

CHARITY NUMBER: SC028874
COMPANY NUMBER: SC219307

THE AYRSHIRE COMMUNITY TRUST
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2021

THURSDAY



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21/10/2021

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COMPANIES HOUSE

JOHN KERR & COMPANY
CHARTERED ACCOUNTANTS

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REPORT OF THE TRUSTEES

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Legal and Administrative InformationConstitution

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 – Resigned 9 June 2021)
David Irving	(Resigned 20.10.2020)
Michael Nellany	
Frances Tate	
Colin Wilson	(Resigned 29.04.2020)
William Lamb	(Resigned 21.09.2020)
Philip Vann	(Appointed 29.04.2020 - Resigned 05.10.2020)
Iain McGachie	(Appointed 29.04.2020)
David Mann	(Appointed 15.07.2020)
David Dugan	(Appointed 9 June 2021) – (Company Secretary)
Elaine Smith	(Appointed 9 June 2021)

The number of Trustees shall be not less than 3 and not more than 15.

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.

The day to day running of the charity is delegated to the CEO, Barbara Hastings and line managers as outlined on page 9.

With effect from 1 April 2021, the day to day running of the charity is now delegated to two newly appointed executive directors, David Dugan and Kaileigh Brown.

REPORT OF THE TRUSTEES

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Registered Office and Principal Place of Business

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 2021.

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 (FRS102).

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

I am pleased to report another successful year despite the challenges we all faced due to COVID-19. Staff have yet again shown dedication, empathy and a huge amount of kindness for the work we do and have taken on board the new radical ways of working. Our staff and volunteers have shown a great amount of resilience throughout the pandemic, the same as the groups and organisations we have been supporting to respond to the emergency over the last twelve months.

TACT continue to recognise that their strongest asset is their staff, we continue to have an excellent staff absence record and staff retention rate. Over the last year we have continued to engage with staff on their concerns and worries due to the pandemic. We have completed a survey which enabled the Senior Management Team to implement safety measures to reduce the risk of infection and to reassure staff that their welfare is our top priority. These measures included the introduction of PPE including sanitiser dispensing units, protection screens between desks and at reception and a reduced footfall within the office.

In April 2020, the company changed how it was working, similar to most companies across the county and beyond. This came with its challenges but nothing we couldn't overcome. We had to extend our current Business Plan for another year due to the impact of COVID-19 and to ensure the new Plan focuses on the recovery from COVID-19. We also had to ensure that all staff had adequate resources to work from home which saw the company invest in new hardware. The office base wasn't used by many staff as most could comfortably work from home, but it was a base for staff to use when required.

We continue to lease two electric vehicles thanks to Funding from North Ayrshire Council through their Low Emissions Vehicle Funding. These vehicles were a life line during the pandemic. It allowed staff to offer a prescription and grocery collection service at the height of the lockdown for individuals isolating or shielding. Link Up were also able to support some fantastic pieces of work using the vehicles to deliver goods including books and activity packs to help keep people engaged and stimulated during such a tough time. The electric vehicles allow us to lower our carbon footprint something we are keen to build on over the next twelve months to continue to reduce where possible.

REPORT OF THE TRUSTEES

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Chair's Report (continued)

Unfortunately, we had to make the difficult decision about the future of Be Inspired in November 2020. This was a hard decision but due to the impact of COVID-19 and the restrictions we faced, the staff were unable to fulfil the full ambitions of this project. The principal and ethos of the project still remains a priority but unfortunately until the easing of restrictions we would have been unable to deliver. This is something the company may choose to revisit again in the future post COVID-19.

Eglinton Community Garden has entered into a collaborative arrangement alongside five other partners which include the local Alcohol and Drug Partnership, Learning Disabilities Team, Turning Point Scotland, North Ayrshire Council and The Conservation Volunteers. This is proving a successful venture with the creation of a Memorandum of Understanding (MoU) agreeing the ambitions of this group. They have recently secured some funding from the Green Health Partnership to add some additional raised beds and purchase the necessary tools for wider usage from the growing membership.

TACT Digital has continued to have difficulty securing additional external funding despite efforts from staff. TACT Digital continues to offer a range of high quality digital services including the creation of websites, animation and virtual reality environments to local organisations. The relationship with the EQUAL Project has grown over the last twelve months due to the impact of COVID on the EQUAL participants. This project is aimed at young people with additional support needs and virtual reality has proved to be a lifeline for engagement for both the service users and staff involved.

We were successful in our tender for the Employability Contract for Positive Steps with Partners in August 2020 after a very successful four years of delivery. This was a difficult process for staff but one that had a very positive outcome. Staff had to have a very flexible approach to their work due to the ongoing restrictions. Service users had to adjust to a new 'online' way of engaging. This took time and a lot of support from the staff team. Positive Steps also had a staffing change in August 2020 with a new Project Worker joining the team. This was a difficult time to welcome a new member of staff, but it has proved very successful for both the Employability Team and the wider TACT Team.

TACT continues to deliver the Third Sector Interface (TSI) role on behalf of the Scottish Government, staff are achieving the outcomes set in our Business Plan and have adjusted well to the situation we find ourselves in due to COVID-19. We have received confirmation of Funding from the Scottish Government up until March 2023. Unfortunately, there continues to be no uplift or change to the level of funding since the creation of TSI's back in 2011.

We did receive some additional COVID-19 related funds from the Scottish Government this year. This enabled our company to address the needs of staff with appropriate equipment and the changes within the office to ensure staff feel safe to enter where required. We also were able to purchase a large stock of PPE for distributing to third sector groups and organisations. This enabled them to return to some sort of delivery whilst ensuring the safety of staff and volunteers.

