINISTRATIVE INFORMATION

2

The number of Trustees shall be not less than three and not more than fifteen and are:-

Kenneth Buchanan
David Irving
Michael Nellany
Frances Tate
Colin Wilson
Alan Clayton (resigned 11.10.17)
William Lamb (appointed 28.03.18)

Registered Office

25 – 27 Vernon Street, Saltcoats KA21 5HE

Auditors

John Kerr & Company, Chartered Accountants, 32a Hamilton Street, Saltcoats, KA21 5DS

Bankers

Unity Trust Bank, 9 Brindleyplace, Birmingham, B1 2HB

REPORT OF THE TRUSTEES

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The Directors of the Trust for the purposes of the Companies Act 2006, who are the Trustees for the purposes of the Charities and Trustee Investment (Scotland) Act 2005, present their Report, audited accounts and financial statements for the year ended 31 March 2018.

The Ayrshire Community Trust was formed in April 1999, as a company limited by guarantee and not having a share capital (Registered Company Number SC219307). The Trust is registered with the Inland Revenue and the Office of the Scottish Charity Regulator as a charity (Scottish Charity Number SC028874). Its governance is regulated by the Memorandum and Articles of Association of the Trust. The Trust is regulated by both company law and Scottish charity legislation.

Chair's Report

We continue to strive to become more sustainable and the production of our Business Plan 2017 - 2020 has provided us with a focus to support the development of some of our innovative projects, this includes becoming more commercial and considering reducing our overheads by moving to new premises.

Negotiations have been ongoing with our previous Landlords Irvine Bay Regeneration Company for a considerable amount of time; however since they ceased operations on July 2017 the asset of 93 Princes Street was transferred to North Ayrshire Venture Trust. New negotiations continued with an agreement given in September 2017 that we could terminate our Lease agreement early and move to new premises identified in Vernon Street, Saltcoats.

Our move went ahead in December 2017 with the hope that with our reduced overheads the company would become much more financially stable.

In relation to operations our Business Plan development helped us decide on the priorities of the company. We took the decision to focus very closely and work hard to make those projects and programmes which had the potential to grow and develop become successful and sustainable.

Eglinton Community Garden has been successful in retaining and attracting new volunteers. In excess of 30 volunteers actively work in the garden each week; this includes young students from local Primary School who are proud to develop their own plot of garden space. The Community Garden was successful in securing funding through the Post Code Trust Fund and will soon be the owner of a new outdoor meeting space and a compost toilet. This will allow more work to be done under shelter and will provide much needed facilities. It has now been scientifically proven that volunteering outdoors improves health and well-being. Eglinton Community Garden clearly does this; just ask some of our volunteers and just as importantly, it provides easy access for volunteers and the local community to healthy and nutritious food.

Town Centre TV is now based at Trinity Church in Irvine and has full control of the big screen in Irvine Town Centre. TCTV are developing a social enterprise to help people gain skills in digital technology. Skills are gained in web site creation, animated advertising, virtual reality developments and much more. The space is a hub of activity and the development of our heritage project, which tells the story of how the church was when it was in full use has enabled local people to contribute by offering memorabilia or by telling their own story. This project will culminate in a film and exhibition later in the year. Volunteers who use this space have excelled with the skills they bring; this project has huge potential around digital technology and participation.

A media/marketing and sales graduate was employed for a 6 month period to generate advertising sales, however with continuous issues with the screen this proved problematic and at the end of the term we had to terminate this contract.

We have over the past year supported over 200 people who are seeking work; this has been through the employability hub and our Positive Steps with Partners initiative. The employability hub has helped people improve their computer skills and assist in job applications, however the employability hub had to cease when we moved to new premises in December 2017.

Positive Steps with Partners has helped people move into further education and employment and build on self-esteem and confidence. Working with the Fire and Rescue service has been a positive and productive partnership, the value and benefits to volunteering are clearly demonstrated in this project often resulting in people moving into employment. New partners are being identified which match where the local economy is likely to flourish, strengthening the possibility of employment. There partners include retail, hospitality and the care sector.

Staff within this project has also gone through some changes, the admin/finance member of staff is now a Project Worker and has undergone extensive training to facilitate the programme, and a former participant of the programme has been employed. They bring personal experience which is invaluable to pass on to new participants in the programme.

Work of the TSI (Third Sector Interface) continues to exceed targets, in engaging with volunteers, supporting local community and voluntary groups, assisting social enterprises and attending meetings on behalf of the third sector. We await the outcome of the evaluation of the TSI remit in order to inform our partners and the wider third sector network of our new role and remit.

