TRUST BOARD ANNUAL GENERAL MEETING

Date: Tuesday 8 September 2026

Location: Dick Institute, Elmbank Avenue, Kilmarnock

Start time: 6pm

AGENDA

AGENDA ITEM	FOR NOTING	FOR DISCUSSION	FOR APPROVAL/ DECISION
1. Apologies for Absence	✓		
2. Declarations of Interest	✓		
3. Minutes of previous AGM 3.1 23 September 2025	✓		
4. 2025/26 Annual Report and Accounts			✓
5. Trust Board Meeting Schedule 2026/27			✓
6. AOCB			
7. Demise of office bearers			✓

For further information please contact: Anneke Freel, Chief Officer
Email: Anneke.Freel@ayrshire360.com Tel: 01563 554710

TRUST BOARD ANNUAL GENERAL MEETING

2025/26 ANNUAL REPORT AND ACCOUNTS

Date: 8 September 2026

Agenda Item: 4

Report by: Anneke Freel, Chief Officer

1 PURPOSE OF THE REPORT

1.1 The purpose of this report is to present the 2025/26 Annual Report and Accounts for approval.

2 CONSIDERATIONS

2.1 East Ayrshire Leisure is required to submit its audited annual accounts to the Office of the Scottish Charity Regulator (OSCR). Azets Audit Services are our External Auditors and their audit has been produced following an intensive audit programme, which required support and input from both Trust and East Ayrshire Council staff.

2.2 The 2025/26 Report and Accounts is attached as Appendix 1. The format of the Report and Accounts meets the requirements of the Charities Financial Reporting Standard (FRS) 102 Statement of Recommended Practice (SORP). The Annual Accounts will be submitted to OSCR once approved by the Trust Board. The report will also be published via the East Ayrshire Leisure website.

2.3 Azets Audit Services Audit Management Report for 2025/26 is attached as Appendix 2 with the Management Representation Letter. Subject to Board approval this will be signed by the Chair of the Board.

3 IMPLICATIONS

3.1 The approval and publication of the 2025/26 Report and Accounts will satisfy the ongoing requirements of OSCR and the Charities FRS 102 SORP.

Recommendation/s:

It is recommended that Trustees:

i. Approve the 2025/26 Report and Accounts;

ii. Approve the Letter of Representation to accompany the accounts; and

iii. Otherwise note the content of this report.

TRUST BOARD ANNUAL GENERAL MEETING

Signature: Anneke Freel

Designation: Chief Officer

Date: 27 August 2026

East Ayrshire Leisure Trust
A Scottish Charitable Incorporated Organisation

Annual Report and Accounts
For the year ended 31st March 2026

Charity Number SC043987

Contents

East Ayrshire Leisure Trust
Message from the Chief Officer

I am delighted to present East Ayrshire Leisure Trust's Annual Report and Accounts in my 7th year as Chief Officer.

Since our inception in 2013, when Leisure Services transferred from East Ayrshire Council to form the charitable organisation East Ayrshire Leisure Trust, we have never stood still. With an ethos of continuous improvement and an ambition to secure our reputation as one of the top-performing Trusts in the country, 2025-26 has been one of the most significant and transformational periods in our organisation's history. As we continue to evolve and strengthen our role at the heart of our communities, this year has been defined by change, growth, and a collective commitment to building a stronger and more sustainable future.

A major milestone was the transfer of Vibrant Communities and the Corporate Catering team from East Ayrshire Council into the Trust, alongside the successful transfer of the Galleon Leisure Centre in April 2025. These developments represented a significant expansion of our responsibilities and opportunities, enabling us to deliver an even broader range of services that improve lives, strengthen communities, and create positive experiences for residents and visitors alike. We look forward to welcoming additional Council services into the Trust in the coming years, including East Ayrshire Instrumental Music Service and Creative Minds as well as colleagues from Greener Communities and East Ayrshire Woodlands.

Such transformational change does not happen overnight, nor does it happen without considerable effort. Throughout the year, a substantial amount of staff time, energy and expertise was dedicated to planning, consultation and implementation. This was no small undertaking. It required flexibility, resilience and an unwavering focus on ensuring that services continued to operate effectively while future arrangements were carefully developed, and I am extremely grateful to all of our teams across the organisation for enabling this.

