

**East Ayrshire Leisure Trust**  
**A Scottish Charitable Incorporated Organisation**

Annual Report and Accounts  
For the year ended 31<sup>st</sup> March 2020

Charity Number SC043987

## East Ayrshire Leisure Trust

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## East Ayrshire Leisure Trust

### Message from the Board

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I am delighted to introduce our Annual Report and Accounts for East Ayrshire Leisure Trust, covering the financial year 2019-20. The Trust has continued to show a strong performance despite the COVID-19 pandemic causing major disruption to our service delivery and financial situation as we headed towards the final quarter of the year.

The Trust has continued to excel in their programme of events, activities and exhibitions held throughout the year, and as always, it has been a difficult task to whittle down my personal highlights!

Our visual arts programme has been exceptional this year; *Karl Blossfeldt: Art Forms in Nature*, from the Southbank Centre, London, presented an original portfolio of 40 photogravures from 1932. The exhibition provided an opportunity to view Blossfeldt's stunning signature close-up images of plants and flora. *The Art of Selling Songs* from the V&A opened at the Dick Institute as the first and only Scottish venue for this amazing exhibition of pop music graphics featuring iconic images such as Jamie Reid's punk collages for the Sex Pistols.

Comic lovers were treated to our COMICS exhibition from Seven Stories at the Dick Institute (again, the only Scottish venue in the tour) which featured an eclectic mix of original, iconic comic art and Killie Comic Con saw *Back to the Future's* DeLorean drive to the front door to welcome hundreds of visitors.

The long awaited redisplay of the South Museum at the Dick Institute opened in February with a special exhibition of Johnnie Walker collection items on loan from the Johnnie Walker Archive, many of which have never been on public display before. The exhibition, marking the 200<sup>th</sup> anniversary of Johnny Walker, received excellent coverage in the Glasgow Herald and I was delighted to officially open the exhibition in his home town where the story all began.

Our performing arts programme included Eddie Reader, Wet, Wet, Wet, Twin Atlantic, comedian Janey Godley, the world premiere of 'The Red Lion' which received rave reviews and our annual pantomime Cinderella also received 5 star reviews across the board. Our outstanding youth theatre, EAYT, held their Summer school during August with over 30 young people taking part and performing the Fame Jr musical, and their full-scale production of The Addams Family in the Palace Theatre. The Palace and Grand Hall were awarded a Gold Award and Cumnock Town Hall was awarded a Silver Award in the Best Bar None National Awards.

Our sports and fitness programmes have continued to attract major events to the area as well as continuing to provide an excellent programme of activities and classes for our communities. The West District Championships were again held at the Ayrshire Athletics Arena as were the Ability Sports Highland Games, in partnership with East Ayrshire Council's Vibrant Communities. Holiday Athletics Camps and Outdoor Sports Camp were held over the summer period and were extremely popular amongst youngsters. We also welcomed back the Sportshall Athletics at the AAA, East Ayrshire Schools Cross Country Competition and the West of Scotland Cross Country Relay Championships.

Annanhill Golf Course has seen attendance levels increase, with Golf Master Classes and Summer Golf Camps proving to be so popular, additional camps had to be added to meet demand.

The running programme has also grown and Dean Castle Country Park now hosts its own weekly free 5km Park Run, with an average of 150 people taking part on a weekly basis. Our ultra-marathon, the River Ayr Way Challenge had over 100 runners and 20 teams taking part this year and The Cairn Table hill race had its highest number of runners in 10 years.

We welcomed back the spectacular Illuminight, with supermarket giant Lidl as major sponsors. Illuminight at Dean Castle Country Park has quickly established itself as one of Scotland's leading illumination events, welcoming over 120,000 visitors in only three years. The new Space theme took audiences on an intergalactic journey, transforming the picturesque park, woodland trails and water features with incredible installations using state-of-the-art light, sound and projection.

There is no doubt that the forthcoming year will be a challenge to us all with services and programmes being affected by the impact of COVID-19. However, East Ayrshire Leisure Trust are committed to offering the very best in leisure services to our communities and visitors alike and our flexibility, adaptability, resilience and of course our wonderful staff will ensure we continue to provide the very best venues and services possible, whilst operating within Government guidelines and safety measures.

**East Ayrshire Leisure Trust**  
**Message from the Board**

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We very much look forward to welcoming you back to our venues soon.



Councillor Elena Whitham

**Chair, East Ayrshire Leisure Trust**

## **East Ayrshire Leisure Trust**

### **Message from the Chief Officer**

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I am delighted to present East Ayrshire Leisure's Annual Report and Accounts for 2019-20, in my first year in post as Chief Officer. This report summarises our performance during the Trust's seventh year of operation.

I took up the new position in May 2020 determined to build on the inspiring work already achieved in the Trust's initial years, whilst recognising that a new change in strategic direction was required to enable the organisation to develop and grow.

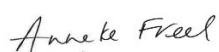
One of the key changes was to develop our engagement processes; both internally and externally and in doing so, improve the overall culture of the organisation. One of our biggest assets has always been our staff, who have a wealth of knowledge, skills, expertise and specialisms within a wide range of areas. To enhance East Ayrshire Leisure, from both a business prospective and as a key employer within the area, it was important that our staff should be fully engaged within our decision making processes and in setting the new direction and vision of the Trust. Our 'Exchange' programme has been expanded to allow more frequent, and better, staff engagement and opportunities to contribute to how we shape the future. Our customer engagement programmes have also been expanded to allow our communities opportunities to have a say in how leisure should be provided throughout East Ayrshire.

Staff Exchange sessions were held to devise our new Vision, Mission and Values, with these new values forming the backbone of the Trust's ethos, influencing how we recruit, train and develop staff.

Following UK and Scottish Government Guidance, all East Ayrshire Leisure venues closed to the public on the 18th March. From this point, an agreement was reached with the joint trade unions where 72% of contracted and 100% of casual employees were put on furlough leave. However, we did not stand still and a number of services continued throughout lockdown with remaining staff pulling together to create new ways of working, taking on new and essential tasks to assist our communities and help in emergency care provision and ensuring East Ayrshire Leisure continued to provide leisure services in new and exciting ways.

I am immensely proud of all our staff and how they have coped with the unprecedented situation that we found ourselves in. I have no doubt they will continue to shine as we move together into our new future in leisure provision.

I would also like to thank all our Trustees for the invaluable contribution they make, and all of our funders, sponsors and supporters, in particular East Ayrshire Council, without whom, none of this would be possible.



Anneke Freel

**Chief Officer**

**East Ayrshire Leisure Trust**  
**Trustees Report**  
**For the year ended 31<sup>st</sup> March 2020**

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The Trustees are pleased to present their Annual Report and Accounts for the year ended 31<sup>st</sup> March 2020. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts

(Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

**East Ayrshire Leisure Trust – The Organisation**

East Ayrshire Leisure Trust is a Scottish Charitable Incorporated Organisation recognised by the Office of the Scottish Charity Regulator (OSCR), registration number SC043987. The organisation took responsibility for a wide range of cultural, countryside, sports and community facilities and services across East Ayrshire on 1<sup>st</sup> July 2013.

**Governing Document**

The East Ayrshire Leisure Trust Constitution was approved by the Board of Trustees on 13<sup>th</sup> March 2013.

East Ayrshire Leisure's initial Business Plan covered the period 2013-16, and during this period the Trust became established as an independent organisation. Our following Business Plan covered the period 2016-19 but was extended for an additional year to assist in the transitional period between the Chief Executive retiring and the new Chief Officer assuming post.

**Our Vision**

Always with a focus on continuous improvement, we will deliver inclusive, sustainable and accessible services to enable our communities and visitors to live their best life.

**Our Mission**

In order to engage our people, partners and communities we will ensure:

- the creation of real and sustainable partnerships
- that we deliver services which meet the needs of our communities
- that we invest in, and empower our people

**Our Values**

**Being honest and demonstrating integrity at all times**

**Engaging and inclusive with our people, partners and communities**

**Striving for continuous improvement by being ambitious and aspirational in all the we do**

**Taking responsibility and being accountable for our organisation and our service delivery**

## **EAST AYRSHIRE LEISURE SERVICES**

East Ayrshire Leisure is responsible for managing a range of facilities and services across a broad Culture, Countryside & Outdoor Activities, Sport & Fitness and Community Venues remit.

The range of facilities managed by East Ayrshire Leisure has been subject to change since July 2013 as the Council has undertaken a programme of Community Asset Transfer and Asset Rationalisation.

### **Brief Service Descriptions**

#### **- Cultural Services**

This service manages Libraries, Museums and Heritage, Galleries, the Palace Theatre/Grand Hall Complex and Cumnock Town Hall. The service is responsible for museum collection management, arts and cultural development including visual and performing arts, reader development including Imprint Book Festival and local and family history services.

#### **- Countryside & Outdoor Activities Services**

This service manages Dean Castle Country Park, the River Ayr Way and footpath networks across East Ayrshire. The service is responsible for Countryside Access, events, programme development at Dean Castle Country Park outdoor education and golf.

#### **- Sport & Fitness**

This service manages Sports and Leisure Centres, Games Hall, Community Halls, Sports Pitches and the Ayrshire Athletics Arena. The service is responsible for programme development, community sports hubs, sports development and events encompassing athletics, swimming and fitness.

#### **- Corporate Services**

This service is responsible for administration, OSCR compliance, financial management/budget monitoring, Human Relations, Information Management, Health and Safety, Freedom of information, credit control, cash receipting and staff training and development. The Marketing & Development team within the service manage all publicity and promotional activity, communications, public relations, branding, corporate identity, web development and digital communication and strategy, market research, customer feedback and complaints handling.