Principal Activity

The objects of The Ayrshire Community Trust, as stated in the Memorandum, are:-

- (i) To promote any charitable purpose for the benefit of the inhabitants of Ayrshire, its environs and in particular the advancement of education, the furtherance of health, the relief of poverty and unemployment.
- (ii) To promote and organise cooperation in the achievement of the above purposes and, to that end, bring together in council representatives of voluntary organisations and statutory authorities engaged in the furtherance of the above purposes within Ayrshire and environs.
- (iii) To do all other things as will properly attain the above purpose without discrimination.

In pursuance of those aims but not otherwise TACT shall seek to:

- Provide support appropriate to the needs of the local area, to encourage and support volunteering and to strengthen the community and voluntary sector.
- Operate a portfolio of successful ventures to ensure the sustainability of the organisation
- Invest in developing new services that align with our core purpose and development ambitions for the organisation
- Seek to gather evidence on the impact of volunteering activity to inform future service developments

In order to achieve these aims we have six strategic objectives, these are:

- To secure the contract for delivery of the Third Sector Interface for 2017 and beyond and ensure appropriate income to reflect the resources and activity required to deliver the service
- To retain current contracts with North Ayrshire Council and ensure effective delivery of outputs
- To enhance efficiency through effective management of costs and team productivity
- To ensure organisational structure and team skills are aligned to enable effective achievement of our aims and objectives
- To identify, secure and deliver an increasing portfolio of services that have the potential to generate surplus funds
- To evidence the impact of volunteering activity enabled through our service delivery

Achievements

- Success in terminating our current lease early and securing new premises which would reduce our overheads dramatically and enable us to focus on our successful projects and programmes which improve people's lives.
- Continue to host a recovery officer's post with North Ayrshire Alcohol and Drug Partnership (ADP)
- Host a Peer mentoring project for the Alcohol and Drugs Partnership supporting people in recovery by people who have lived experience.
- Continued our outreach in the employability hubs in two locations: Kilbirnie and Stevenson Library's until December 2017
- Held our annual Oscars event during Volunteers Week in June to celebrate the incredible work the volunteers do.
- Organised a very successful 3rd Sector Conference where organisations got the chance to meet each other and also hear about local funding opportunities
- Offered 3rd Sector organisations the opportunity to undertake Consultation training in partnership with North Ayrshire Council and the Consultation Institute.
- Worked with the local college to provide Prepare to Volunteer training with their students.
- Supported Challenge Poverty Week by hosting a stall in TACT's offices offering produce from our community garden.
- Assisted North Ayrshire Council in developing and supporting Corporate Volunteering opportunities for their staff.

Financial review

Senior staff within the organisation continues to monitor the financial situation on a regular basis and ensure Board members are made aware of any underlying and impending issues. The payment of contractual work remains a difficulty. This is difficult to overcome due to the compliance and regulatory requirements of European funding.

Senior staff consistently look at ways to reduce costs and ensure when costing projects it is based on full cost recovery.

Governance

The Ayrshire Community Trust has a Board of Directors who governs the operation of the company. A Chief Executive Officer is employed to carry out the business and reports directly to Directors at Board meetings which are held at 6 weekly intervals. The CEO provides a report on progress of the various aspects of the Business along with a full financial report. Action minutes of all meetings are taken in accordance with our governing document.

In addition to the CEO a Finance Manager oversees all financial matters and also acts a Company secretary. Overseeing the day to day operation of the business is an Operations Manager. The Operations Manager also provides updates on specific areas of work in order to keep the Board abreast of developments and issues

As part of their duties two staff along with the OM oversee the work associated with the TSI Action Plan. Staffs have other responsibilities in addition to this such as Eglinton Community Garden, Independent Examinations; supporting the Third Sector Forum; contributing to the newly formed Fairer Food initiative and attend a variety of meetings where appropriate.

All interventions associated with TSI work is recorded on MILO database, this information is used for monitoring and reporting purposes on a six monthly basis to the Scottish Government. In addition a more in depth report is prepared based our service on an annual basis and again is presented to the Scottish Government.

Other staff are employed under specific projects and follow appropriate and relevant monitoring process, this include Positive Steps with Partners, Link UP through Inspiring Scotland, Recovery Officer through Alcohol and Drugs Partnership, Partnership Officer and Community Connector through Health and Social Care Partnership,

As per our Memorandum and Articles an Annual General Meeting is held every year which is open to all our members to attend. Board members are sought from the local community who have the required skill set and are interviewed and vetted by the Chair and Senior Management.