A key part of this journey was engaging openly with both our workforce and the communities we serve. Extensive staff consultations were undertaken to ensure colleagues had opportunities to contribute to the process, ask questions and help shape the future direction of the organisation. Extended Management consultations also took place, with new Strategic Lead roles established by September 2025. This marked the beginning of the important work to develop a new organisational operating model, enabling these leaders to help shape a business capable of delivering our ambitions for the future and supporting the transition to a new organisation, Ayrshire360, in April 2026.

We also took our conversations directly into communities through our "Community Exchange" programme which involved a series of information roadshows and discussion with community groups. These events provided valuable opportunities to engage with residents, stakeholders and partners, helping us to build a shared understanding of our vision and gather insights that will help shape our future services. The feedback received reinforced the importance of working collaboratively and ensuring local voices continue to influence our decisions.

None of the achievements of the past year would have been possible without the dedication and commitment of our staff. Change of this scale can be challenging, yet throughout the transition our teams have continued to deliver high-quality services while embracing new opportunities and responsibilities. I would like to extend my sincere thanks to every member of staff for their professionalism, resilience and commitment. Your contribution has been instrumental in helping us navigate this important period of transformation.

As we look ahead to the major rebrand of our organisation, our focus is firmly on growth, sustainability and long-term impact. We are committed to developing our trading and commercial activities to generate greater financial resilience for the organisation. By strengthening our income-generating services, we can create a stronger foundation to support our charitable objectives, ensuring that community-focused services are not only sustainable but are able to flourish and grow.

East Ayrshire Leisure Trust
Message from the Chief Officer

The changes we have undertaken this year provide a platform for an exciting future. With a broader service portfolio, a talented and committed workforce, and a clear vision for sustainable growth, we are well placed to continue making a positive difference across our many communities. While the year ahead will undoubtedly bring new opportunities and challenges, I am incredibly optimistic about what we can achieve together. We have built strong foundations, expanded our reach, and strengthened our ability to deliver meaningful impact for our communities. By continuing to embrace innovation, nurture partnerships, and invest in our people, we can create an organisation that not only meets the needs of today but shapes a brighter future for generations to come.

I would like to extend our heartfelt thanks to all those who have supported East Ayrshire Leisure throughout the year. In particular, I am grateful to East Ayrshire Council for its continued partnership, support and shared commitment to enriching the lives of our communities.

I also wish to recognise our Board of Trustees and thank our many funders, funding bodies, sponsors, partners and supporters whose invaluable contributions have enabled us to deliver a diverse programme of services and experiences across culture, sport and physical activity, health and wellbeing, outdoor recreation, countryside access, heritage and learning. Your generosity, collaboration and belief in our vision continues to make a lasting impact, helping us celebrate Ayrshire's heritage, support healthier and more active communities, enhance our natural environment, and create welcoming places where residents and visitors can learn, participate and thrive. I am deeply grateful for your ongoing support and commitment to the people and places of East Ayrshire.

Together, we are creating an organisation that is ambitious, resilient and community-focused – one that will continue to grow, thrive and make a lasting difference across East Ayrshire. I look forward with great confidence and excitement to the next chapter of our journey and the launch of Ayrshire360 in April 2026.

Anneke Freel
Chief Officer

East Ayrshire Leisure Trust
Message from the Chair

As Chair of East Ayrshire Leisure Trust, it gives me great pleasure to reflect on another hugely successful year for the organisation and the communities we serve. April 2025- March 2026 has been a period of progress, investment and new beginnings, and I am extremely proud of what has been achieved across our venues, services and programmes; a few of my personal favourites are highlighted below.

As the organisation expands, and with additional services transferring in the future, one of the most exciting developments has been the establishment of our new headquarters at Wallace Chambers in the heart of Kilmarnock town centre. On 1st April 25 we welcomed colleagues and services from East Ayrshire Council and the Galleon Leisure Centre and we also brought together staff who were previously based at the Dower House (set within Dean Castle Country Park) to this beautiful and historic town-centre building. This move marks an important new chapter for the organisation and provides a strong foundation for our future growth.