### **Agreements with East Ayrshire Council**

A series of agreements underpin East Ayrshire Leisure's relationship with the Council. Services Agreements are in place to cover support services that the Council provides for East Ayrshire Leisure i.e. Health and Safety, Internal Audit, Payroll etc. A Services and Finance Agreement is in place to cover the services which the Council expects us to deliver, including the facilities for which East Ayrshire Leisure is responsible.

In addition, a Collections Agreement covers how the Council's museum collections will be managed by East Ayrshire Leisure and an Asset Transfer Agreement covers the ownership of assets required to support the delivery of services which are the responsibility of East Ayrshire Leisure.

### **Key venues and visitor attractions**

We manage a wide range of facilities across East Ayrshire; our key venues and tourist attractions are highlighted below:

#### **Annanhill Golf Course**

Situated on the outskirts of Kilmarnock in scenic surroundings, this parkland course, with tree lined fairways has a par of 71 measuring 5954 yards.

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Ayrshire Athletics Arena (4 star Leisure Facility)

Designed and built to the highest standard, this premier athletics and sports training facility boasts a UK Athletics Class A outdoor athletics facility with Mondo surface and 6 lane 63m indoor training area with strength and conditioning area. It has been designed to meet the highest of training and competition requirements for a wide range of athletes, sports clubs, schools and community groups and our athletics event calendar has grown year on year.

Baird Institute (4 star visitor attraction)

First opened in 1891, the Baird Institute has world class collections of Mauchline Ware, Cumnock Pottery, artefacts of local and social history and contemporary exhibitions. The Keir Hardie Room presents the life and career of the founder of the Labour Party with an interactive audio-visual screen, a large collection of his personal belongings and souvenirs of his travels

Burns House Museum and Library (4 star visitor attraction)

The Burns House Museum and Library is in the centre of historic Mauchline, where stories of Robert Burns and his friends and family can be found in every nook and cranny. The Burns House Museum offers the chance to visit the room where Burns and his wife Jean Armour lived, see original Burns manuscripts and objects that tell the story of his life and work.

Cumnock Town Hall

Designed by Robert Ingram and built in 1883/4, Cumnock Town Hall has undergone extensive restoration, designed to restore it to its former glory using traditional materials and to update facilities to cater for the needs of its 21<sup>st</sup> century users. The newly refurbished facility hosts a variety of shows as well as being available to hire for meetings, shows, weddings and parties.

Dean Castle & Country Park (4 star visitor attraction)

The newly redeveloped Dean Castle Country Park is East Ayrshire's only Country Park and provides a great day out all year round with woodland walks, an urban farm, adventure playground, visitor centre with shop and tearoom and a fantastic 14th century castle housing world class collections. The Country Park also hosts a number of large scale events every year as well as a programme of outdoor learning activities. The Country Park received HLF funding with major redevelopment taking place to turn it into a 5 star visitor attraction.

Dick Institute (4 star visitor attraction)

The Dick Institute is one of the most important cultural venues in the south-west of Scotland, featuring the largest museum, galleries and Library in Ayrshire with a range of arts and literary events throughout the year. With a programme of nationally important exhibitions, events and innovative works by leading and contemporary artists, filmmakers and young people as well as permanent displays of the museum's diverse collections including natural sciences, archaeology and local and social history.

Leisure Centres: Auchinleck, Doon Valley, Grange, Loudoun, Stewarton and St Joseph's

Our Leisure Centres offer a wide range of activities and facilities for all the family including fitness suites with a wide range of equipment, FIFA \*I synthetic grass pitches, swimming pools and a range of fitness classes and activities. Many of our venues also house a variety of versatile halls suitable for staging competitions and larger events as well as badminton, football, netball as well as seated events such as shows, presentations, conferences and events.

Palace Theatre & Grand Hall Complex (4 star arts venue)

Ayrshire's premier entertainment venue offers a wonderfully varied programme throughout the year including comedy, music, drama, dance, variety and much more.



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River Ayr Way

The River Ayr Way is designated as one of Scotland's Great Trails and is included in the family of long to medium distance routes in Scotland. It is 44 miles from the source of the River Ayr in Glenbuck to the sea at Ayr. 22 miles of the route is managed by East Ayrshire Leisure, with the rest being managed by South Ayrshire Council.

**EAST AYRSHIRE LEISURE'S STRUCTURE**

**THE BOARD OF TRUSTEES**

A Board of up to 13 Trustees is responsible for providing strategic direction for the organisation. The 13 Trustees comprise:

- 6 Independent Trustees – one of whom is a Trade Union nominee
- 5 Councillor Trustees, nominated by East Ayrshire Council
- 2 Council Officer Trustees nominated by East Ayrshire Council to act as Trustees, but without voting rights.

Trustees	Appointment date	Resignation date
Partner Trustees		
Elena Whitman (Chair)	18 <sup>th</sup> May 2017 (reappointed 17 <sup>th</sup> September 2019)	
Neil McGhee	13 <sup>th</sup> March 2013 (reappointed 18 <sup>th</sup> May 2017 and 17 <sup>th</sup> September 2019 )	
Ian Grant	18 <sup>th</sup> May 2017	
Clare Maitland	18 <sup>th</sup> May 2017	
Iain Linton	25 <sup>th</sup> June 2015 (resigned 18 <sup>th</sup> May 2017) and reappointed 2 <sup>nd</sup> November 2017	
Joe McLachlan (ex officio)	27 <sup>th</sup> August 2015	
Robert McCulloch (ex officio)	17 <sup>th</sup> May 2018	

**Independent Trustees**

Robin Hume	13 <sup>th</sup> June 2013 (Re-appointed 27 <sup>th</sup> August 2015 and 17 <sup>th</sup> September 2019)
Jean Brown	13 <sup>th</sup> June 2013 (reappointed 17 <sup>th</sup> September 2019)
June Minnery	13 <sup>th</sup> June 2013 (Re-appointed 27 <sup>th</sup> August 2015 and 17 <sup>th</sup> September 2019)
Jackie Livingston	1 <sup>st</sup> July 2015
Robbie Mann	8 <sup>th</sup> September 2016 (reappointed 17 <sup>th</sup> September 2019)

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The Board meets regularly throughout the year and is supported by a Performance and Audit Sub-Committee made up of 5 Trustees. In addition, development sessions are also held to support Trustee training and to allow discussion to focus on key issues i.e. Business Planning and specific service areas.

Trustee training is available on an as required basis in addition to induction training for new Trustees. Development sessions to enhance Trustees knowledge of service areas are organised throughout the year.

**Management Arrangements**

The Chief Officer and Senior Management Team are responsible for the day to day management of East Ayrshire Leisure's operations. A Scheme of Delegation is in place to allow responsibilities for key tasks to be allocated to appropriate staff. Staff salaries and terms of conditions of employment follow those of East Ayrshire Council and this is expected to continue.

**SENIOR MANAGEMENT TEAM**

Anneke Freel (Chief Officer)

Jackie Biggart (Head of Corporate Services)

Adam Geary (Cultural Services Manager) in post until 1 April 2020

Chris Murphy (Sport & Fitness Manager) in post until 1 April 2020

**ADMINISTRATIVE INFORMATION**

**Registered Office**

Dick Institute  
14 Elmbank Avenue  
Kilmarnock  
KA1 3BU  
[www.eastayrshireleisure.com](http://www.eastayrshireleisure.com)  
01563 554710

**Auditor**

Scott-Moncrieff  
Exchange Place 3  
Semple Street  
Edinburgh  
EH3 8BL

**Solicitors**

East Ayrshire Council  
London Road Headquarters  
Kilmarnock  
KA3 7BU

**Bankers**

Royal Bank of Scotland  
8 John Finnie Street  
Kilmarnock  
KA1 1DD

**Charity Number**

SC043987

## **FINANCIAL REVIEW**

The period to 31<sup>st</sup> March 2020 was the Trust's seventh year of activity. In the period, East Ayrshire Leisure reported an unrestricted deficit of £564,168.

At 31<sup>st</sup> March 2020, the actuarial valuation of the pension scheme resulted in a net pension asset of £9,000 this being recognised in the Balance Sheet. The valuation has resulted in an actuarial gain of £2,097,000 being recognised in the Statement of Financial Activities in the period. The balance on the pension fund will change annually according to economic conditions and the trustees will keep the position under review.

## **RESERVES POLICY**

The Board approved a revised Financial Reserves Policy in February 2020. The policy was amended from a range of 3-5% of incoming resources (approx. £210k - £350k) to a minimum of 2% (approx. £140k) as the target for unrestricted funds not committed. This target has been achieved and the appropriate level of reserves is now in place.

## **FINANCIAL PROFILE**

East Ayrshire Leisure receives funding from East Ayrshire Council to support the delivery of an agreed range of services. Significant savings have been generated since the inception of the Trust and a Best Value Review has confirmed savings required during the term of our new Business Plan for 2019-22.

East Ayrshire Leisure also generates income from charges for services and has the ability to submit bids for funding from a wide range of external bodies. Trust staff will bid for funds to support and develop service quality and delivery wherever appropriate opportunities and resources are available.