REPORT OF THE TRUSTEES

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Financial review

The Ayrshire Community Trust continues to monitor its financial position very closely. Meetings with the Finance Manager and CEO are regular and the up to date position is shared at each Board meeting in order to keep Directors aware of the situation. Issues arise around cash flow due to the nature of how we claim expenditure against specific projects. Due to European legislation this is difficult to overcome which results in TACT having to use core funding. One of the biggest drains on the company financially are overheads, in particular, the rental costs. Steps are underway to address this with our current landlord.

Governance

The Ayrshire Community Trust has a Board of Directors who governs the operation of the company. A Chief Executive Officer is employed to carry out the business and reports directly to Directors at Board meetings which are held at 6 weekly intervals. The CEO provides a report on progress of the various aspects of the Business along with a full financial report. Action minutes of all meetings are taken in accordance with our governing document.

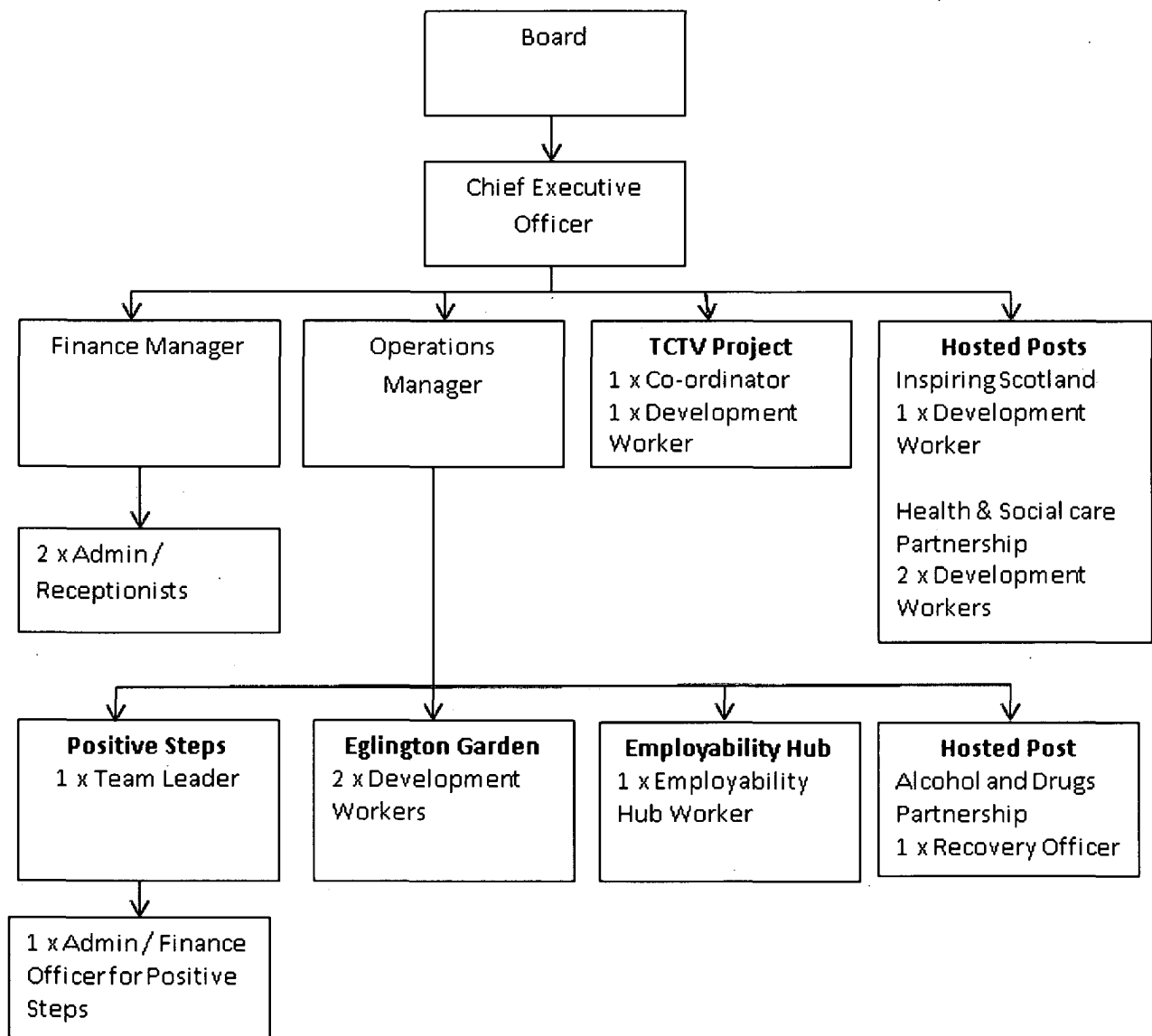
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As part of their duties two staff along with the OM oversee the work associated with the TSI Action Plan. Staff have other responsibilities in addition to this such as Eglinton Community Garden, Independent Examinations and attending a variety of meetings where appropriate.