I am particularly pleased that our new headquarters is itself an important part of East Ayrshire's heritage. Wallace Chambers has a fascinating history and a strong connection to Kilmarnock's past and 'whisky story', reflecting the character, resilience and ambition that continue to shape our communities today – more on this fabulous whisky heritage to come! It is also wonderful to see the building serving the public, with the Box Office temporarily based there during the closure of the Palace Theatre and Concert Hall as it undergoes extensive refurbishment.

Our commitment to celebrating culture, heritage and creativity has remained at the heart of our work. During the year, our museums and galleries welcomed outstanding exhibitions that brought nationally and internationally significant collections to local audiences. I was particularly delighted to welcome "Before and After Coal" to the Baird Institute in Cumnock. This outstanding exhibition offered a powerful reflection on Scotland's mining communities, exploring themes of family, identity, work and community spirit. The team also led an engaging programme of activities included zine-making workshops and informal drop-in sessions for tea and chats with local miners and their families. The sessions created meaningful connections and provided a valuable space for reflection, storytelling, and community engagement.

At the Dick Institute in Kilmarnock, "Lucian Freud's Etchings: A Creative Collaboration" provided visitors with a rare opportunity to gain insight into the creative process of one of Britain's most renowned artists and we celebrated the life and legacy of renowned Scottish cartoonist Malky McCormick through the "Discovering Malky McCormick" and "Malky McCormick: A Life in Colour" exhibitions. Working closely with Malky's family, we catalogued, digitised and curated a significant body of work spanning his entire career, culminating in the first major exhibition to showcase every stylistic period of his artistic journey. The programme attracted strong public engagement through interactive family activities, curator-led talks, social media features, and behind-the-scenes content highlighting the museum's curation and digitisation work. Together, these activities connected audiences of all ages with Ayrshire's cultural heritage while fostering creativity, community participation and pride in one of Scotland's most beloved artists.

Alongside these cultural highlights, we continued to invest in the places that matter most to our communities. I am delighted that our Cultural Hub Investment Programme concluded with over £210,000 invested in improvements across Cumnock Town Hall, Darvel Town Hall, Morton Hall and Stewarton Area Centre. These upgraded facilities will continue to support community activity, learning, creativity and connection for years to come with more improvements and refurbishments scheduled.

Sport and physical activity have also continued to thrive. Rose Reilly Sports Centre hosted a number of high-profile events, including Stewarton Annick Football Club's 50th Anniversary Tournament and the East Ayrshire Open Table Tennis Tournament, which welcomed talented competitors from across Europe. These events showcased not only sporting excellence but also the community spirit and hospitality for which East Ayrshire is known.

One achievement that particularly stands out is the national recognition received by the Active Wellbeing Suite at Rose Reilly Sports Centre. Winning the Scottish Leisure Network Group Impact & Innovation Award 2025 is a tremendous accomplishment and reflects the Trust's commitment to making health and wellbeing accessible to all. As one of only two Trusts in Scotland to introduce this innovative power-assisted exercise concept, we are helping people of all ages and abilities build confidence, improve mobility and become more active in a supportive environment.

None of this would be possible without the dedication of our staff, volunteers, partners and supporters. Their enthusiasm, professionalism and commitment continue to make a real difference in the lives of residents and visitors alike. On behalf of the Board, I would like to thank everyone who contributes to the success of East Ayrshire Leisure Trust.

As I look to the future, I do so with confidence and optimism. We have invested in our facilities, strengthened our services, and continued to create opportunities for people to connect through culture, sport, wellbeing and community activity. Most importantly, we have remained focused on enriching lives across East Ayrshire. I am excited about the opportunities ahead and look forward to seeing our organisation become Ayrshire360 where we will continue to grow, innovate and make a lasting positive impact in the years to come.

Councillor Clare Maitland
Chair, East Ayrshire Leisure Trust

The Trustees are pleased to present their Annual Report and Accounts for the year ended 31st March 2026. 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 (SCIO) recognised by the Office of the Scottish Charity Regulator (OSCR), charity registration number SC043987. Established in 2013 to deliver cultural, sport, leisure, countryside and community services on behalf of East Ayrshire Council, the Trust has evolved into a broad-based organisation now encompassing Vibrant Communities, Corporate Catering, and The Galleon Leisure Centre (from 1st April 2025). Collectively, these services enable us to improve health, wellbeing, inclusion, learning, employability and community resilience across East Ayrshire.