The agreed baseline budget for 2020/21 is set out below:

	<b>2020/21</b>
	<b>£</b>
<b>Baseline Budget (excl Savings)</b>	4,822,780
<b>Savings Target (following Best Value Review)</b>	(190,750)
<b>Baseline Budget (after Savings)</b>	<b>4,632,030</b>

## **RISK MANAGEMENT**

East Ayrshire Leisure has well-established Risk Management procedures which allow the Board to manage risk in a pro-active manner and priorities areas of concern. The Risk Register is reviewed regularly as part of the Trustees consideration of the quarterly performance report.

Key risks in 2019-20 included: significant reduction in funding received from East Ayrshire Council, partners and external stakeholders not seeing East Ayrshire Leisure as a partner of choice, failure to deliver Business Plan targets and the loss of external funding, a lack of capital investment or maintenance, reduction in facilities and loss of income. A new Risk Register was devised late March 2020 to address risks associated with the impact of the COVID-19 pandemic.

Managing our risk effectively is essential in achieving our strategic outcomes and targets, creating confidence among service users and the public, and ensuring effective governance. Effective Risk Management will also enable us to deliver service improvements taking account of prevailing circumstances.

## **PROPERTIES**

East Ayrshire Leisure has 25 year leases in place for each of its properties. These properties continue to be in the ownership of East Ayrshire Council and the Council remain responsible for repair and maintenance.

The stock of properties is currently under review and the Council's Asset Rationalisation and Community Asset Transfer programmes, alongside East Ayrshire Leisure's own service review and redesign proposals will see the number of properties managed by East Ayrshire Leisure reduce through 2016-19.

The Council has a major capital investment programme and there are projects being developed, particularly new school campuses that may see new community facilities built that will become the responsibility of East Ayrshire Leisure in due course.

## **EQUIPMENT**

East Ayrshire Leisure has access to a wide range of specialist equipment and vehicles that support service delivery, including mobile libraries, grounds maintenance equipment, computers and sports equipment.

Ownership of equipment did not transfer in July 2013 and rests with East Ayrshire Council. Inventories that clearly show ownership of equipment are now being kept, as items purchased by East Ayrshire Leisure belong to East Ayrshire Leisure, not the Council.

## **MUSEUM COLLECTIONS**

East Ayrshire Council owns significant museum collection assets which are held within its museums, libraries and archives and is responsible for the management and maintenance of any assets given on loan. East Ayrshire Leisure has been granted licence to use these assets through the Collections Agreement and will maintain and preserve them on behalf of the Council.

## **ACHIEVEMENT & PERFORMANCE**

The Business Plan covering the period of financial years 2016-2019 (with 2019-20 added as an additional year) highlights the Board's priorities in the Action Plan. Progress towards the targets set in the Action Plan is reviewed on a quarterly basis and fully reported annually.

The Business Plan outlines 4 key strategic objectives with specific actions to address them. Details of how we have achieved our objectives to date, or initiatives we are currently developing, are outlined below:

### **I. TO BE RECOGNISED AS A PROVIDER OF HIGH QUALITY SERVICES AND FACILITIES THAT ARE WELL USED.**

Actions to achieve this:

- I.1 Increase customer satisfaction
- I.2 Increase attendance levels/ticket sale through programme development both in person and online
- I.3 Achieve new quality standards and/or maintain current accreditation standards
- I.4 Maintain and sustain high level partnerships that support service delivery and improvements
- I.5 Introduce a system to audit, monitor and improve environmental efficiency across our core facilities

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**Trustees Report**  
**For the year ended 31<sup>st</sup> March 2020**

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KEY POINTS:

East Ayrshire Leisure's overall attendance in 2019-20, increased across all of our venues by over 5%. Results vary per service area; a breakdown is included below:

Attendance figures within our Cultural and Community Venues saw an increase of 1% for 2019-20 against the projections set for the year. On-line library provision had a spike in attendance as a result of library closures in March, and the ensuing marketing push towards driving our customers to use the digital Borrowbox service as an alternative to traditional library services. The futuremuseum website also saw a spike following the closure of our facilities with engaging social media content directing people to the collections. The site benefitted from a massive increase of 69% against the projected target for the year.

Attendance within Sport and Fitness venues has declined over the year by 0.8% which is within our tolerance levels. An upward trend was being noted prior to venue closures in March.

Countryside and Outdoor Activity attendances have increased in 2019-20 by 9.5%

Accreditation levels have been maintained for all our venues. The Palace and Grand Hall were awarded a Gold Award and Cumnock Town Hall was awarded a Silver Award in the Best Bar None National Awards.

Our 'Digital Storyteller in Residence' was shortlisted for Best Community Project at the Herald Society Awards and our Gaelic Visual Arts project was shortlisted for the Innovation in Education Award at the Scottish Gaelic Awards.

Our new website was launched in August 2019. The site was designed to be more user friendly, easier to navigate, mobile compatible and overall more reflective of all service areas of the Trust. Over the period 2019-20 eastayrshireleisure.com has seen a session increase of 2%.

East Ayrshire Leisure continues to develop positive partnerships with a range of key stakeholders. Although not exhaustive, the following partnerships have been very successful in 2019-20:

- A formal partnership was agreed with both Kilmarnock Football Club and Kilmarnock Ladies Football Club for exclusive use of the Synthetic Grass Pitch for training and weekend games at the William McIlvanney Leisure Centre. This is particularly important in supporting the growth and development of female participation in sport.
- A new 'Learn to Swim' programme was introduced in partnership with Scottish Swimming to provide a more comprehensive package for swimmers of all ages.
- The partnership between Scottish Book Trust, Kilmarnock Station Railway Heritage Trust and EAC Vibrant Communities delivered the Digital Storytelling project (funding value of £36,000). 54 people participated in the project to develop their own personal film stories. The group included individuals who have physical, sensory and learning disabilities as well as older people who lacked the digital skills to stay connected online. Their films were premiered at the Dick Institute as part of the celebratory events.
- We were delighted to support iDANCE, the mixed ability dance group, again this year, by giving strategic support to the project and associated development of the group. The dancers premiered their film which celebrated 15 years of iDANCE at Learning Disability Awareness Week in Cumnock and Stewarton.
- Worked with Creative Scotland (funding value of £36,000) Ayrshire Young Carers and Vibrant Communities in the ongoing delivery of the MAKE SOME NOISE music project.

## **2. TO ENHANCE PEOPLE'S HEALTH & WELLBEING THROUGH PARTICIPATION.**

Actions to achieve this:

- 2.1 Increase general participation /attendance levels across service areas
- 2.2 Increase opportunities for/numbers of young people (12-25) using our services.
- 2.3 Maximise access to our facilities and programmes for people with physical, sensory or learning disabilities.
- 2.4 Increase opportunities for/numbers of older people (60+) using our services.

### KEY POINTS:

Working with young people has continued to be an important focus for us throughout 2019-20. Some of the exciting initiatives we have been involved in include:

- The Gaelic Visual Art project which came to a close with an accomplished exhibition of work by primary and secondary pupils from Sgoil na Goille Nuaidh. The year-long project offered the opportunity for 29 young people to develop written and spoken Gaelic language skills within the framework of the gallery setting and embedded in creative workshops. One student internship was also undertaken throughout the duration of the project.
- We were also delighted to work with Dalmellington Primary School on a family fitness initiative, funded by Dalmellington Primary Parent Council to give local families the opportunity to spend quality time with their kids and get fit at the same time.
- Across our libraries we have made strategic changes to Bookbug delivery. This free parent/toddler weekly activity is now available in every library in East Ayrshire. National Reading Groups Day was also celebrated with Mary Paulson-Ellis who is the author of Waterstones Scottish Book of the Year for The Other Mrs Walker book.
- 84 students from Onthank Primary, 41 from Hillhead and 57 from Whatriggs schools took part in the 'Castle Construction' workshops during the period.
- Minecraft workshops for young people are running successfully at the Dick Institute, Stewarton and Crosshouse Libraries.
- Natural Leaders programme at Auchinleck Academy, Doon Academy and Kilmarnock Academy was started in 2019, involving the young people in creating/developing a nature reserve within their local community.
- The National Schools Pipe Band Championships took place at William McIlvanney campus with 800 young musicians taking part from across Scotland.
- Monthly "Live at the Dean" sessions held were introduced at the Courtyard at the DCCP, for new young artists to perform in a welcoming environment.
- Sportshall Athletics at the AAA welcomed 615 pupils from 27 Schools
- East Ayrshire Schools Cross Country Competition had 556 school children from East Ayrshire attend AAA

In 2019-20, we delivered a wide range of programmes and activities aimed at people with physical, sensory or learning disabilities. These are just a few examples:

- We developed a new partnership at Auchinleck Leisure Centre with Daldorch House School, where we have established a set swimming time for young people who suffer from autism. These young people have struggled to find another venue where they have been welcomed and had the opportunity to be able to go and enjoy themselves in a swimming pool.
- Job clubs, hearing loss clubs and other self-help groups have been introduced and are in place across several libraries.
- We worked in partnership with Vibrant Communities and Dementia Scotland to launch the summer walking programme with a group walk within the DCCP and picnic in the Visitor Centre Courtyard. This added to the Growing Memories Project that is well established with Alzheimers Scotland.
- 175 attendances in All Ability Bike Sessions at the AAA

People over 60 are key customers at several of our venues. However, specific programmes have been developed aimed at people who are in retirement. These have included:

- Libraries supported the Opportunities In Retirement book group.
- Homeworks staff have been part of the team involved in developing a Friendship Group for Housebound customers which brings socially excluded people from their homes to the Dick Institute for tea and a chat
- We celebrated National Mobiles Day with nursing home residents coming to visit the Mobile Library

### **3. TO ENHANCE THE EAST AYRSHIRE TOURISM OFFER**

Actions to achieve this:

- 3.1 Increase visitor attendance at our key tourist attractions
- 3.2 Work with local groups to add value to the tourism offer

#### **KEY POINTS:**

Our Tourism venues saw an increase of nearly 5% in attendances for 2019-20. Some of the exciting programmes to attract visitors have already been highlighted in the report, however additional events included:

- Our 'Burns's Birthday in Mauchline' annual festival was a huge success with over 500 visitors coming to the Burns House Museum on the afternoon of Saturday 25<sup>th</sup> January. The highlight was the culmination of three months' work with Mauchline Primary School who performed their promenade and staged performances of song, dance and theatre throughout the afternoon. This was funded by EventScotland. Our Burns's Birthday School workshops were fully booked with around 400 pupils taking part throughout the week.
- Performing Arts have hosted Eddie Reader, EAYT Electricity and Little Top at Cumnock Town Hall during April. In June we hosted the 'Greatest Showman' sing alongs and 12 dance schools featuring the end of term showcases. The Cumnock Town Hall also staged 'Things Ta Dae' and 'CASS' and Disability Showcase shows to sell out audiences.