All interventions associated with TSI work is recorded on MILO database, this information is used for monitoring and reporting purposes on a six monthly basis to the Scottish Government. In addition a more in depth report is prepared based on how good our service is on an annual basis.

Other staff are employed under specific projects and follow appropriate and relevant monitoring process, this include Positive Steps with Partners, Link UP through Inspiring Scotland, Recovery Officer through Alcohol and Drugs Partnership, Partnership Officer and Community Connector through Health and Social Care Partnership,

As per our Memorandum and Articles an Annual General Meeting is held every year which is open to all our members to attend. Board members are sought from the local community who have the required skill set and are interviewed and vetted by the Chair and Senior Management.

Structure

REPORT OF THE TRUSTEES

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Members and Trustees

Under the Articles of Association, new Members of the Council of the Trust are appointed by the Trustees. The Members of the Council of the Trust are listed in the Legal and Administrative Information.

The Trustees are:-

Kenneth Buchanan
David Irving (appointed 7.2.17)
Michael Nellany
Frances Tate
Colin Wilson
Alan Clayton (resigned 11.10.17)
Bobby McCallum (resigned 10.5.16)
Alison Montgomery (resigned 20.10.16)

New Members of the Board of Directors are briefed on their legal obligations under company and charity law and on the management and operation of the Trust. To this end, they are given documents on the governance, management, finance and operation of the Trust and copies of recent general meetings and meetings of the Board of Directors, as appropriate. Upon application potential new Board members are offered an information pack and the opportunity to meet with both the CEO and Chair of the Board. Board members are invited to sit on the Board where skills and experience are relevant to the needs of the company.

Management

The Board of Directors, who met eight times during the period of this report, are responsible for the financial management of the Trust, including approval of the budget, the Annual Report and Accounts, major policy issues arising from the Trust's activities and senior appointments.

The Board of Directors have a varied skill set as can be seen from the table below. Due to the varying aspects of The Ayrshire Community Trust Board members require a mix of skills. Directors are expected to meet their commitment of attending six weekly Board meetings as a minimum; they are also expected when the need arises to attend additional meetings and be prepared to contribute effectively and prudently to the business in hand. In order to reduce risk the CEO will keep Board members up to date with any significant issue as will the Finance Manager.

Board members are expected to act in accordance with the requirements of our Memorandum & Articles.

Role	Name	Bio
Chairperson	Michael Nellany	Mike is a local lawyer having office premises in Saltcoats. He previously served on the Council for Voluntary Services Board on the mainland in North Ayrshire. Mike has been the Chair of TACT's Board since 2011. He is an active member of the community and served on the Board of the Moffat Trust for many years distributing grants to local organisations.
Treasurer	Ken Buchanan	Ken has been a member of the Board since 2005. Known previously as the Volunteer Centre North Ayrshire, Ken was Chair of the Board for the Volunteer Centre and has continued to be a committed member of TACT's Board of Directors. Ken was a very active volunteer with the Citizens Advice Service (NACAS)
Board member	Colin Wilson	Colin has been a member of the Board since 2007. He has worked locally with NACAS until recently. His role involved tribunal representation. Colin has a wide range of experience of the voluntary sector and understands the issues vulnerable people face.
Board member	Frances Tate	Frances has been a member of the Board since 2010. Frances was a senior officer with Quarriers until retirement. Frances has been a Board member for a number of years and brings with her many years of experience in management. Frances lives locally and is a keen craftswoman.
Board Member	David Irving	David has just joined the Board having returned to Ardrossan after having lived in London for a number of years. David has experience in education practice working with schools, colleges and universities in London. David is also a trained coach. Having recently returned to North Ayrshire David is very active in his local community.
Board Member	William Lamb	William was a director with North Ayrshire CVS for 8 years and has a sound knowledge of the voluntary sector. During his working career William was an engineer with Roche and took an interest in becoming a shop steward. Due to his interest in voluntary work he started The Ayrshire Maritime Volunteer Service and was the commanding officer for 7 years. He also set up Coastwatch Scotland is now a developing officer at Coast watch on a full time basis.