Given the impending retirement of our Chief Executive Officer the Board of Directors agreed to complete a Job Evaluation exercise to ensure staff skills and abilities were matched to the positions the company requires for the future. This was a great exercise which enabled our Board to agree to a Shared Leadership approach with two Executive Directors leading the organisation when the CEO steps down. The new focus will have one Executive Director focusing on the Third Sector responsibilities and the other concentrating on Business Development and the future of our internal projects. We have another senior staff member due to retire at the end of August 2021 which the new Leadership team will address.

REPORT OF THE TRUSTEES

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Objects & Activities

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 2021 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

The charity meets the definition of a public benefit entity.

REPORT OF THE TRUSTEES

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Achievements & Performance

- We have successfully undergone a Job Evaluation exercise during COVID-19 which looked at the skills and abilities of our core team and supported us with implementing these changes for the future delivery of the company. Our Directors also supported the concept of a shared leadership team for the replacement of our retiring Chief Executive Officer with the formation of two Executive Director Posts, one focusing on our Third Sector Interface responsibilities and the other on Business Development for The Ayrshire Community Trust.
- Like every year we look to recognise and reward local Volunteers during the nationwide Volunteers Week campaign. Due to COVID-19 restrictions we were unable to host our 'Oscars' Awards Ceremony but we were still able to highlight the great work of so many volunteers at the height of the pandemic. This was a great opportunity to share videos from staff and volunteers explaining what volunteering means to them. We were able to showcase organisations that were in greatest need during the fight against Coronavirus and actively recruit volunteers on their behalf. We hope to resume our Annual Awards Ceremony next year.
- The Ayrshire Community Trust has joined forces with regional partners to help deliver a bold new economic strategy to communities across the region. TACT signed the Ayrshire Community Wealth Building Anchor Charter in December 2020 pledging to do all they can to support the principles of the Community Wealth Building approach. We are involved in the Community Wealth Building Commission and the Lead Officers Group which allows the 3rd Sector in North Ayrshire to have input in the development of the CWB Strategy. Other regional partners signed up to the Charter include North Ayrshire Council, East Ayrshire Council, South Ayrshire Council, NHS Ayrshire and Arran, Ayrshire College and Scottish Enterprise. TACT have followed suit by becoming the first from the third sector to sign up to Scotland's first Community Wealth Building Charter.
- Secured continuation funding for our employability programme Positive Steps with Partners up to July 2022.
- Set up a Collaboration for the Community Garden alongside five other partners. They have agreed and signed a Memorandum of Understanding (MoU) as to what they want to achieve collectively over the coming year.
- Dispersed £50,000 of Funding for COVID-19 related activities. This enabled 43 organisations to gain additional financial assistance at a vital time.
- Acted as Anchor Organisation with the Supporting Communities Fund enabling 13 organisations to gain financial support for a total sum of £107,570.
- Nominated over 50 local groups and organisations to gain financial support from the COVID-19 Wellbeing Fund.
- Dispersed £6,000 of Response Recovery Resilience funding to 6 local groups and organisations.

REPORT OF THE TRUSTEES

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- Provided local groups and organisations with the following PPE to enable them to return to working with their local community:
 - Aprons – 1,050
 - Hand sanitiser – 454 bottles
 - Anti-bacterial Hand wash – 100 bottles
 - Masks – 1,100
 - Gloves – 3,200
 - Anti-bacterial Wipes - 5 tubs
- Supported 54 organisations with COVID related Funding Support.
- Offered support and information to 21 groups and organisations on IT / Website Support.
- Provided additional Health and Well-being Information to 21 groups and organisations.
- Hosted 12 Network Forums providing the sector with training and funding information & service updates amongst others.
- Carried out 32 Independent Examinations for local organisations.
- Enabled 27 groups / organisations to participate in digital networking opportunities.
- Sent out 32 e-bulletins to 642 recipients in the sector containing information on funding, training, employment opportunities and events.
- Supported 73 organisations with a range of services including Volunteer Recruitment, Governance Training, GDPR information, Social Media support and OSCR guidance.
- We have supported and facilitated 87 young people to receive their Saltire Award which recognises the value of their time spent volunteering.
- Provided a range of relevant Training for 3rd Sector groups and organisations including Governance, Funding, PVG, Volunteer Management, Zoom Training and Book-Keeping all digitally due to COVID restrictions.
- We received and made contact with 618 individuals through the National Volunteering Campaign to assist with the impact of COVID-19 in our local communities.
- We have registered 95 individual volunteers and supported them to find a suitable volunteering placement supporting their local community.
- Supported 29 local groups and organisations with a range of topics including governance, constitution support, charity registration, volunteer recruitment, funding support, independent examinations, and charity dissolution.

Structure, Governance & Management

The Ayrshire Community Trust has a Board of Directors who govern the operations 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 governing responsibilities.

In addition to the CEO a Finance Manager oversees all financial matters and also acts a Company Secretary.