- We were also pleased to host 2 workshop sessions for the COIG, the new pan Ayrshire Tourism product.
- In October, the Palace hosted the filming of BBC's 'Breaking the News' and a near-capacity gig for Lloyd Cole
- Work has continued to support a number of community development projects including the Irvine Valley Walking Festival, Dalmellington Walking Festival and Kilmaurs Walking Festival.

#### **4. TO BE RECOGNISED AS AN EMPLOYER OF CHOICE**

4.1 Increase levels of staff satisfaction from 2016/17 baseline.

4.2 Increase the number of volunteering, placement and apprenticeship opportunities.

4.3 Advance staff through training & development

##### **KEY POINTS:**

- Absence levels for the year is 6.62 days which is below the acceptable 8 working days lost per employee. The top 3 causes of absence and action taken to tackle these are as follows:
  - Other Reason – Regular contact is maintained with all employees to ensure the correct interventions are in place to enable them to return to work.
  - Operations/Treatment/Recovery – Managers and Team Leaders support staff through regular contact and employees are referred to Occupational Health where appropriate.
  - Personal Stress – Early intervention is pursued through Occupational Health to assist staff in their return to work.
- There were no formal grievances raised by employees during 2019/20.
- 2 staff within sport and fitness completed their modern apprenticeship.
- In August, the country park hosted its fourth international volunteer workcamp at the Treehouse residential centre. There were participants from Czech Republic, France, Germany, Italy and Spain. 2 local volunteers also took part as camp leaders to gain leadership and group management skills.
- In September, the Survey Volunteers' programme concluded for the year with hedgerow, bumblebee and butterfly surveys. Ayrshire College Social Studies students also started their volunteering sessions with us, which will be weekly until December.
- Friends of the Dean membership has increased with the group focussing on the delivery of the woodland management plan for the Boyd Wood, essential maintenance to the parks boardwalks and clearing invasive rhododendrons from our woodlands.
- 4 Conservation Skills Trainees started their 8 month placement, focussing on conservation skills and traditional rural skills including, Coppicing and Phase 1 Habitat Surveys and Outdoor First Aid, through Parks for People HLF funding.
- 20 students from Ayrshire College, social studies access course, completed the volunteering module, carrying out woodland and invasive species management, tree planting and path maintenance.



**East Ayrshire Leisure Trust**  
**Trustees Report**  
**For the year ended 31<sup>st</sup> March 2020**

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- 14 people continue to actively volunteer through our highly successful Textile Team temporarily based at the old Kirkstyle Primary School building.
- 4 people have also been volunteering on Dean Castle collection movement project.
- 4 full term apprenticeships appointed to young people from Kilmarnock with CBC as part of works programme at Dean Castle and 2 internships have been advertised as part of the programme
- 4 volunteers used by Collection care
- The overall target of 95% returns for EAGER (Lite) was achieved
- In line with the organisations Vision, Mission and Values a new annual Review and Development programme has been designed, Reviewing B.E.S.T Practice.
- Training delivery has focussed on:-
  - Preparation for Interview
  - Leadership and Management Development
- Exchange Programme focusing on Values & Culture and Vision, Mission & Values
- During the year a number of Development Sessions for Team Leaders were delivered covering Leadership & Management, Vision, Mission & Values, Safeguarding Policy, Health & Safety Standards and Communication

## **ONLINE VISITORS**

Eastayrshireleisure.com

Our initial website was launched early 2014 and has continued to attract a significant number of visitors throughout the life of our Business Plans. However the site required to be updated to enhance our online offer and visitor experience and to be much more mobile compatible. Our new site was launched in August 2019 and has exceeded visitor targets with over 332,000 sessions recorded during 2019-20. We continue to monitor performance and develop the website regularly, adapting to digital trends and business needs as appropriate.

## **Social Media**

Our East Ayrshire Leisure and additional facility Facebook pages have continued to attract significant increases, as has our Twitter account. Engagement levels across all platforms is extremely high and plans are underway to expand across additional platforms.

## **FUTURE DEVELOPMENTS**

We have produced a Strategic Vision document and accompanying Action Plan which provides a 10 year vision for East Ayrshire Leisure that provides strong and ambitious objectives, outlines clear timescales for delivery and sets a strategic direction that will develop the Trust into a more independent, resilient, innovative and inclusive organisation. Within the 2020-30 period, East Ayrshire Leisure will continue to grow as a leisure provider, facilitator and partner that is recognised on both a local and national stage.

To be successful in our ambitions collectively we plan:

- To work more closely with local communities and our customers to deliver services that are valued and embedded in local life;
- To engage with local and national partners to develop collaborative approaches to service design that enhance the opportunities for leisure across East Ayrshire;

**East Ayrshire Leisure Trust**  
**Trustees Report**  
**For the year ended 31<sup>st</sup> March 2020**

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- To develop facilities that are of a high quality and to support partners across the third, public and private sector in doing the same;
- To contribute to local and national agendas through the provision of an innovative programme that encourages East Ayrshire to flourish;
- To value our people, recognise their skills and talents and empower them to be solution focused;
- To integrate commercialisation and sustainability into our business model in its widest sense to explore more efficient working practices, governance and leadership arrangements and to look to the market place for inspiration
- To be a responsible member of the community that supports a sense of place and adopts environmental best practice.

Whilst the COVID-19 pandemic has meant we've had to devise new ways of working and to revise to our Action Plan, our guiding principles and core aims remain the same; collectively we will help enable the communities of East Ayrshire to 'Live Their Best Life.'

The financial position of East Ayrshire Leisure is monitored continuously. Management fee is still being received and funding opportunities are being maximised to ensure cash flow remains in credit throughout 2020 and 2021.

## **TRUSTEES RESPONSIBILITIES STATEMENT**

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the 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 resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping 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 Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions for the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

### **Disclosure of Information to Auditors**

To the knowledge and belief of each of the persons who are Trustees at the time the report is approved:

- So far as the Trustee is aware, there is no relevant information of which the charity's auditor is unaware; and
- He/she has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information, and to establish that the charity's auditor is aware of the information.

On 7 September 2020 Group Audit Service Limited trading as Scott Moncrieff Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

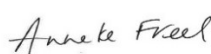
### **Trustees' Report**

Approved by the Board on 6<sup>th</sup> October 2020 and signed on its behalf by:



Councillor Elena Whitham

**Trustee**



Anneke Freel

**Chief Officer**

## **Opinion**

We have audited the financial statements of East Ayrshire Leisure Trust (the 'charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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 Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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**

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this is not a guarantee as charity's ability to continue as a going concern. For example, the ongoing effect of COVID-19 on the UK economy is ever-changing and therefore it is difficult to evaluate all the potential implications to the charity's trade, customers, suppliers and the wider economy."

## **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 Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in

doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### **Matters on which we are required to report by exception**

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**East Ayrshire Leisure Trust**  
**Independent Auditor's Report**  
**For the year ended 31<sup>st</sup> March 2020**

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**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Nick Bennett  
Senior Statutory Auditor  
For and on behalf of Azets Audit Services, Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Exchange Place 3  
Semple Street  
Edinburgh  
EH3 8BL

Date:...04/11/2020.....

**East Ayrshire Leisure Trust**  
**Statement of Financial Activities**  
**For the year ended 31<sup>st</sup> March 2020**

	Notes	Unrestricted Fund 2020	Restricted Funds 2020	2020	2019
		£	£	£	
<b>Income from:</b>					
Charitable activities	3	7,171,171	29,960	7,201,131	7,028,346
Investments	3	1,607	-	1,607	1,181
<b>Total income</b>		<b>7,172,778</b>	<b>29,960</b>	<b>7,202,738</b>	<b>7,029,527</b>
<b>Expenditure on:</b>					
Charitable activities	4	7,687,946	67,203	7,755,149	8,386,871
Other (net interest defined benefit pension scheme)	8	49,000	-	49,000	1,000
<b>Total expenditure</b>		<b>7,736,946</b>	<b>67,203</b>	<b>7,804,149</b>	<b>8,387,871</b>
<b>Net income/(expenditure)</b>		<b>(564,168)</b>	<b>(37,243)</b>	<b>(601,411)</b>	<b>(1,358,344)</b>
<b>Other recognised gains/(losses):</b>					
Actuarial gains/(losses) on defined benefit pension schemes	8	2,097,000	-	2,097,000	(1,026,000)
<b>Net movement in funds</b>		<b>1,532,832</b>	<b>(37,243)</b>	<b>1,495,589</b>	<b>(2,384,344)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		(1,338,232)	100,493	(1,237,739)	1,146,605
<b>Total funds carried forward</b>	<b>16</b>	<b>194,600</b>	<b>63,250</b>	<b>257,850</b>	<b>(1,237,739)</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. None of the charity's activities were acquired or discontinued during the above period.