REPORT OF THE TRUSTEES

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Financial Statements

The results for the year are set out in the Statement of Financial Activities, the balance Sheet and the Notes to the Financial Statements. The incoming resources were £675,679, of which £661,541 was from donations and grants: the total resources expended were £652,998.

In 2017-18, the Trust received core revenue support of £178,882 from the Scottish Government for TSI associated activities, and funding of £214,043 for a variety of projects from North Ayrshire Council.

Continued support by the Scottish Government, Inspiring Scotland and North Ayrshire Council allowed a range of other projects to proceed. These included the Positive Steps programme, and Alcohol and Drug Partnership.

Reserves Policy

The company are currently putting in place a Reserves Policy and will endeavour to secure a level of reserves, based on redundancy costs should the need occur.

Restricted Funds in Deficit

Due to the nature of our contracts with partners, in particular with the local authority, payment is often made in arrears; this has an impact on cash flow and our unrestricted funds resulting in the company paying for specific projects out with our usual business activity. Attempts have been made to address this however due to European legislation which is where some of our funding comes from payment needs to be made in arrears. It is therefore imperative that our unrestricted funds remain healthy, financial reports are presented at each Board meeting in order to keep Directors aware of any impending concerns.

Our Positive Steps with Partners does not align itself with our financial accounting timescale, therefore resources although expended in this financial year are recorded as income in the previous financial year.

As our Business Plan indicates our priorities for the future are to secure funding in order to develop Eglinton Community Garden and Trinity Community Digital Hub. Currently our unrestricted funding supports those projects however staff are regularly taking opportunities to apply for external funding. In depth reports on the progress of those projects are provided at Board Meetings with staff that have responsibility in attendance. The Board of Directors remain informed as to the extent of financial support provided to those projects but are clear they need to secure funding either through funding bodies or by a commercial route. Developments are underway at Trinity Digital Hub to explore the possibilities of commercial activity. Eglinton Community Garden provides a more therapeutic benefit to those who participate, this is in line with our ethos and values in providing programmes which help improve people's lives, however it will require external funding support to continue its valuable development.

REPORT OF THE TRUSTEES

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Risk Management

The Business Plan includes an assessment of the major operational and financial risks to which the Trust is exposed. The Trustees will review and update these risks at every board meeting ensuring that the systems, the financial circumstances and actions are in place to mitigate the Trust's exposure to them.

The risk of the future of our TSI role has reduced recently after an agreement of funding was secured beyond 2018. Further discussions will continue with the Scottish Government as there has been no uplift since 2011 when TSI's came into being. The Third Sector Unit has communicated that the remit and role of the TSI will continue to be funded within this political term.

A major risk for the company's was our overheads and rental costs; however with the agreement to terminate our Lease this is now no longer a risk. Our overheads have reduced significantly with a move to smaller premises.

TACT will continue to seek ways to increase generation of income from commercial and other activities. We will also ensure all staff are aware of outputs and targets in areas of work relevant to specific staff. We will ensure both funded and unfunded projects are monitored regularly and will ensure senior management, Board of Directors and funders of any shortfall of requirements.

Trustee Indemnity Insurance

The Company has trustee indemnity insurance.

Business Review and Future Developments

Our main focus will be on implementing our intentions as stated in the Business Plan 2017 -20 and ensuring we carry out our Third Sector Interface (TSI) Responsibilities.

The move to smaller premises enables us to have a renewed focus on ensuring our projects develop and become sustainable. We will be looking to secure resources to develop Eglinton Community Garden, not purely as a commercial venture but more as a positive intervention to address poor mental health and improve skills and confidence, and be a provider of healthy produce. The produce will return a small investment, however the main purpose of the garden is the support it offers to the volunteers who give up their time to develop it.

We are also looking to secure funding for the continued development of the digital hub at the Trinity Church in Irvine. Developments will be to look at how we can use digital technology in a different way to address mental illness; loneliness and isolation and skills development.

We are also intent on developing the Community Business Academy and were successful in securing funding through Aspiring Communities; this strand of funding came from the Scottish Government and links to the community empowerment agenda.

Our Stage 1 project was very successful and we are waiting for Stage 2 funding to open in order to put in place our proposed Be Inspired programme. This programme will enable people to understand how to get more involved in their community and to be able to influence local decision making.