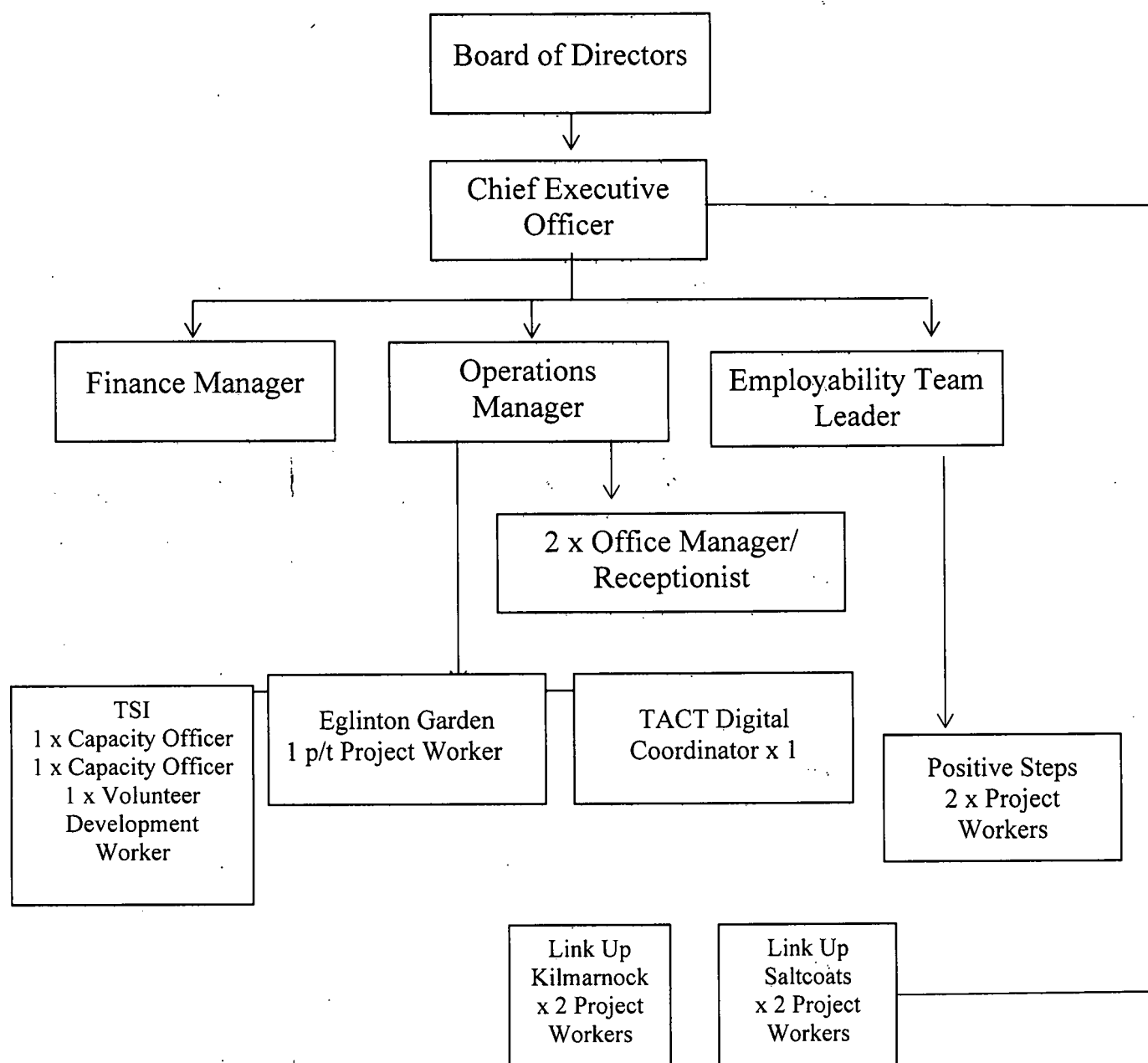
Overseeing the day to day operation of the business is an Operations Manager. They also provide regular updates on specific areas of work in order to keep the Board abreast of developments and issues

As part of their duties three staff along with the Operations Manager oversee the work associated with the TSI Action Plan. Staff have other responsibilities in addition to their TSI work, for example: Independent Examinations; supporting the Third Sector Forum and attendance at a variety of meetings including Green Health Partnership and Community Justice Implementation Partnership.

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. A more in depth report is prepared based on feedback from a range of partners on the quality and impact on our service on an annual basis and again presented to the Scottish Government.

All other staff are employed under specific projects and follow appropriate and relevant monitoring process, this includes Positive Steps with Partners, Link UP through Inspiring Scotland and TACT Digital.

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.

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 TACT, including approval of the budget, the Annual Report and Accounts, major policy issues arising from the organisations activities and senior appointments.

Due to the varying aspects of The Ayrshire Community Trust, Board members require a mixture of skills and expertise. 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 issues as will the Finance Manager. Board members are expected to act in accordance with the requirements of our Memorandum & Articles.

REPORT OF THE TRUSTEES

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Financial StatementsFinancial review

The Ayrshire Community Trust continues to monitor its financial position very closely. Meetings with the Finance Manager and CEO are held regularly, our financial position is shared at Board meeting in order to keep Directors aware of our situation. All Projects are scrutinised in order to ensure they operate within their financial limitations. The timing of payments for contracted work can cause issues due to the source of funding but we are managing this situation as best we can.

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 £828,070, of which £788,903 was from donations and grants: the total resources expended were £757,092.

In 2020-21, the Trust received core revenue support of £178,882 from the Scottish Government for TSI associated activities, and funding of £409,079 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 TACT Digital Project.

As a result of the above, the charity held unrestricted reserves of £92,533 at the year end (2020: £182,588) and restricted reserves of £82,000 (2020 deficit £79,033).

Going Concern

The Trustees have considered the availability of current and future funding for at least 12 months from the date of this report and have concluded that it is appropriate to adopt the going concern approach to the presentation of these financial statements.

Reserves Policy

The company are working towards achieving a reserve of the equivalent of three months' salary which they hope to achieve within a five-year period. Unfortunately, due to COVID-19 we were unable to action this during this accounting period but this is something we are looking to focus on over the next couple of years.

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.

At the current year one restricted fund is in deficit – Inspiring Scotland (Saltcoats). The Trustees are confident this deficit will be recovered in the current year. Future funding is in place for this project to continue.

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, these major risks were assessed as follows:-

Continuing Grant Funding, Service Developments do not generate sufficient commercial income.

Service Delivery fails to meet output required by the funders.

Lost of Keys Members of Staff

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 the TSI role has reduced recently after an agreement of funding secured until March 2023.