The notes on pages 24 to 42 form part of these financial statements.

**East Ayrshire Leisure Trust**  
**Balance Sheet**  
**As at 31<sup>st</sup> March 2019**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	9	12,875	40,062
Heritage assets	10	34,920	34,920
		<u>47,795</u>	<u>74,982</u>
<b>Current assets</b>			
Stocks and work in progress	11	22,996	21,026
Debtors	12	375,805	671,642
Cash at bank and in hand		761,564	685,025
		<u>1,160,365</u>	<u>1,377,693</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	13	(959,310)	(1,065,414)
<b>Net current assets</b>		<u>201,055</u>	<u>312,279</u>
<b>Net assets excluding pension scheme asset/(liability)</b>		<u>248,850</u>	<u>387,261</u>
<b>Defined benefit pension scheme asset/(liability)</b>	8	9,000	(1,625,000)
<b>Total net assets/( liabilities)</b>		<u><u>257,850</u></u>	<u><u>(1,237,739)</u></u>
<b>The funds of the charity:</b>			
Restricted income funds	16	63,250	100,493
Unrestricted funds	16	185,600	286,768
Pension reserve	16	9,000	(1,625,000)
<b>Funds</b>		<u><u>257,850</u></u>	<u><u>(1,237,739)</u></u>

The financial statements were approved and authorised for issue by the Board on 6<sup>th</sup> October 2020



Councillor Elena Whitham  
**Trustee**



Anneke Freel  
**Chief Officer**

The notes on pages 24 to 42 form part of these financial statements



**East Ayrshire Leisure Trust**  
**Statement of Cash Flows for the year ended 31<sup>st</sup> March 2019**

	<b>Notes</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>	<b>17</b>	<b>74,932</b>	<b>(658,226)</b>
<b>Cash flows from investing activities:</b>			
Investment income		1,607	1,181
Purchase of property, plant and equipment		-	-
<b>Net cash provided by/(used in) investing activities</b>		<b>1,607</b>	<b>1,181</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>76,539</b>	<b>(657,045)</b>
<b>Cash at the beginning of the reporting period</b>		<b>685,025</b>	<b>1,342,070</b>
<b>Cash at the end of the reporting period</b>		<b>761,564</b>	<b>685,025</b>

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

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East Ayrshire Leisure Trust is a Scottish Charitable Incorporated Organisation, recognised as a charity for tax purposes by HMRC and registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC043987. Details of the principal address can be found on page 8 of these financial statements.

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

**Basis of accounting**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), 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).

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

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 higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the charity's financial statements unless otherwise stated.

**I. Accounting Policies**

**Incoming resources**

Income from leisure, cultural and related activity is recognised in the period when the charity has entitlement to the funds, any performance conditions attached to the items of income has been met, it is probable that the income will be received and the amount can be measured reliably.

Revenue grants, including those from government, are recognised in the Statement of Financial Activities (SoFA) in the period in which the charity is entitled to receipt, 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 and is not deferred.

Management fees and other incoming resources are recognised in the period to which they relate.

Investment income is recognised in the period in which it is receivable.

**Expenditure recognition and allocation of expenditure**

Expenditure is recognised when a liability is incurred.

Where possible, expenditure has been charged direct to charitable expenditure or governance cost. Where this is not possible the expenditure is allocated on the basis of time spent by staff on each activity.

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

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Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees.

**Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs are provided by East Ayrshire Council and include HR, legal, finance. The bases on which support costs have been allocated are set out in note 5.

**Tangible Fixed Assets and Depreciation**

It is the policy of the charity to capitalise expenditure of a capital nature in excess of £5,000.

Assets donated to the charity are included in the Balance Sheet and Statement of Financial Activities at cost.

Depreciation is charged to write off the cost less the estimated residual value of fixed assets by equal instalments over their estimated useful lives as follows:

Furniture and equipment: 5 years

**Heritage Assets**

Heritage Assets includes tangible fixed assets which are of historic, artistic or scientific importance that are held to advance preservation and conservation objectives of the charity. Heritage Assets are presented separately in the Balance Sheet from other Tangible Fixed Assets. Heritage Assets are reported at cost. Depreciation has not been provided on heritage assets due to these assets having indefinite long useful lives.

**Lease commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

**Stock**

Stocks are valued at the lower of cost and net realisable value in the ordinary course of activities.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

**Debtors**

Trade debtors are amounts due from customers for services performed. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

**Creditors**

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

**Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and balances with banks and are measured at fair value.

## **Financial assets and financial liabilities**

Financial instruments are recognised in the Statement of Financial Activities when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at the market rate of interest for similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102. At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from asset to expire, or when the charitable company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

## **Pensions**

East Ayrshire Leisure Trust operates a defined benefit scheme in respect of its employees. The assets of the scheme are held in external funds managed by professional investment managers.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses arising from experience adjustments and changes in assumptions are recognised immediately in the Statement of Financial Activities. All costs related to the defined benefit scheme are recognised in the Statement of Financial Activities.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Any asset resulting from the calculation is limited to the present value of available refunds and reductions in future contributions to the plan.

## **Termination benefits**

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are recognised in the statement of financial activities when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

## **VAT**

The charity is partially exempt from VAT. Irrecoverable VAT is charged to the Statement of Financial Activities as an expense.

## **Unrestricted funds**

Surplus revenue funds held within unrestricted funds are carried forward to meet the cost of future activities mainly of a revenue nature.

Commitments for specific activities and needs in the future are dealt with by making allocations to designated funds.

### **Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the appropriate fund, together with a fair allocation of management support costs where this is considered appropriate.

### **Taxation**

The charity has charitable status and is therefore exempt from taxation under Sections 466 to 493 Corporation Tax Act 2010 (CTA 2010).

### **Going concern**

The financial statements have been prepared on the basis of accounting policies that are consistent with the treatment of the charity as a going concern. The current funding agreement with East Ayrshire Council covers up to the 31<sup>st</sup> March 2021. In the Trustee's opinion, the charity will be able to continue for the foreseeable future. East Ayrshire Leisure participates in a defined benefit retirement scheme, excluding this scheme, the charity reported unrestricted funds of £185,600.

This assessment of going concern includes the expected impact of COVID-19 to the entity in the 12 months following the signing of these financial statements.

## **2. Critical judgements and estimates**

In preparing the financial statements trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The estimates and assumptions with a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

### **Defined benefit pension and other post-employment benefits**

The present value of the defined benefit pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pension and other post-employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of pension and other post-employment benefits.

After taking appropriate professional advice, management determines the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms to maturity approximating the terms of the related pension liability.

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

### 3. Income

#### Investment income

Investment income comprises bank interest. In 2020 bank interest received £1,607 (2019: £1,181).

#### Income from charitable activities is as follows:

	2020 Operating Fund	2020 Restricted Fund	2020 Total	31 <sup>st</sup> March 2019
	£	£	£	£
Chief Executive & People & Finance	5,001,064	-	5,001,064	4,836,012
Marketing & Development	3,010	-	3,010	1,412
Cultural	1,009,754	-	1,009,754	1,022,609
Countryside services	337,510	-	337,510	318,803
Sport & Community Venues	819,833	-	819,833	740,631
Projects (Restricted income)	-	29,960	29,960	108,879
<b>Total income from provision of facilities and services</b>	<b>7,171,171</b>	<b>29,960</b>	<b>7,201,131</b>	<b>7,028,346</b>

A management service fee of £4,945,950 was received from East Ayrshire Council for the year (2019: £4,829,955).

Income on charitable activities was £7,201,131 (2019: £7,028,346) of which £7,171,171 was unrestricted (2019: £6,919,467) and £29,960 (2019: £108,879) was restricted. All other income was unrestricted.

### 4. Charitable expenditure

#### 2020

	Chief Executive & People & Finance	Marketing & Development	Cultural	Countryside Services	Sport & Community Venues	Projects	Total	2019
	£	£	£	£	£	£	£	£
Employee costs	1,037,392	202,480	2,064,604	941,774	1,313,194	17,442	5,576,886	6,208,881
Property costs	10,910	-	407,551	194,659	59,452	95	672,667	649,869
Supplies and Services	117,525	90,502	687,000	235,813	78,401	48,661	1,257,902	1,283,499
Transport Costs	2,513	-	12,170	24,052	19	1,005	39,759	38,332
Support Services	187,400	-	-	-	-	-	187,400	187,400
Governance	20,535	-	-	-	-	-	20,535	18,890
<b>Total</b>	<b>1,376,275</b>	<b>292,982</b>	<b>3,171,325</b>	<b>1,396,298</b>	<b>1,451,066</b>	<b>67,203</b>	<b>7,755,149</b>	<b>8,386,871</b>

Expenditure on charitable activities was £7,755,149 (2019: £8,386,871) of which £7,687,946 was unrestricted (2019: £8,234,825) and £67,203 (2019: £152,046) was restricted.