The Positive Steps Programme continues to be successful and we have been awarded funding to continue until December 2018 when it will be reviewed again. There is potential for this programme to be funded for a further two years. During this time we need to consider how we market this approach as a successful intervention to help people move into employment.

Relationships continue to strengthen with our community planning partners through the corporate volunteering initiative, we have had discussions with North Ayrshire Council and staff can access a specific section of their web site in order to seek volunteering opportunities, we have also been approached by Police Scotland to work with them to identify opportunities.

We are in the process of developing a Volunteer Strategy, once this has been accepted by all Community Planning Partners we will be able to put in place further support and training, encourage partners to become Volunteer Friendly which will result in an increase in quality volunteering opportunities.

We continue to work with Inspiring Scotland acting as the host for two Link Up projects, one in Kilmarnock and one in Saltcoats.

We will continue to offer support through a drop in job club and IT classes in order to help people improve their skills; complete CV's and apply for work.

The creation of our Business Plan has enabled us to simplify and focus on what our organisation does, our work can be very complex but our desire and intention is

“

. To deliver programmes and projects that make a difference to people's lives by encouraging, supporting and promoting community action”

Plans for Future Periods

The principal objectives of TACT during the next trading year will be to...

Continue to develop work associated with Positive Steps with Partners by identifying other partners who can offer positive work experiences to participants and where there are real opportunities for job outcomes.

Focus business developments on Trinity Community Digital Hub and the Community Garden at Eglinton Country Park. Both of these projects could have the potential for income generation however time is required to identify a robust business model and secure funding.

Continue to develop the Community Business Academy model by submitting a Stage 2 Application to Aspiring Communities.

Ensure we meet the requirements of our TSI role and fulfil targets contained within our Action Plan. The role of the TSI has been evaluated and we await a directive from the Third Sector Division of the Scottish Government as to what our role will be.

Ensure we engage effectively with the third sector and support the development of a strong robust third sector, we are currently looking at mechanisms which will enable us to engage effectively and efficiently with all organisations in the sector, from larger social enterprise to small local voluntary organisations. All third sector organisations have an important role to play in making North Ayrshire a better place to live.

Continue to identify new opportunities for growth which fits with our Business Plan and brings added value to our ethos, culture and charitable aims.

Statement of Trustees' Responsibilities

The Trustees (who are also the Directors of the Trust for company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with United Kingdom Accounting Standards comprising FRS102 "The Financial Reporting Standard applicable in the UK" and applicable law (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of the resources of the charity for that period. In preparing these accounts, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities' Statement of Recommended Practice;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that 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, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The applicable law also sets out the Trustees' responsibilities for the preparation and content of the Report of the Trustees.

The Trustees are responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution to reappoint John Kerr & Company as auditors to the Trust will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the small company regime S419CA2006.

ON BEHALF OF THE TRUSTEES

Chairman

Michael Nellany

Date

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2018 16

	Note	General Funds £	Restricted Funds £	Total Funds £	Prior Year Funds £
<u>Incoming Resources</u>					
Funding – Public Authorities		212,046	449,495	661,541	537,886
<u>Income from Operating Activities</u>					
Activities in furtherance of aims		11,520	2,618	14,138	12,197
Investment Income		-	-	-	63
<hr/>					
<u>Total Incoming Resources</u>	4	230,708	444,971	675,679	550,146
<u>Charitable Expenditure</u>					
Cost of Activities in furtherance Of the charity's objectives		226,712	424,050	650,762	591,836
Management & Administration Of the charity		1,662	574	2,236	2,230
<hr/>					
<u>Total Resources Expended</u>	5	228,374	424,624	652,998	594,066
<u>Net (Deficit)/Surplus for the Year</u>					
Gross Transfer between funds	3	2,334	20,347	22,681	(43,920)
Total Funds brought forward		1,145	(1,145)	-	-
<hr/>					
<u>Total Funds carried forward</u>		83,195	(24,676)	58,519	102,439
<hr/>					
<u>Total Funds carried forward</u>		86,674	(5,474)	81,200	58,519
<hr/>					

BALANCE SHEET
AS AT 31 MARCH 2018

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	Note	<u>2018</u> £	<u>2017</u> £
<u>Fixed Assets</u>			
Tangible Assets	8	502	670
<u>Current Assets</u>			
Cash & Bank Balances		109,246	195,071
Prepaid costs		-	674
		<u>109,246</u>	<u>195,745</u>
<u>Creditors: Amounts falling due within one year</u>	9	(28,548)	(137,896)
		<u>80,698</u>	<u>57,849</u>
<u>Net Current Assets/(Liabilities)</u>			
		<u>81,200</u>	<u>58,519</u>
<u>Capital & Reserves</u>			
General Funds		86,674	83,195
Restricted Funds		(5,474)	(24,676)
		<u>81,200</u>	<u>58,519</u>

Michael Nellany
Trustee

Agnes Smith
Company Secretary

6 September 2018

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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1 Legal Status

The Trust is a company not having a share capital but with the liability of its members limited by guarantee. In the event of the Trust being wound up, each member may be required to contribute the maximum of £1. At 31 March 2018 there were 6 members (2017 – 6).