Our purpose is to enhance the enjoyment, quality of life, health and wellbeing of local communities and visitors alike. Through an innovative, inclusive and ambitious programme of cultural, sporting and outdoor experiences, we manage an extensive portfolio of libraries, museums, galleries, community venues, sport and fitness facilities, performing arts spaces, a theatre and concert hall, a country park and medieval castle, a golf course, and an extensive network of paths and outdoor spaces.

We are committed to delivering high-quality customer experiences and are widely recognised for listening to and engaging with our customers, residents, visitors and partners. This commitment enables us to shape services and facilities that meet the evolving needs of our communities.

With leisure, culture and wellbeing at the heart of every community, we continually seek to develop new opportunities, strengthen existing services and create sustainable growth. In doing so, we fulfil our charitable and strategic objectives while promoting environmental responsibility, sustainability and biodiversity across all aspects of our work.

Governing Documents

East Ayrshire Leisure Trust's Constitution was approved by the Board of Trustees on 13th March 2013.

Our Strategic Vision was originally developed to cover the period 2020-2030, setting out the organisation's key themes and objectives. A supporting two-year Delivery Plan detailed the actions required to achieve these ambitions. In light of significant changes and expansion of service areas, and our overall strategic direction, the document will now be reviewed and refreshed to ensure it remains relevant, aligned to organisational priorities, and reflective of our future vision.

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

East Ayrshire Leisure Trust is an organisation that aspires to the highest standards in everything that we do. This is why we have adopted the following values that will be embedded into our organisation through all of our service delivery, customer and partner engagement and our staff recognition, development and training:

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 that we do

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

EAST AYRSHIRE LEISURE SERVICES

East Ayrshire Leisure Trust is responsible for managing a range of facilities and services across a broad cultural, countryside, outdoor activities, sport, fitness and community remit.

The range of facilities managed by the Trust has been subject to change since July 2013 as the Council has undertaken a programme of Community Asset Transfer and Asset Rationalisation and more recently, transfer of additional services to Trust Management.

In 2023, the Trust undertook a major organisational review and restructuring programme designed to support future growth and service innovation. The review removed traditional service silos, strengthened cross-service collaboration and maximised the skills, expertise and experience of staff across the organisation. New service areas were introduced alongside a refreshed management structure that created wider 'family groups', fostering greater consistency, flexibility and shared working practices throughout the Trust.

This transformation was further enhanced in April 2025 with the transfer of East Ayrshire Council's Vibrant Communities, Corporate Catering and The Galleon Leisure Centre services into Trust management. These services were fully integrated into the Trust's operating structure in September 2025, creating a more unified organisation with an expanded capacity to deliver positive outcomes for communities, customers and partners.

BUSINESS DEVELOPMENT SERVICES

Sharing Our Vision

"East Ayrshire Leisure Trust will be widely recognised and acclaimed as a leisure provider that is firmly committed to listening to our customers, local residents, visitors and partners and developing facilities and services that meet their needs."

This service area incorporates Marketing & Tourism, Organisational Administration, Training & Engagement and Visual Communications.

Investing In Our People

"East Ayrshire Leisure Trust will be an employer that encourages all employees and volunteers to be fully engaged in the operation and development of our business and where opportunities are provided for them to realise their potential."

This service area incorporates Corporate, Systems & Data, Finance and Volunteers & Placements.

Creating A Solid Foundation for Growth

"East Ayrshire Leisure Trust will achieve continuous improvement in the operation of the Trust and will focus on developing and challenging existing and new business opportunities in order to fulfil our strategic and charitable objectives."

This service area incorporates Accountancy, Commercial and Hospitality & Retail.

OPERATIONAL SERVICES

Living Your Best Life

"East Ayrshire Leisure Trust will contribute to improving the enjoyment, quality of life, health and wellbeing of communities and visitors to East Ayrshire through an innovative, welcoming and ambitious programme of cultural, sport and outdoor activities."