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

**2019**

	<b>Chief Executive &amp; People &amp; Finance</b>	<b>Marketing &amp; Development</b>	<b>Cultural</b>	<b>Countryside Services</b>	<b>Sport &amp; Community Venues</b>	<b>Projects</b>	<b>Total</b>	<b>2018</b>
	£	£	£		£	£	£	£
Employee costs	1,722,063	209,693	2,098,054	882,523	1,255,591	40,957	<b>6,208,881</b>	<b>5,617,579</b>
Property costs	8,295	-	373,801	189,319	78,454	-	<b>649,869</b>	<b>717,022</b>
Supplies and Services	62,527	107,708	761,519	138,574	102,157	111,014	<b>1,283,499</b>	<b>1,237,922</b>
Transport Costs	1,815	-	13,482	22,890	70	75	<b>38,332</b>	<b>45,801</b>
Support Services	187,400	-	-	-	-	-	<b>187,400</b>	<b>212,400</b>
Governance	18,890	-	-	-	-	-	<b>18,890</b>	<b>13,578</b>
<b>Total</b>	<b>2,000,990</b>	<b>317,401</b>	<b>3,246,856</b>	<b>1,233,306</b>	<b>1,436,272</b>	<b>152,046</b>	<b>8,386,871</b>	<b>7,844,302</b>

Expenditure on charitable activities was £8,386,871 (2018: £7,976,713) of which £8,234,825 was unrestricted (2018: £7,353,581) and £152,046 (2018: £623,132) was restricted.

**5. Analysis of governance and support costs**

	<b>General Support</b>	<b>Governance</b>	<b>2020</b>	<b>2019</b>
			£	£
<b>Support services from East Ayrshire Council</b>				
Health and Safety	4,400	-	4,400	4,400
Internal Audit	-	4,000	4,000	4,000
Human Resources	65,000	-	65,000	65,000
Corporate Infrastructure	40,000	-	40,000	40,000
Finance	29,000	-	29,000	29,000
Legal and Procurement Services	10,000	35,000	45,000	45,000
<b>Sub total – support services from East Ayrshire Council</b>	<b>148,400</b>	<b>39,000</b>	<b>187,400</b>	<b>187,400</b>
<b>Other</b>				
Audit fees	-	11,400	11,400	11,000
Accountancy fees	9,135	-	9,135	7,890
<b>Sub total - other</b>	<b>9,135</b>	<b>11,400</b>	<b>20,535</b>	<b>18,890</b>
<b>Total governance and support costs</b>	<b>157,535</b>	<b>50,400</b>	<b>207,935</b>	<b>206,290</b>

General support costs in 2020 were £157,535 (2019: £156,290) and governance costs £50,400 (2019: £50,000).

East Ayrshire Leisure receives support services from East Ayrshire Council. The total cost of support services provided by the Council in 2020 was £187,400 (2019 £187,400). The governance element of the support costs provided by the Council are calculated based on time spent throughout the year on governance activities.

The costs associated with trustee indemnity insurance are met by East Ayrshire Council.

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

**6. Staff Costs and Numbers**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,940,026	3,950,636
Social security costs	305,658	310,505
Other pension costs	1,083,753	1,721,251
Other staff costs	247,449	226,489
	<b>5,576,886</b>	<b>6,208,881</b>

9 members of staff were made redundant during the year (2019: 2).

Following UK and Scottish Government Guidance, all East Ayrshire Leisure venues closed to the public on the 18th March. From this point, an agreement was reached with the joint trade unions where 72% of contracted and 100% of casual employees were put on furlough leave. To the end of March 2020, the Trust had claimed £33,709 under the Job Retention Scheme.

Employees receiving salaries, including benefits in kind, of more than £60,000 were as follows:

	<b>2020</b>	<b>2019</b>
	<b> </b>	<b> </b>
£80,000 - £89,999		

The senior management team comprises six staff members (2019: 6 staff members). The total employee benefits (including employers contributions) of the senior management team were £366,035 (2019: £424,295).

**The average number of employees during the period was made up as follows:**

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
East Ayrshire Leisure Trust		
Full-time (permanent)	101	105
Part-time (permanent)	84	89
	<b>185</b>	<b>194</b>

During the year trustees received no remuneration (2019: nil). Trustee expenses totalled £124 (2019: £110). No trustees received payment for professional or other services supplied to the charity (2019: nil).

**7. Operating Surplus**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>The operating surplus is stated after charging/(crediting)</b>		
Auditors' remuneration (including expenses) for audit	11,400	11,000
for other services	9,135	7,890
Operating lease rentals	24,440	10,402



**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

**8. Pension Costs**

East Ayrshire Leisure Trust is an admitted body of the Strathclyde Pension Fund. The Superannuation Fund is a defined benefit scheme into which employee' and employer's contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. Employees' contributions are tiered and employer's basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and in a position to meet its future liabilities. The actuarial method used is known as Projected Unit Credit Method. The last actuarial valuation was at 31<sup>st</sup> March 2017 and following this valuation employer's contributions have been set at 19.3% for the years ended 31<sup>st</sup> March 2019, 2020 and 2021.

The pension results for 2019/20 have taken into account the financial effects of the McCloud judgement and General Minimum Pension (GMP) equalisation.

As sponsoring authority, East Ayrshire Council has guaranteed to accept liability for any unfunded costs which may arise with regard to the Trust relating to their membership in the Strathclyde Pension Fund, should they cease to exist.

**The movement in the defined benefit obligation over the year is as follows:**

	<b>31<sup>st</sup> March 2020</b>	<b>31<sup>st</sup> March 2019</b>
	<b>£'000</b>	<b>£'000</b>
Opening defined benefit obligation	25,696	21,701
Current service cost	1,467	1,272
Past service cost/(gain) (including curtailments)	(207)	433
Interest cost on defined benefit obligation	660	607
Contributions by members	207	198
Actuarial losses/(gains)	(3,746)	1,754
Benefits paid	(286)	(268)
Unfunded benefits paid	(2)	(1)
	<hr/>	<hr/>
Closing defined benefit obligation	23,789	25,696
	<hr/>	<hr/>

**The movement in the fair value of plan assets in the year is as follows:**

	<b>31<sup>st</sup> March 2020</b>	<b>31<sup>st</sup> March 2019</b>
	<b>£'000</b>	<b>£'000</b>
Opening fair value of plan assets	24,071	22,151
Interest income on plan assets	611	606
Contributions by members	207	198
Contributions by the employer	844	656
Contributions in respect of unfunded benefits	2	1
Actuarial (loss)/gain	(1,649)	728
Benefits paid	(286)	(268)
Unfunded benefits paid	(2)	(1)
	<hr/>	<hr/>
Closing fair value of plan assets	23,798	24,071
	<hr/>	<hr/>

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

**Amounts recognised in net income/expenditure (per SOFA):**

	<b>31<sup>st</sup> March 2020</b>	<b>31<sup>st</sup> March 2019</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	(1,467)	(1,272)
Past service cost/(gain) (including curtailments)	207	(433)
<b>Total service cost</b>	<b>(1,260)</b>	<b>(1,705)</b>
<b>Net interest</b>		
Interest income on plan assets	611	606
Interest cost on defined benefit obligation	(660)	(607)
<b>Total net interest</b>	<b>(49)</b>	<b>(1)</b>
<b>Total defined benefit cost recognised in net income/expenditure per the SOFA</b>	<b>(1,309)</b>	<b>(1,706)</b>

The major categories of plan assets as a % of the total plan assets are as follows:

	<b>31<sup>st</sup> March 2020</b>	<b>31<sup>st</sup> March 2019</b>
	<b>%</b>	<b>%</b>
Equities	62	64
Bonds	25	24
Property	12	10
Cash	1	2

The estimated employer contributions for the year to 31 March 2021 are £679,000.

The principal actuarial assumptions used in the calculations are:

	<b>31<sup>st</sup> March 2020</b>	<b>31<sup>st</sup> March 2019</b>
	<b>% per annum</b>	<b>% per annum</b>
Pension Increase Rate	1.8	2.4
Salary Increase Rate	2.9	3.6
Discount Rate	2.3	2.5

**Mortality**

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2018 model with an allowance for smoothing of recent mortality experience and long term rates of 1.5% p.a for males and 1.25% p.a. for females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	<b>Males</b>	<b>Females</b>
Current Pensioners	20.7 years	22.9 years
Future Pensioners	22.2 years	24.6 years

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

**9. Fixed Assets**

	<b>Furniture &amp; Equipment £</b>	<b>Total £</b>
<b>Cost</b>		
As at 1 <sup>st</sup> April 2019	157,582	157,582
As at 31 <sup>st</sup> March 2020	157,582	157,582
<b>Depreciation</b>		
As at 1 <sup>st</sup> April 2019	117,520	117,520
Charge	27,187	27,187
As at 31 <sup>st</sup> March 2020	144,707	144,707
<b>Net book value</b>		
As at 31 <sup>st</sup> March 2019	40,062	40,062
As at 31 <sup>st</sup> March 2020	12,875	12,875

**10. Heritage Assets**

In 2014/15, the Trust procured a silver gilt sculpture of Lord Eglinton. This asset was fully funded by external providers.