The Board and Senior members of staff are aware of the need to continue to generate income. In addition to the Scottish Government funding our only other income is generated from contracts in the main with the Local Authority. We are unclear as to how some of these contracts will be funded in the longer term and therefore the need to continuously and consciously be aware of where new opportunities lie is imperative.

Trustee Indemnity Insurance

The Company has trustee indemnity insurance.

Business Review and Future Developments

With the completion of our Job Evaluation and succession planning from the current Chief Executive, TACT find themselves with new opportunities to lead the organisation. We will continue the successful delivery of meaningful projects for local residents. Our focus remains on implementing our intentions as stated in the Business Plan 2017 -20 which was extended to 2021 due to COVID-19. We will also ensure we carry out all Third Sector Interface (TSI) responsibilities. The new Leadership Team will be developing our new business plan for 2022 and will focus on the areas highlighted as greatest need through engagement with staff, directors and partners.

We continue to build relationships with 3rd Sector organisations ensuring opportunities to network, collaborate and share information through the Chief Officer's Group. Having two Executive Directors will allow us to focus on supporting the sector whilst focusing on where we can collaborate with others to achieve our ambitions as set out in the Business Plan. We continue to use social media and our weekly bulletin to share information with all our membership organisations.

With TACT signing the Community Wealth Building Charter we need to ensure we are doing all we can to embed the principles of CWB as an organisation as well as sharing this learning with the wider 3rd Sector to encourage them to do the same. We will be expected to report back annually on our own performance against the six Community Wealth Building Pillars. We are currently discussing a piece of research with North Ayrshire Council for them to better understand the impact of the 3rd Sector and where we have skills and expertise to enable us to work together to be ready for any opportunities arising from the development of the CWB Strategy.

REPORT OF THE TRUSTEES

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We are committed to our role as a Community Planning Partner ensuring attendance at CPP Board and Senior Officer Group meetings. We will ensure the outcomes of the Local Outcome Improvement Plan (LOIP) are captured in our core business and that of our new Business Plan, this showing our pledge as a Community Planning Partner.

Plans for Future Periods

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

1. 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.
2. Continue our involvement with the Community Wealth Building agenda in order to identify opportunities for our own company and the wider third sector.
3. Ensure we meet the requirements of our TSI role and achieve outcomes contained within our Business Plan.
4. Continue to support and engage effectively with the third sector and support the development of a strong robust sector. All third sector organisations have an important role to play in making North Ayrshire a better place to live.
5. Continue to identify new opportunities for growth which fits with our Business Plan and brings added value to our ethos, culture and charitable aims.
6. Implement a new shared leadership approach within the organisation. The creation of two Executive Directors, one focusing on the Third Sector and all TSI responsibilities and the other concentrating on Business Development and all TACT internal projects.
7. Introduce a new Finance Officer into the organisation with the retirement of our Senior Finance Officer who has been with the company for over 21 years.
8. The creation of an Adult Recognition Award for North Ayrshire residents. Due to the increase in volunteering activity due to COVID-19 we feel this is something that has been missing. We have agreed support from the Leader of the Council and the Provost for the signing of these certificates.

REPORT OF THE TRUSTEES

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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 (United Kingdom Generally Accepted Accounting Practice) and applicable law.

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, including the income and expenditure 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume 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.

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information needed by the auditor in connection with preparing their report; and
- the trustees have each taken all steps that they are obliged to take in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

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

ON BEHALF OF THE TRUSTEES

.....
Chairman

1 September 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

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	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds</u> £	<u>Prior Year Total Funds</u> £
<u>Income & Endowments From:</u>					
Charitable Activities		283,844	505,059	788,903	576,794
Other Trading Activities		39,167	-	39,167	14,528
<hr/>					
<u>Total Income</u>	3	323,011	505,059	828,070	591,322
 <u>Expenditure on:</u>					
Charitable Activities		291,095	464,462	755,557	594,609
Other Trading Activities		714	821	1,535	1,500
<hr/>					
<u>Total</u>	3	291,809	465,283	757,092	596,109
<u>Net Income/(Expenditure)</u>		31,202	39,776	70,978	(4,787)
Gross Transfer between funds		(121,257)	121,257	-	-
Net movement in funds		(90,055)	161,033	70,978	(4,787)
<hr/>					
<u>Reconciliation of funds</u>					
Total Funds brought forward		182,588	(79,033)	103,555	108,342
<u>Total Funds carried forward</u>		92,533	82,000	174,533	103,555
<hr/>					

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

All income and expenditure derive from continuing activities.

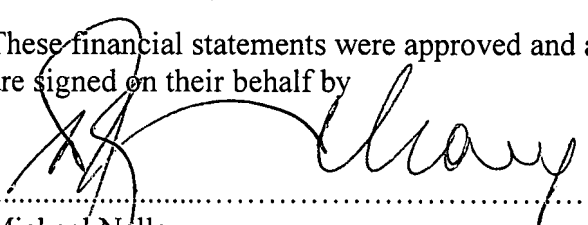
BALANCE SHEET
AS AT 31 MARCH 2021

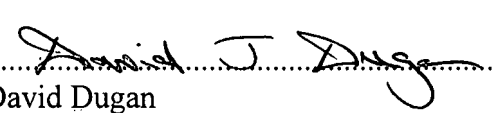
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	Note	2021 £	2020 £
<u>Fixed Assets</u>			
Tangible Assets	6	10,863	5,238
<u>Current Assets</u>			
Cash & Bank Balances		185,122	102,207
Debtors	8	11,404	2,509
		<u>196,526</u>	<u>104,716</u>
<u>Creditors: Amounts falling due within one year</u>	9	(32,856)	(6,399)
		<u>163,670</u>	<u>98,317</u>
<u>Net Current Assets/(Liabilities)</u>		163,670	98,317
<u>Total Net Assets</u>		<u>174,533</u>	<u>103,555</u>
<u>Capital & Reserves</u>			
Unrestricted Funds	13b	92,533	182,588
Restricted Funds	13b	82,000	(79,033)
		<u>174,533</u>	<u>103,555</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Trustees on 1 September 2021 and are signed on their behalf by