This service area incorporates Visual Arts, Sports, Museums and Performing Arts.

Leisure At the Heart of Every Community

"East Ayrshire Leisure Trust will contribute to improving the enjoyment, quality of life, health and wellbeing of communities and visitors to East Ayrshire through an innovative, welcoming and ambitious programme of cultural, sport and outdoor activities."

This service incorporates Cultural Hubs, Library Hubs, Lifestyle Hubs and Sports Hubs.

Protecting Our Environment

"East Ayrshire Leisure Trust will be committed to environmental best practice and will use resources as efficiently and effectively as possible in the operation of our business. We will also explore new opportunities to promote sustainability and biodiversity."

This service incorporates Countryside, Estates and Sustainability.

AGREEMENTS WITH EAST AYRSHIRE COUNCIL

A comprehensive suite of formal agreements underpins the partnership between East Ayrshire Leisure Trust and East Ayrshire Council, providing a clear framework for governance, accountability and service delivery.

Service Level Agreements are in place for a range of corporate support services provided by the Council, including areas such as Health & Safety, Internal Audit, Payroll and other specialist functions. These arrangements ensure the Trust has access to the expertise and support required to deliver high-quality, efficient and compliant services.

A "Provision of Services Agreement" sets out the facilities and services that the Trust is responsible for delivering on behalf of the Council, defining performance expectations and supporting the achievement of shared strategic and community outcomes.

In addition, a "Collections Agreement" provides the framework for the care and management of the Council's museum collections, ensuring they are protected, preserved and made accessible for current and future generations.

An "Asset Agreement" further supports service delivery by defining the ownership, management and use of assets required to deliver the Trust's services effectively and sustainably.

Collectively, these agreements provide a robust foundation for partnership working, enabling the Trust and the Council to work collaboratively to deliver high-quality services, maximise community benefit and ensure effective management of public assets and resources.

STRATEGIC DOCUMENTS

In addition to our Strategic Vision and Corporate Delivery Plan, we have prepared a suite of Strategies, which explain our priorities, our governance, the processes, and protocols we adhere to and any other relevant regulations or documents that apply.

<u>Collection Development Strategy 2022 -2030</u>
Whilst East Ayrshire Council owns the East Ayrshire Collection, it is managed and cared for by East Ayrshire Leisure Trust through a Service Level Agreement. The Collection Development Strategy sets out the vision for collections to 2030, related collection Delivery Plan Outputs and provides a review of East Ayrshire Council's object groupings, stating collecting priorities for the future

<u>Financial Strategy 2022-2026</u>

The Financial Strategy sets out how the organisation plans to finance its overall operations to meet its objectives, now and in the future. Sound financial management is essential for the success of the Trust, assisting in the successful transition from where we are now, to where we want to be.

<u>Leisure Facility Strategy 2022-2030</u>

The Leisure Facility Strategy outlines our vision and ambitions for all our venues and facilities to 2030, and is accompanied by an extensive, over-arching Cross Service Action Plan providing detailed outputs for each area. As our portfolio grows, the Action Plan will be updated accordingly.

<u>Net Zero Climate Strategy 2024-2030</u>

This strategy outlines how East Ayrshire Leisure Trust will reach Net Zero by 2030, aiming to reduce all associated Green House Gas (GHG) emissions as far as possible and how we will offset any residual emissions through sequestration projects, also known as carbon capture projects.

<u>Programme Development Strategy 2022-2026</u>

Our Programme Development Strategy sets out the priorities and opportunities for event selection, how events will be managed and how our event development strategy relates to delivery plan themes and objectives for the period up to 2026.

KEY VENUES AND VISITOR ATTRACTIONS

We manage a wide range of facilities covering the full leisure remit and operate throughout all East Ayrshire. Our key venues and tourist attractions are highlighted below. The star ratings listed are provided by VisitScotland following their accreditation visits and assessments, however following the removal of this scheme, we are awaiting new assessments from Association of Visitor Attractions (ASVA).