	<b>Heritage Assets £</b>	<b>Total £</b>
<b>Cost</b>		
As at 1 <sup>st</sup> April 2019	34,920	34,920
As at 31 <sup>st</sup> March 2020	34,920	34,920
<b>Net book value</b>		
As at 31 <sup>st</sup> March 2019	34,920	34,920
As at 31 <sup>st</sup> March 2020	34,920	34,920

**11. Stock**

	<b>2020 £</b>	<b>2019 £</b>
Goods for re-sale	22,996	21,026

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

**12. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts due from East Ayrshire Council	176,564	528,253
Trade debtors	90,680	88,898
Other debtors and prepayments	108,561	54,491
	<u>375,805</u>	<u>671,642</u>

**13. Creditors: Amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts owed to East Ayrshire Council	46,684	31,941
Trade creditors	87,128	34,194
Accruals and deferred income	564,446	651,913
Taxation and social security	261,052	347,366
	<u>959,310</u>	<u>1,065,414</u>

**14. Deferred income**

Deferred income comprises advanced ticket sales.

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Balance as at 1 <sup>st</sup> April 2019	143,246	145,671
Amounts released to income during 2019/20	(143,246)	(145,671)
Amounts deferred in year	100,988	143,246
	<u>100,988</u>	<u>143,246</u>
Balance as at 31 <sup>st</sup> March 2020	<u>100,988</u>	<u>143,246</u>

**15. Financial assets and liabilities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Financial assets at amortised cost	1,078,288	1,327,893
Financial liabilities at amortised cost	(597,270)	(574,802)
	<u>481,018</u>	<u>753,091</u>

Financial assets comprise amounts due from East Ayrshire Council, trade debtors, other debtors and cash and bank balances. Financial liabilities comprise amounts owed to East Ayrshire Council, trade creditors and accruals.

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

**16. Reserves**

<b>Funds 2020</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2020 Total £</b>	<b>2019 Total £</b>
Balance at 31 <sup>st</sup> March 2020				
Represented by:				
Fixed assets	47,795	-	47,795	74,982
Net current assets	137,805	63,250	201,055	312,279
Retirement benefit scheme asset/(liability)	9,000	-	9,000	(1,625,000)
	<u>194,600</u>	<u>63,250</u>	<u>257,850</u>	<u>(1,237,739)</u>

<b>Funds 2019</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2019 Total £</b>	<b>2018 Total £</b>
Balance at 31 <sup>st</sup> March 2019				
Represented by:				
Fixed assets	74,982	-	74,982	106,492
Net current assets	211,786	100,493	312,279	590,113
Retirement benefit scheme asset/(liability)	(1,625,000)	-	(1,237,739)	450,000
	<u>(1,338,232)</u>	<u>100,493</u>	<u>(1,237,739)</u>	<u>1,146,605</u>

<b>Unrestricted Fund 2020</b>	<b>Opening Balance at 1<sup>st</sup> April 2019 £</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>Transfers £</b>	<b>Actuarial Gain/(Loss) £</b>	<b>Closing Balance at 31<sup>st</sup> March 2020 £</b>
Unrestricted fund	199,858	7,136,428	(7,213,356)	8,140	-	131,070
Designated funds	86,910	36,350	(60,590)	(8,140)	-	54,530
Pension reserve	(1,625,000)	-	(463,000)	-	2,097,000	9,000
	<u>(1,338,232)</u>	<u>7,172,778</u>	<u>(7,736,946)</u>	<u>-</u>	<u>2,097,000</u>	<u>194,600</u>

**East Ayrshire Leisure Trust**  
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**For the year ended 31<sup>st</sup> March 2020**

<b>Unrestricted Fund 2019</b>	<b>Opening Balance at 1<sup>st</sup> April 2018 £</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>Transfers £</b>	<b>Actuarial Gain/(Loss) £</b>	<b>Closing Balance at 31<sup>st</sup> March 2019 £</b>
Unrestricted fund	336,235	6,894,648	(7,039,195)	8,170	-	199,858
Designated funds	216,710	26,000	(147,630)	(8,170)	-	86,910
Pension reserve	450,000	-	(1,049,000)	-	(1,026,000)	(1,625,000)
	<u>1,002,945</u>	<u>6,920,648</u>	<u>(8,235,825)</u>	<u>-</u>	<u>(1,026,000)</u>	<u>(1,338,232)</u>

<b>Designated Funds 2020:</b>	<b>2019 £</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>Transfer £</b>	<b>2020 £</b>
Depreciation (to fund depreciation on fixed assets)	28,380	-	(19,240)	-	9,140
Fixed assets	34,920	-	-	-	34,920
Libraries Fit Out	1,550	-	-	(1,550)	-
Website Development	15,470	-	(15,000)	-	470
Training & Development	1,790	-	-	(1,790)	-
Redundancy Costs	3,450	-	-	(3,450)	-
PFS Miscellaneous Expenditure	980	-	-	(980)	-
Marketing Activity	370	-	-	(370)	-
Dover House upgrades	-	10,000	-	-	10,000
Noveau	-	4,000	(4,000)	-	-
IT Upgrade costs	-	22,350	(22,350)	-	-
<b>Total designated funds</b>	<u><b>86,910</b></u>	<u><b>36,350</b></u>	<u><b>(60,590)</b></u>	<u><b>(8,140)</b></u>	<u><b>54,530</b></u>

<b>Designated Funds 2019</b>	<b>2018 £</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>Transfer £</b>	<b>2019 £</b>
Depreciation (to fund depreciation on fixed assets)	47,620	-	(19,240)	-	28,380
Fixed assets	43,640	-	(8,720)	-	34,920
Libraries Fit Out	80,500	-	(78,950)	-	1,550
Website Development	23,900	-	(8,430)	-	15,470
Promotion of New Mobile Libraries	2,500	-	(2,500)	-	-
Keep Scotland Beautiful	1,250	-	(1,250)	-	-
DCCP Play Area	6,350	-	(6,350)	-	-
Youth Theatre	2,520	-	(2,520)	-	-
Training & Development	8,430	-	(6,640)	-	1,790
Redundancy Costs	-	16,830	(13,380)	-	3,450
PFS Miscellaneous Expenditure	-	8,000	(7,020)	-	980
Marketing Activity	-	18,000	(17,630)	-	370
<b>Total designated funds</b>	<u><b>216,710</b></u>	<u><b>42,830</b></u>	<u><b>(172,630)</b></u>	<u><b>-</b></u>	<u><b>86,910</b></u>

**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

**Restricted funds**

2019				2020			
Opening Balance	Incoming Resources	Resources Expended	Closing Balance	Opening Balance	Incoming Resources	Resources Expended	Closing Balance
£	£	£	£	£	£	£	£
-	-	-	-	-	10,558	(3,383)	7,175
-	-	-	-	-	7,356	-	7,356
-	-	-	-	-	-	(15,588)	(15,588)
-	-	-	-	-	5,000	-	5,000
-	-	-	-	-	-	(5,369)	(5,369)
-	6,900	(348)	6,552	6,552	-	(4,136)	2,416
-	5,432	-	5,432	5,432	-	(543)	4,889
-	43,715	-	43,715	43,715	-	(15,742)	27,973
4,336	-	(102)	4,234	4,234	-	(102)	4,132
6,480	2,000	-	8,480	8,480	970	-	9,450
15,000	-	-	15,000	15,000	-	(45)	14,955
-	6,500	(6,500)	-	-	6,076	(5,215)	861
13,179	-	(2,630)	10,549	10,549	-	(10,549)	-
5,400	1,500	(1,918)	4,982	4,982	-	(4,982)	-
-	1,865	(1,865)	-	-	-	-	-
1,549	-	-	1,549	1,549	-	(1,549)	-
639	226	(865)	-	-	-	-	-
(2,489)	10,577	(8,088)	-	-	-	-	-
77,211	-	(77,211)	-	-	-	-	-
9,310	4,087	(13,397)	-	-	-	-	-
691	22	(713)	-	-	-	-	-
2,082	-	(2,082)	-	-	-	-	-

**East Ayrshire Leisure Trust**  
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2019				2020			
Opening Balance	Incoming Resources	Resources Expended	Closing Balance	Opening Balance	Incoming Resources	Resources Expended	Closing Balance
£	£	£	£	£	£	£	£
8,272	-	(8,272)	Growing Memories WWI Memorial	-	-	-	-
2,000	-	(2,000)	- Artwork Dean Castle Countryside Park (DCCP)– Development	-	-	-	-
-	26,055	(26,055)	- Project	-	-	-	-
<b>143,660</b>	<b>108,879</b>	<b>(152,046)</b>	<b>100,493 Totals</b>	<b>100,493</b>	<b>29,960</b>	<b>(67,203)</b>	<b>63,250</b>

The Natural Leaders project is well underway with work beginning on key open spaces with Auchinleck, Doon and Kilmarnock Academy. This project aims to develop Local Nature Reserves which can be used by the community and as an outdoor learning resource.

Logan Centre (Ringfenced) – Funding allocated to EA Leisure for future disbursement to Logan area.

Rose Reilly Renaming – This project was scheduled to be completed for Saturday 21<sup>st</sup> March with Rose Reilly attending an official launch, offering free sports activities for the local community. It has now been postponed however, the preparatory building work is well underway including the completion of the external building cleaning and signage. It is anticipated work on the internal signage and new external lighting will recommence once Covid-19 restrictions are lifted and an alternative launch date will be facilitated.

SHOUT - £5000 Funding from East Ayrshire Council has been issued to offer FREE swimming to SHOUT card holders during the school holiday periods throughout the year.