Michael Nellany
Trustee


David Dugan
Company Secretary

1 September 2021

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2021

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	<u>2021</u> £	<u>2020</u> £
Cashflows from Operating Activities		
Net income/(expenditure for the reporting period (as per statement of financial activities))	70,978	(4,786)
Depreciation charges	3,621	1,746
(Increase)/decrease in debtors	(8,895)	(1,978)
Increase/(decrease) in creditors	26,457	(6,430)
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	92,161	(11,448)
	<hr/>	<hr/>
Cashflow from investing activities		
Purchase of property, plant and equipment	(9,246)	(6,608)
	<hr/>	<hr/>
Net cash provided by (used in) investing activities	(9,246)	(6,608)
	<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period	82,915	(18,056)
Cash and cash equivalents at the beginning of the reporting period	102,207	120,263
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	185,122	102,207
	=====	=====
Analysis of cash and cash equivalents		
Cash at bank	185,122	102,207
	=====	=====
Being:		
Unrestricted	86,734	181,240
Restricted	98,388	(79,033)
	<hr/>	<hr/>
	185,122	102,207
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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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 2021 there were 5 members (2020 – 5).

2 Accounting Policies

The financial statements have been prepared in accordance with Financial Reporting Standard 102, as issued by the Financial Reporting Council, the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (As amended) and the Companies Act 2006.

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

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

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3a.

Going Concern

The Trustees are of the opinion that the charitable company can meet its obligations as they fall due for the foreseeable future. The Trustees are aware of the Trust's cash flow position and forecasts and are satisfied that these are reasonable. The Trustees also considered the effect of the COVID 19 pandemic and are satisfied that the actions taken have addressed this issue. On this basis the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

Volunteers

The Trust does not rely on the work of volunteers in any material context.

Grants Received

Income from grants, including capital grants, is included in incoming resources when the Trust has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. The exception to this where the Trust has to fulfil conditions before becoming entitled to the grant or where the donor has specified that income is to be expended in a future period. In these circumstances income is deferred until those periods.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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Interest Received

Interest 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.

Income from Trading Activities

Income from room hires and independent examinations is recognised when invoiced.

Resources Expended

Resources expended are recognised when a legal or constructive obligation arises.

Other Trading Activities

Expenditure on other trading activities is recognised when a legal or constructive obligation arises

- Charitable expenditure comprises costs incurred by the Trust in the delivery of its activities and services
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Trust and include costs linked to the strategic management of the Trust.
- The charity is not registered for VAT, therefore, all costs include VAT where relevant.

Fixed Assets and Depreciation

Fixed assets are stated at cost, less any provision for impairment.

Impairment of assets is considered annually, based upon usage and condition of assets.

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

Plant	- 25%
Office Equipment	- 25%

Pension Costs

Employees are entitled to join the stakeholder pension scheme. Contributions from employees and employer are recognised as they fall due. This is a defined contribution scheme meeting government requirements.

Prepayments

Prepayments are recognised where costs have been paid for a future period.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and balance with banks.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised the undiscounted amount owed to the supplier, which is normally the invoice price.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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Funds

Unrestricted general funds

These are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted Funds

These are funds that can only be used for particular restricted purposes within the objects of the Trust. Restrictions arise when specified by the donor or when the funds are raised for particular purposes.

Operating Leases

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Grants

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

The notification gives the recipient a reasonable expectation that they will receive the one year or multi year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust. There were no multi year grants awarded in the year and none of the grants awarded had conditions attached.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Employee Benefits

Short term benefits, including holiday pay are recognised as an expense in the period in which the service is received.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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Note 3Statement of Financial Activity – Current Year

	<u>Unrestricted</u>	<u>TACT</u>	<u>Employability</u>	<u>Health</u>	<u>Saltcoats</u>	<u>Kilmarnock</u>	<u>(Be Inspired)</u>	<u>TSI</u>	<u>Total</u>
	<u>£</u>	<u>Digital</u>	<u>Positive</u>	<u>& Social</u>	<u>Inspiring</u>	<u>Inspiring</u>	<u>Community</u>	<u>Aspiring</u>	<u>Hosting</u>
			<u>Steps</u>	<u>Care</u>	<u>Scotland</u>	<u>Scotland</u>	<u>Garden</u>	<u>Communities</u>	<u>£</u>
			<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Income</u>									
<u>Charitable Activities</u>									
Scottish Government – Core Funds	178,882								178,882
NAC -Core Funds	28,241								28,241
AVCS – Core Funding	10,000								10,000
NAC – Project Funds		28,640	118,631					67,275	147,270
NAC – COVID 19 Grant	10,000								10,000
NAC – Vehicle Grants	9,022								9,022
Scottish Government – Project Funds	41,143				80,900	77,835			199,878
EAC – Project Funds						5,000			5,000
SCOV – Project Funds						13,800			13,800
Green Health Scheme	1,500								1,500
Participatory Budget	2,000								2,000
HMRC Job Retention Scheme	3,056								3,056
<u>Income from trading activity</u>									
Room Hires	300								300
Insurance claim	1,445								1,445
Independent Examination Fees	2,830								2,830
Management Fees	34,292		(9,128)		(5,163)	(4,957)		(6,716)	(8,328)
Donations	300								300
<u>Unrestricted Income</u>	323,011	28,640	109,503	-	75,737	91,678	-	60,559	138,942
Bank Interest Income									
<u>Total Income</u>	323,011	28,640	109,503	-	75,737	91,678	-	60,559	138,942