2 Accounting Policies

- a) Historic Cost Basis: The Accounts have been prepared under the historic cost convention.
- b) Depreciation: Depreciation is calculated on the reducing balance basis at the following rates:-
Office Equipment 25%
- c) Income & Expenditure: Income & Expenditure are accounted for on the accruals basis.
- d) Funding income is recognised as it becomes receivable, and is matched, where appropriate, to related project expenditure. Expenditure is recognised and allocated to the particular fund to which it relates in line with the terms of the grant provided for that fund.
- e) Interest receivable is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the Bank.
- f) Pension Arrangements: Aegon is our pension provider. Scheme Type GPENS. Group Personal Pension Plan.
- g) Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Such costs include back office costs, personnel, payroll and governance costs which support the Trust's programmes and activities.
- h) Cash Flow Statement: The Trust satisfies the criteria for a small company under the Companies Act 2006 and accordingly a cash flow statement is not presented.
- i) Statement of Recommended Practice 2005 Accounting and Reporting by Charities has been adopted and followed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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Note 3

	Core Funding £	TCTV £	Positive Steps £	H & SCP £	Comm Conn £	Inspiring Saltcoats £	Inspiring Kilmarnock £	Community Garden £	ADP £	Postcode Lottery £	Comm Hub £	Aspiring Comm £	Funky Films £	NAC SE £	Total £
<u>Income from Charitable Aims</u>															
Scottish Government												30,764			30,764
North Ayrshire Council	32,001	21,000	98,231					5,131	73,922		15,000				245,284
AVCS Core Funding	178,882			52,500	29,159										260,542
Inspiring Scotland						44,043	54,125								98,168
JRD LLP	663														663
CHA	500														500
Postcode Lottery										19,021					19,021
National Heritage		6,600													6,600
<u>Income from Trading Activity</u>															
Payroll Processing	625														625
Room Hires	7,220														7,220
Photocopying Services	170														170
Independent Examination Fees	2,272														2,272
Town Centre TV		2,618													2,618
Management Fees	7,142					(3,516)	(3,626)								-
Donations	1,233														1,233
<u>Unrestricted Income</u>															
Bank Interest Income															
Total Income	230,708	30,218	98,231	52,500	29,159	40,527	50,499	5,131	73,922	19,021	15,000	30,764	-	-	675,679

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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Note 4

	Core Funding £	TCTV £	Postive Steps £	H & SCP £	Comm Conn £	Inspiring Saltcoats £	Inspiring Kilmarnock £	Community Garden £	ADP £	Postcode Lottery £	Comm Hub £	Aspiring Comm £	Funky Films £	NAC SE £	Total £
<u>Expenditure</u>															
Project costs	20,171	414	29,970	118	15	6,335	4,338	2,352	2,286	9,490	464	517	-	-	76,470
Salary costs	156,369	27,046	56,151	34,023	19,968	33,916	36,847	5,712	72,087	-	4,117	28,473	-	-	474,709
Pension costs	8,775	-	1,559	1,494	1,098	-	1,444	-	-	-	-	1,225	-	-	15,595
Members & staff expenses	2,060	313	71	1,180	290	725	691	355	537	-	-	536	-	-	6,758
Property repairs	4,477	361	-	-	-	-	-	-	-	-	-	-	-	-	4,838
Rent & rates	17,051	1,930	4,182	2,412	1,287	-	-	-	-	-	-	483	-	-	27,345
Utilities & insurance	8,546	5,296	2,097	1,210	645	-	-	-	-	-	-	242	-	-	18,036
Stationery/computer costs	5,996	6,143	1,470	963	452	-	35	-	-	-	-	521	-	-	15,580
Conferences & training	-	-	1,729	199	-	-	-	-	-	-	-	-	-	-	1,928
Other professional fees	1,873	-	5,306	187	100	-	-	-	-	-	-	38	-	-	7,504
Subscriptions	641	-	142	82	44	-	-	-	-	-	-	16	-	-	925
Depreciation	125	-	21	12	7	-	-	-	-	-	-	3	-	-	168
Miscellaneous Expenses	628	-	139	80	43	-	-	-	-	-	-	16	-	-	906
Accountancy	1,662	-	281	169	90	-	-	-	-	-	-	34	-	-	2,236
Total	228,374	41,503	103,118	42,129	24,039	40,976	43,355	8,419	74,910	9,490	4,581	32,104	-	-	652,998
Net Movement in Funds	2,334	(11,255)	(4,887)	10,371	5,120	(449)	7,144	(3,288)	(988)	9,531	10,419	9,417	(1,341)	-	22,681
Transfer between funds	1,145					449							(1,060)	(534)	
Opening Balance	83,195	(5,966)	(13,479)	7,285	-	-	-	(19,548)	4,701	-	737	-	1,060	534	58,519
Closing Balance	86,674	(17,251)	(18,366)	17,656	5,120	-	7,144	(22,836)	3,713	9,531	11,156	(1,341)	-	-	81,200