Johnnie Walker Display – East Ayrshire Council is in partnership with Diageo to run a year long programme of activity in 2020, celebrating 200 years of Johnnie Walker Whisky. The partnership is supported with an investment of £110,000 from Diageo, part of which is attributed to the Dick Institute Johnnie Walker display. To mark the beginning of the bicentenary celebrations, Diageo were keen to work with East Ayrshire Leisure to develop a new display of never before seen collection items. East Ayrshire Leisure led the display development in partnership with the Johnnie Walker Archive which required three new museum standard environmentally controlled cases, two flat screen televisions, display cradles and three new interpretation banners with bespoke hanging systems. East Ayrshire Leisure delivered the display by 19<sup>th</sup> February and the year of celebrations launched with an event which welcomed around 60 people.

Digital Storyteller in Residence - The project which was funded by the Scottish Book Trust has now come to an end. The initiative worked with people facing social isolation for whatever reason, to encourage participation in and the use of digital platforms to tell their own personal story. The Arts, Libraries and Museums Development team led the project with partners in Kilmarnock Station Railway Heritage Trust (KRSHT) and Vibrant Communities. The project was externally recognised by being shortlisted for Community Project of the Year at the Herald Society Awards. There is a surplus balance which Scottish Book Trust have said we can use towards further Digital Storytelling



**East Ayrshire Leisure Trust**  
**Notes to the Accounts**  
**For the year ended 31<sup>st</sup> March 2020**

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activities. We are currently paying for further training for KRSHT from the fund, and have invested in suitable transit cases to keep the kit safe when loaned out to our partners.

Nature Therapy Breaks - Funding has been secured from Shared Care Scotland to offer free residential respite experiences for young people who have care responsibilities for family members. 2 weekend sessions will be offered to 20 young people identified in partnership with East Ayrshire Carers.

Irvine Valley Trails - The Renewable Energy Fund has agreed that the shortfall in spend in the development stage grant can be reallocated to the Trails capital grant of £213,964. The Irvine Valley Trails project also received funding from the Low Carbon Travel and Transport Fund and Transport Scotland to implement a series of routes throughout the Irvine Valley that support active travel. All funding is in place for this project and implementation started Autumn 2019.

Ayrshire Libraries Forum is a network partnership of the three Ayrshire councils, Ayrshire NHS, school, prison and higher education libraries to be used towards the upkeep of Ayrshire Working Lives website.

Museums Database - East Ayrshire Leisure cares for approximately 250,000 objects within the museums it manages on behalf of East Ayrshire Council. Currently these collections are documented on a mixture of ageing and basic database systems. As we progress through the actions outlined within our Accreditation plan, including a full, basic inventory of all collections, plus our work with our Recognised collections, it is clear that we require a modern, future-proof database for use across the museum service, with opportunities for working with external partners in a more co-ordinated and efficient way. The total project cost is £21,600, of which Museums Galleries Scotland has awarded 75% of project costs.

Kilmarnock Green Infrastructure - The design and feasibility work has been completed for the Kilmarnock Green Infrastructure Project. £300k has been secured from Sustrans for further design work for a multi-million pound application later in the year. A Project Board, chaired by East Ayrshire Leisure, has been established to oversee the development and implementation of this 18 mile cycle route project for Kilmarnock made up of officers from East Ayrshire Leisure, East Ayrshire Council and Ayrshire Roads Alliance.

Burns Birthday in Mauchline – The project is now in its fifth year and will take place on Saturday 25th January from 12noon until 4pm at Burns House Museum, Mauchline Parish Church Halls and Mauchline Kirkyard. The family event which is funded by EventScotland is free and includes lots of Burns related activity including visual art, puppet making, Kirkyard tours with our partners Mauchline Burns Club, curator talks and a very special performance by pupils of Mauchline Primary School.

Make Some Noise is a music project funded by Creative Scotland and aimed at young people in a foster, looked-after, kinship or young caring environment and designed to help build self-esteem and provide a range of creative learning opportunities.

GAELIC VISUAL ARTS - The Dick Institute's Gaidhlig Gailearaidhean will see a second series of workshops facilitated in Gaelic in the galleries, aimed at promoting the use of Gaelic and the development of Gaelic language skills utilising visual arts and culture. Monthly workshops take place with Gaelic Artist Eoghann MacColl and young Gaelic speakers from the Mcllvannay Campus. The project also supports one apprentice placement from the Mcllvannay Campus. Funded by Bord Na Gaidhlig and Creative Scotland.

Magic at the Museum – TIME TRAVELLERS -Time travellers from all frontiers are invited to join us for an exciting multi-sensory arts experience on the theme of TIME TRAVEL! Travellers will arrive at the Dick Institute in the year 2018, to undertake an EPIC journey through storytelling, drama, puppet making and film. Meet award winning children's author Janis MacKay who will tell you all about 'The Reluctant Time Traveller'. Funded by Museums Galleries Scotland.

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Following the completion of the Countryside Festival in 2015, there was an outstanding balance of £1,549 from the Awards for All grant. Awards for All have agreed that this money can be retained and used as part of the funding package for the upgraded River Ayr Way Signage and Interpretation project. Survey work has been completed for this project and work has begun with local communities to ensure that signage and interpretation is link to the towns and villages along the route. An expression of interest is being prepared for the VisitScotland Rural Paths Fund to rebrand and upgrade the signage and interpretation along the whole route. Expressions of Interest are due to be submitted by 31<sup>st</sup> October.

Textile team is a team of volunteers that were originally funded by HLF to carry out restoration and repair of textiles. The remaining funding supports the group to continue with its work.

The McKie Collection funded by Museum Galleries Scotland is to support the digitisation of the McKie collection. A new post will be appointed for 18 months to deliver the project.

Funding was received from the Renewable Energy Fund to appoint a project officer to implement the Irvine Valley Trails Project over a 3 year period.

GENERATION Z - A co-designed programme of events throughout 2018. The launch event features Tom Foster of Judge Dredd fame, fully immersive Virtual Reality experiences, an interactive gaming tournament and a host of other drop in activities, GENERATION Z is a FREE festival for fans of all ages. GENERATION Z is funded by EVENTSCOTLAND.

The Bat Bothy Project has secured £2000 through the Tesco Bags of Help scheme. Working with Xchange Scotland, this unique facility to encourage roosting and hibernating bats with the Country Park will be built by volunteers from across Europe.

As part of the Year of History, heritage and Archaeology, a grant of £10,000 was secured from the Heritage Lottery Fund. This grant will be used to create 2 volunteer apprenticeships, provide a range of rural skills training for volunteers and to purchase tools and equipment to enable traditional rural skills to be carried out at the Country Park.

£9,903 has been awarded to East Ayrshire Leisure to develop a remote volunteering project in partnership with Alzheimer's Scotland. This project will provide all the equipment necessary for people suffering from dementia to grow wildflowers within their own homes. These will then be used to create a wildflower meadow at the Country Park. A celebration day will be organised in Summer 2018 where all volunteers and their families will be invited to a tea party at the Country Park.

£2,000 has been awarded to support the purchase and planting of trees and shrubbery associated with the WWI memorial artwork, which has been developed by Pidgin Perfect in collaboration with Scottish makar Jackie Kay, Loanhead Primary School and adults who took part in a poetry workshop.

DCCP Development Project received funding from the Renewable Energy Fund. This will be drawn down annually for 3 years. This funding is specifically targeted at the biodiversity, paths, volunteering and activities aspects of the project.

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**17. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the reporting period (as per the SOFA)	(601,411)	(1,358,344)
<b>Adjustments for:</b>		
Interest received	(1,607)	(1,181)
Depreciation	27,187	31,510
Net cost in respect of pensions	463,000	1,049,000
(Increase)/decrease in stock	(1,970)	(3,434)
(Increase)/decrease in debtors	295,837	208,084
Increase/(decrease) in creditors	(106,104)	(583,861)
<b>Net cash provided by (used in) operating activities</b>	<b>74,932</b>	<b>(658,226)</b>
<b>Analysis of cash and cash equivalents</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash in hand	761,564	685,025
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
<b>Total cash and cash equivalents</b>	<b>761,564</b>	<b>685,025</b>

**18. Operating lease commitments**

At 31<sup>st</sup> March 2020, the Trust had future minimum lease payments under non-cancellable operating leases as follows:

	<b>2020</b>		<b>2019</b>
	<b>Land and buildings</b>	<b>Other</b>	<b>Land and buildings</b>
	<b>£</b>	<b>£</b>	<b>£</b>
			<b>Other</b>
			<b>£</b>
Within one year	-	23,436	-
Within two to five years	-	49,546	-
	-	72,982	-
	-	-	121,863

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**19. Related parties**

East Ayrshire Council (EAC) made a contribution in line with the Services Agreement of £4,945,950 (2019: £4,829,955). Facilities were leased to East Ayrshire Leisure for a peppercorn rent. East Ayrshire Council also provided various support functions including Legal, Finance and IT for which the charity was charged £187,400 (2019: £187,400).

The relevant transactions and balances with East Ayrshire Council were:

2019/20				2018/19			
Income from EAC	Payments to EAC	Due from	Due to	Income from EAC	Payments to EAC	Due from	Due to
£	£	£	£	£	£	£	£
5,314,828	450,670	46,684	176,564	6,270,412	473,348	528,253	31,941
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**20. Contingent Liabilities**

There are three public liability claims, and one employer liability claim ongoing. (2019: two employer's liability claims and two public liability claims).

Employer and public liability cases are handled via East Ayrshire Council's insurer (Zurich). If it is determined that the Trust is liable, it will need to pay the first £500 and the remainder will be covered by the insurer. Until the Assessor has completed its work, the Trust accepts no liability for these claims.

**21. Post Balance Sheet Event**

None.

**22. Non-Audit Services**

In common with many other charities of a similar size, the charity's auditor assists with the preparation of the financial statements.