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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Note 3 (continued)

Statement of Financial Activity (continued) – Current-Year

	Core Funding £	TACT Digital £	Employability Positive Steps £	Health & Social Care £	Saltcoats Inspiring Scotland £	Kilmarnock Inspiring Scotland £	Community Garden £	(Be Inspired) Aspiring Communities £	TSI Hosting £	Total £
Project costs	27,182		11,069		4,161	10,724		560	138,853	192,549
Salary costs	215,403	13,064	76,033		66,465	57,472		40,866		469,303
Pension costs	9,125	688	3,958		3,490	2,141		2,358		21,760
Staff & Travel costs	13,822		771		1,047	333		103		16,076
Property repairs	1,633	94	567		491	416		310		3,511
Rent and rates	4,423	255	1,537		1,329	2,000		1,959		11,503
Utilities and insurance	8,099	467	2,814		2,433	2,061		1,536		17,410
Stationery/comp. consumables	4,949	286	1,720		1,487	1,259		938		10,639
Other professional fees	2,893	153	919		795	673		501		5,934
Subscriptions	524		50							574
Depreciation	1,685	97	585		506	429		319		3,621
Miscellaneous Expenses	1,357	66	399		345	292		218		2,677
Accountancy	714	41	248		215	182		135		1,535
Total Expenditure	291,809	15,211	100,670		82,764	77,982		49,803	138,853	757,092
Net Movement in funds	31,202	13,429	8,833		(7,027)	13,696		10,756	89	70,978
Transfer between funds	(52,348)	30,159					22,189			
Overhead costs reallocation	(23,700)		8,789		7,600	7,311				
Overhead costs reallocation	(28,389)		8,595		8,126	6,138		5,530		
Overhead costs reallocation	(16,820)		7,032		4,946	4,842				
Opening Balance	182,588	(32,795)	(20,692)	16,284	(14,825)	(2,198)	(22,189)	(2,618)		103,555
Closing Balance	92,533	10,793	12,557	16,284	(1,180)	29,789	-	13,668	89	174,533

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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Note 3 (continued)

Statement of Financial Activity – For Prior Year

	<u>Core Funding</u> £	<u>TCTV</u> £	<u>Positive Steps</u> £	<u>H & SCP</u> £	<u>Inspiring Saltcoats</u> £	<u>Inspiring Kilmarnock</u> £	<u>Community Garden</u> £	<u>Aspiring Comm</u> £	<u>ADP</u> £	<u>Total</u> £
<u>Income from</u>										
<u>Charitable Aims</u>										
Scottish Government								50,258		50,258
North Ayrshire Council	39,267	20,000	101,400		618		9,837			171,122
AVCS Core Funding	188,882			15,000						203,882
Inspiring Scotland					83,205	66,445				149,650
Energy Saving Grant	1,882									1,882
<u>Income from Trading Activity</u>										
Training Services	410				1,680	55				2,145
Room Hires	1,885									1,885
Independent Examination Fees	2,185									2,185
Town Centre TV		2,223								2,223
Management Fees	38,901		(9,109)		(16,827)	(7,928)		(5,037)		-
Donations	2,959	3,131								6,090
<u>Unrestricted Income</u>										
Bank Interest Income										
Total Income	276,371	25,354	92,291	15,000	68,676	58,572	9,837	45,221	-	591,322

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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Note 3 (continued)Statement of Financial Activity – For Prior Year

	Core Funding £	TCTV £	Positive Steps £	H & SCP £	Inspiring Saltcoats £	Inspiring Kilmarnock £	Community Garden £	Aspiring Comm £	ADP £	Total £
Expenditure										
Project Costs	14,960	2,173	20,269		8,394	10,010	1,539	2,661		60,006
Salary Costs	188,900	21,360	66,617	11,525	62,980	47,568	3,671	39,319		441,940
Pension Costs	9,093	1,118	3,424	583	3,593	1,943		2,338		22,092
Members & staff expenses	1,360	468	392	333	1,585	492	174	768		5,572
Property repairs	4,260	115								4,375
Rent & rates	3,762	425	1,327	230	1,254	947	73	783		8,801
Utilities & insurance	9,240	1,045	3,259	564	3,081	2,327	180	1,923		21,619
Stationery & computer	5,514	624	1,945	336	1,839	1,389	107	1,147		12,901
Conferences & training	2,490		1,809		200					4,499
Other professional fees	3,041	344	1,072	185	1,014	766	59	633		7,114
Subscriptions	559		50							609
Depreciation	746	84	263	46	249	188	15	155		1,746
Miscellaneous expenses	964	161	503	87	475	360	28	756		3,334
Accountancy	641	73	226	39	214	161	13	133		1,500
Total Expenditure	245,530	27,990	101,156	13,928	84,878	66,151	5,859	50,616	-	596,109
Net Movement in Funds	30,841	(2,636)	(8,865)	1,072	(16,202)	(7,579)	3,978	(5,395)	-	(4,787)
Transfer between funds										
Opening balance	139,621	(30,159)	(11,827)	15,212	1,377	5,381	(26,167)	2,778	12,128	108,342
Closing balance	170,462	(32,795)	(20,692)	16,284	(14,825)	(2,198)	(22,189)	(2,618)	12,128	103,555

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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3a) Overhead Allocations

All overheads are allocated on a direct basis to specific projects where appropriate.

Salary and pension costs are allocated based upon job titles directly to projects. All remaining overheads are apportioned based upon the ratio of salaries allocations reflecting the usage of property costs and services by those personnel.