- Annanhill Golf Course

  Annanhill is an 18-hole course situated on the outskirts of Kilmarnock which is open to residents and visitors alike. Set in the scenic surroundings of Annanhill Estate, the 5954 yard parkland course has a par of 71 and has something to delight and challenge all players from beginners to seasoned pros. The course has recently undergone extensive improvement works and a path has been constructed to provide a safer and more pleasant route for walkers, including our newly developed 'daily mile' route. Ponds and areas of wildflowers have been created to provide wildlife corridors and enhance the biodiversity of the area.

- Ayrshire Athletics Arena

  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

  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

  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 21st 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

  The redeveloped Dean Castle Country Park is East Ayrshire's only Country Park and provides a great day out all year round with a series of woodland walks, an urban farm, adventure playground, visitor centre with shop and cafe 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 Castle re-opened to the public in April 2023 after a period of extensive refurbishment works. East Ayrshire Council, supported by East Ayrshire Leisure, was awarded £1.5m from The National Lottery Heritage Fund towards the restoration and modernisation of the castle. The project had a total cost of £5.2m, with funding of £500k also secured from Historic Environment Scotland, and the remainder coming from East Ayrshire Council. The project involved the refurbishment of the Keep (which remains as Scotland's only free-entry Keep), Palace, Gatehouse, Courtyard and Laundry buildings as well as returning the collections for a redisplay and new interpretation for visitors. The result is a sensitive and beautiful restoration, which means that the castle and its collections can be enjoyed for many generations to come.

- Dick Institute

  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, including our book festival Imprint. 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. The café situated in the main lending library serves barista coffee and a selection of sweet treats and cakes

- The Galleon Leisure Centre

  Based in Kilmarnock, The Galleon was opened in 1987 and operated under the governance of Kilmarnock Leisure Centre Trust (KLCT) and funded by the Local Authority. The Centre is the area's primary leisure centre, featuring a 25m swimming pool and an ice rink which is home to ice hockey tournaments, curling and figure skating, The centre also houses fully equipped gyms, a bowling arena, squash courts, sauna and steam room. With a packed programme of fitness classes, public swims and skating, holiday activities and hireable flexible space to host parties and events the Centre is a well-loved, community resource and welcome addition to East Ayrshire Leisure's portfolio of venues. Ownership transferred from KLCT to East Ayrshire Leisure Trust on 1st April 2025.

- Leisure Centres: 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 *1 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, events and parties.

- Palace Theatre & Grand Hall Complex

  Ayrshire's premier entertainment venue closed in 2024 to facilitate a major programme of restoration and refurbishment. The ambitious transformation will reimagine the facility as a modern regional theatre and concert hall, delivering significant enhancements to accessibility, visitor experience, and energy efficiency. The redevelopment forms a cornerstone of the wider Cultural Kilmarnock programme, a landmark regeneration initiative focused on the cultural quarter to the east of Kilmarnock town centre. The project encompasses several significant heritage and cultural assets, including the Dick Institute and the former Kilmarnock Academy building, and has secured £20 million through the UK Government's Levelling Up Fund.

  Beyond the physical improvements, the project will deliver lasting social and economic benefits. It will create new employment and training opportunities within the creative and cultural sectors, stimulate the local economy by attracting visitors through high-profile programming and events, and expand opportunities for community participation. A strong emphasis on health, wellbeing and inclusion will be supported through a range of engagement initiatives, including the creation of a dedicated Young People's Theatre, helping to inspire and develop the next generation of creative talent.

- 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.

- Rose Reilly Sports Centre

  Named after the local World Cup winner and trailblazer for women's football, the Rose Reilly Sports Centre offers a specialised dance studio for dance and fitness classes, has a large multipurpose hall and a fitness suite. The fitness suite has a range of cardiovascular equipment, free weights and resistance machines for a full body workout and our staff are always on hand for support and advice. The full size floodlit 11-a-side Synthetic Grass Pitch is also suitable for 7-a-side games. The Centre also has a large welcoming hall with comfortable seating, selection of books and board games for informal get-togethers and is home to our first Active Wellbeing Suite, housing power-assisted equipment to help those recovering from injury or long-term health issues.