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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5 Employee Numbers

The average number employed by the Trust during the year was 26. (2017: 19)

6 Employee Costs

	<u>2018</u>	<u>2017</u>
	£	£
Salaries & Wages	442,665	357,651
Social Security Costs	32,043	27,346
Pension Costs	15,595	14,110
	<u> </u>	<u> </u>
	490,303	399,107
	<u> </u>	<u> </u>

No Trustees have received reimbursement of expenses in the course of their work as Trustees during the year.

No employee received remuneration in excess of £60,000 during either 2017 or 2018.

Pension costs have been allocated across restricted and unrestricted funds in line with the associated other personnel costs for each project.

NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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7 <u>Tangible Fixed Assets</u>	Office Equipment £	<u>Total</u> £
<u>Cost</u> At 31 March 2017	50,834	50,834
At 31 March 2018	50,834	50,834
<u>Depreciation</u> As at 31 March 2017 Charge for Year	50,164 168	50,164 168
As at 31 March 2018	50,332	50,332
As at 31 March 2018	502	502
As at 31 March 2017	670	670

8 Taxation

The Inland Revenue has agreed that because of its charitable status, the Trust is not liable to pay United Kingdom Corporation Tax.

NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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9 <u>Creditors: Due Within One Year</u>	<u>2018</u>	<u>2017</u>
	£	£
Accrued expenses	15,029	4,630
PAYE/NIC	10,449	8,059
Funding refundable	-	128,293
Pension Costs	3,070	-
	<hr/>	<hr/>
	28,548	140,982
	<hr/> <hr/>	<hr/> <hr/>

10 Capital Commitments

There are no capital commitments at the year end.

11 Related Parties

There are no related parties on which to report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE AYRSHIRE COMMUNITY TRUST

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Independent Auditors' Report to the Trustees and Members of The Ayrshire Community Trust

We have audited the financial statements of The Ayrshire Community Trust for the Year Ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards comprising FRS102 "The Financial Reporting Standards applicable in the UK" and applicable law (United Kingdom Generally Accepted Accounting Practice)

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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. 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As explained more fully in the Trustees Responsibilities Statement, the Trustees (who are also the Directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as audit 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 regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE AYRSHIRE COMMUNITY TRUST

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Opinion on Financial Statements

In our opinion the financial statements:-

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) regulations 2006 (as amended)

Emphasis of matter – Going concern

The charitable company, in common with many similar charities, are reliant upon both national and local government funding to cover core activity costs in any year. As at the date of the report, this funding has been agreed through to September 2018 only.

This circumstance therefore indicates the existence of a material uncertainty which may cast significant doubt about the charitable company's ability to continue as a going concern beyond that date. The financial statements do not include the adjustments that would result if the charitable company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

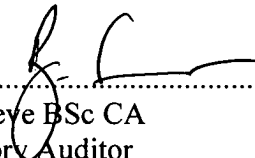
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE AYRSHIRE COMMUNITY TRUST

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Matters on which we are required to report by exception

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

- The charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees remuneration specified by law are not made; or
- We have not received all of the information and explanations we require for our audit.


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Bruce Fairgrieve BSc CA
Senior Statutory Auditor
On behalf of John Kerr & Company
Chartered Accountants and Registered Auditors
32a Hamilton Street
Saltcoats
KA21 5DS

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Date

2. December 2008