Reallocations between funds totalling £121,257 have been accounted for on page 22 to ensure that allocations between funds in the prior year are consistent with the overhead allocation policy noted above.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts projects and activities. These costs have been allocated as explained above.

Governance costs relate to those costs necessarily incurred to meet the charity regulations. These related entirely to the auditors fees and totalled £1,500.

3b) Grants Payable

During the year the charity, as part of their role as Third Sector Interface between the local councils and Ayrshire based charities, received and disbursed grants of £138,853 all to institutions.

These amounts were part of Government response to the effects of COVID 19 and were administered in this way to expedite funds to those charities in need.

Amounts paid by way of grant were as follows:-

	£
Unity Carers Centre	1,330
Your Options Understood	7,200
North Ayrshire Forum on Disability	4,500
Butterfly Club	16,700
Café Solace	2,500
Break the Silence	6,000
Quarriers	300
Penumbria	7,000
Children 1 st	3,700
Well Being Recovery College	6,900
TACT & CEIS projects	9,327
Aberlour	23,485
Scottish Centre for Personal Safety	2,404
Organic Growers of Fairlie	410
Capall Dorcha Theatre Company	1,630
Arran High School	4,479
Touched By Suicide Scotland	1,500
Garnock Valley Men's Shed	144
	=====

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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3b <u>Grants Continued</u>	£
Kilwinning Community Football Academy	2,253
Showworks Theatre	3,770
Sporting Pathways Scotland	1,305
Freedom Fighters	1,500
3 RD Ardrossan Rainbows	1,000
Community Resilience Volunteer Service	2,000
Mecocco	3,648
The Autumn Club	700
Tass Thistle FC	500
West Kilbride Civic Society	2,500
The Three Towns Opportunities in Retirement	2,000
Largs Food Bank	2,500
West Cost Furniture Bank	2,349
Vineburgh Community Association	2,480
North Ayrshire Table Tennis Club	2,125
Ardrossan Castle Heritage	1,500
West Kilbride Community Initiative	500
Ayrshire Independent Living Network	500
British Legion	500
Barrmill Jolly Beggars Club	500
Elderly Forum	500
Kilwinning Heritage	914
Irvine Pipe Band	1,000
St Peters Children Centre	1,000
Ardrossan Sea Cadets	1,000
Kilwinning Community Events	800
	<hr/>
	138,853
	<hr/>

4 Employee Numbers

The average number employed by the Trust during the year was 21. (2020: 21)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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5. <u>Employee Costs</u>	<u>2021</u>	<u>2020</u>
	£	£
Salaries & Wages	437,583	408,032
Social Security Costs	31,720	33,908
Pension Costs	21,760	22,092
	<u>491,603</u>	<u>464,032</u>

The Charity Trustees were not paid and did not receive any other benefits from employment with the Trust in the year, (2020: NIL) neither were they reimbursed expenses during the year (2020: NIL). No Charity Trustee received payment for professional services or other services supplied to the charity (2020: NIL).

No employee received remuneration in excess of £60,000 (excluding pension costs) during either 2020 or 2021.

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

Remuneration of key management personnel in the year totalled £92,904, including pension contributions of £4,726.

6. <u>Tangible Fixed Assets</u>	<u>Plant & Equipment</u>	<u>Office Equipment</u>	<u>Total</u>
	£	£	£
<u>Cost</u>			
At 31 March 2020	4,517	52,925	57,442
Additions	-	9,246	9,246
	<u>4,517</u>	<u>62,171</u>	<u>66,688</u>
At 31 March 2021	4,517	62,171	66,688
<u>Depreciation</u>			
As at 31 March 2020	1,129	51,075	52,204
Charge for Year	847	2,774	3,621
	<u>1,976</u>	<u>53,849</u>	<u>55,825</u>
As at 31 March 2021	1,976	53,849	55,825
	<u>2,541</u>	<u>8,322</u>	<u>10,863</u>
As at 31 March 2020	3,388	1,850	5,238

NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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7 Taxation

The Charity is exempt from tax on income and gain falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

8 Debtors

	<u>2021</u>	<u>2020</u>
	£	£
Prepaid costs	1,457	2,509
Accrued income	9,947	-
	<hr/>	<hr/>
	11,404	2,509
	<hr/> <hr/>	<hr/> <hr/>

9 Creditors: Due Within One Year

	<u>2021</u>	<u>2020</u>
	£	£
Accrued expenses	10,049	1,500
PAYE/NIC	559	(99)
Pension Costs	53	4,267
Other creditors	100	731
Deferred Income	22,095	-
	<hr/>	<hr/>
	32,856	6,399
	<hr/> <hr/>	<hr/> <hr/>

Deferred income relates entirely to income received during the current period in advance for projects to be undertaken in the 2021/22 year.

NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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10 Capital Commitments

There are no capital commitments at the year end. (2020: Nil)

11 Related Party Transactions

There are no related party transactions on which to report. (2020: Nil)

12 Operating Surplus/(Deficit)

	<u>2021</u>	<u>2020</u>
	£	£
<u>Net Surplus/(Deficit) is stated after charging</u>		
Auditors Remuneration - Audit	1,500	1,500
Depreciation of tangible fixed assets	3,621	1,746
	<u> </u>	<u> </u>

13 Funds Analysis – Current Year

	<u>Total</u>	<u>Bank</u>	<u>Fixed Assets</u>	<u>Other Current Liabilities/ Assets</u>
	£	£	£	£
Unrestricted Funds	92,533	90,826	10,863	(9,156)
Restricted Funds	82,000	94,296	-	(12,296)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	174,533	185,122	10,863	(21,452)

13a Funds Analysis – Prior Year

	<u>Total</u>	<u>Bank</u>	<u>Fixed Assets</u>	<u>Other Current Liabilities/ Assets</u>
	£	£	£	£
Unrestricted Funds	182,588	181,240	5,238	(3,890)
Restricted Funds	(79,033)	(79,033)	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	103,555	102,207	5,238	(3,890)

Restricted Funds DetailTACT Digital: Monies received to assist deliver digital services to local organisations.Employability Positive Steps: Monies received to assist in getting people back in to work.Health and Social Care: Monies received to promote a healthy lifestyle.Saltcoats Inspiring Scotland: Monies received to promote and assist in regeneration of Saltcoats.Kilmarnock Inspiring Scotland: Monies received to promote and assist in regeneration of Kilmarnock.Community Garden: Fund to set up and develop a community garden for public access at Eglinton Park, Irvine.Be Inspired: Fund to promote community based local projects.TSI Hosting: Anchor fund administered by TACT in response to Covid19 pandemic, delivering financial assistance to Ayrshire based organisations.

NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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13b Analysis of movement in Unrestricted Funds

	Balance As at <u>1 April 2020</u> £	<u>Income</u> £	<u>Expenditure</u> £	<u>Transfers</u> £	Balance As at <u>31 March 2021</u> £
General Funds	182,588	323,011	(291,809)	(121,257)	92,533
Total	182,588	323,011	(291,809)	(121,257)	92,533

Analysis of movement in Restricted Funds

	Balance As at <u>1 April 2020</u> £	<u>Income</u> £	<u>Expenditure</u> £	<u>Transfers</u> £	Balance As at <u>31 March 2021</u> £
TACT Digital	(32,795)	28,640	(15,211)	30,159	10,793
Employability Positive Steps	(20,692)	109,503	(100,670)	24,416	12,557
Health & Social Care	16,284	-	-	-	16,284
Saltcoats Inspiring Scotland	(14,825)	75,737	(82,764)	20,672	(1,180)
Kilmarnock Inspiring Scotland	(2,198)	91,678	(77,982)	18,291	29,789
Community Garden	(22,189)	-	-	22,189	-
Be Inspired	(2,618)	60,559	(49,803)	5,530	13,668
TSI Hosting	-	138,942	(138,853)	-	89
	(79,033)	505,059	(465,283)	121,257	82,000

NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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14 Leasing Commitments

	2021			2020		
	<u>Total</u>	<u>< 1 Year</u>	<u>> 1 Year</u>	<u>Total</u>	<u>< 1 Year</u>	<u>> 1 Year</u>
	£	£	£	£	£	£
Property	8,608	8,608	-	8,608	8,608	-
Vehicles	13,343	10,460	2,883	24,906	11,563	13,343
	21,951	19,068	2,883	33,514	20,171	13,343

Property is leased on an annual rolling lease of 12 months.

All vehicle leases are due within 24 months.

Total lease payments recognised as an expense £20,171. (2020: £20,171)

15 The Trust is a company limited by guarantee and registered in Scotland (SC219307)

It is also a Scottish registered charity (SC028874)

The registered office and principal address is:-

25-27 Vernon Street
Saltcoats
Ayrshire
KA21 5HE

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

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Opinion

We have audited the financial statements of The Ayrshire Community Trust for the Year Ended 31 March 2021 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 Financial Reporting Standard 102, "The Financial Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice)

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 2021 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under these standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Charitable company in accordance with ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 entities 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 directors with respect to going concern are described in the relevant sections of this report.

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

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Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditors Report thereon. 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 this gives risk to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other 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 Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements and
- the Directors' Report included within the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 Trustees' Report.

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

- adequate and proper accounting records have not been kept, 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 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' exemption in preparing the Trustees' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report

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Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 14 the Trustees' (who are the directors for the purposes of company law and trustees' for the purposes of charity 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 Charitable Company'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 Charitable Company 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 Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect there under.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

We obtained and recorded an understanding of the nature of the client and the charity sector in which it operates and we identified the laws and regulations applicable to the Charitable Company through discussions with trustees and other management, and from our knowledge and experience of the charity sector.

We also discussed the controls put in place by management to ensure compliance with those laws and regulations and to mitigate risk and any actual, suspected or alleged issues.

We focused on specific laws and regulations which we considered may have a direct effect on the financial statements of the operations of the company, including the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS102 and the Charity SORP FRS 102.

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We also considered other laws and regulations which we consider to have indirect impact on the financial statements including Employment regulations and Health & Safety regulations, GDPR and Anti Money Laundering Procedures.

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud.

To address the risk of fraud through management bias and override of controls, we

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3a were indicative of potential bias;
- Investigated the rationale behind significant or unusual transactions, including appropriateness of payments to trustees, project overspends with no expected recovery and going concern.
- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

Agreeing financial statement disclosures to underlying supporting documentation;

Reading the minutes of meetings of those charged with governance;

Enquiring of management as to actual and potential litigation and claims; and

Reviewing correspondence with OSCR and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions and events, the less likely it is that we would become aware of non-compliance. There is a risk that we will not detect all irregularities including those leading to a material misstatement in the financial statements or non compliance with regulation.

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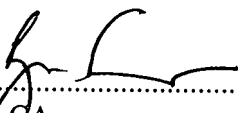
Material misstatements that arise due to fraud, can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion, forgery, omission and misrepresentation.

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 Auditors Report.

Use of our Report

This report is made solely to the Charitable Company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006 and to the Charitable Company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) regulations 2006.

Our audit work has been undertaken so that we might state to the Charitable Company's members, as a body, and the Charitable Company's Trustees, as a body, 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 Charitable Company, the Charitable Company's members, as a body, and the Charitable Company's Trustees, as a body for our audit work for this report, or for the opinion we have formed.


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

1-9-2021
1 September 2021