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	
Clare Maitland (Chair from 24 June 2021)	18th May 2017
Iain Linton	25th June 2015 (resigned 18th May 2017) and reappointed 2nd November 2017
Joe McLachlan (ex officio)	27th August 2015
Richard Grievson	24th September 2024
James Adams	20th July 2021 (resigned as Independent Trustee and reappointed as Partner Trustee 19th May 2022)
Linda Mabon	19th May 2022
Graham Boyd	19th May 2022
Independent Trustees	
David Ross	20th July 2021
Andy Wilson	14th September 2021
Melanie Swan	4th October 2022
Jim Roberts	28th September 2023
Robert Hannah	28th September 2023

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 an induction training programme for new Trustees. Development sessions to enhance Trustees knowledge of service areas are organised throughout the year. Trustees are recruited following East Ayrshire Leisure's HR recruitment policies and procedures. When a vacancy arises, adverts are circulated amongst appropriate platforms, outlining the key skills, experience and knowledge required for the particular Trustee Ambassador, and candidates are assessed against the Essential Criteria outlined for each role. On appointment, Trustees will undergo induction and training sessions required for the overall role of Trustee and also any specific training required within their portfolio remit.

Management Arrangements

The Chief Officer and Senior Management Team are responsible for the day to day management of East Ayrshire Leisure Trust'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.

EXECUTIVE MANAGEMENT TEAM

Anneke Freel	Chief Officer
Jackie Biggart	Executive Lead: People, Policy and Performance / Director: Corporate Activities (from Sept 25)
Suzanne Clark	Service Manager Vibrant Communities/ Director: Community Activities (from Sept 25)
Paul Mathieson	Executive Lead: Place, Projects and Programmes / Director: Commercial Activities (from Sept 25)

SENIOR MANAGEMENT TEAM

Iain Anderson	Strategic Lead: Hospitality
Pamela Beck	Team Leader: Life skills & Inclusion / Strategic Lead: Community Learning (from Sept 25)
Iain Boyd	Strategic Lead: Facility Management (from Oct 25)
Linda Chisholm	Team Leader: Community Health Action Team / Strategic Lead: Community Wellbeing (from Sept 25)
Fiona Davies	Strategic Lead: Museum & Arts (from Jan 26)
Natalie Elliot	Strategic Lead: Event Management
Craig Fulton	Team Leader: Communities / Strategic Lead: Special Projects (from Sept 25)
Christine Keenan	Strategic Lead: Protecting Our Environment / Community Greenspace (from Sept 25)
Isabel Pick	Strategic Lead: Investing In Our People & Embracing Our Values / Organisational Culture (from Sept 25)
Dianne Reid	Strategic Lead: Sharing Our Vision / Marketing & Communications (from Sept 25)
Greig Russell	Strategic Lead: Leisure at the Heart of Every Community / Lifestyles (from Sept 25)

Lorraine Russell	Strategic Lead: Creating a Solid Foundation for Growth / Financial Management (from Sept 25)
Adam Strain	Team Leader: Young People, Sport & Diversion / Strategic Lead: Community Pathways (from Sept 25)
Vacant	Strategic Lead: Arts Production
Vacant	Strategic Lead: Corporate Sponsorship & Partnership
Vacant	Strategic Lead: Palace Theatre & Concert Hall

ADMINISTRATIVE INFORMATION

Registered Office	Dick Institute 14 Elmbank Avenue Kilmarnock KA1 3BU www.eastayrshireleisure.com 01563 554710
Auditor	Azets Audit Services Quay 2 139 Fountainbridge Edinburgh EH3 9QG
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 31st March 2026 was the Trust's twelth year of activity. In the period, East Ayrshire Leisure Trust reported an unrestricted deficit (including pension reserve) of £1,120,800 (2025: £1,036,444).

No restricted funds were in deficit at year end.. Funding has been awarded for these funds and can only be drawn down retrospectively once the project is completed or when milestones have been met.

At 31st March 2026, the actuarial valuation of the pension scheme resulted in a net pension liability of £111,000 this being recognised in the Balance Sheet. The valuation has resulted in an actuarial gain of £1,062,000 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.

At 31st March 2026 the Trust held £1,017,032 (2024: £783,020) in reserves. Of this, £566,591 (2025: £327,662) was held in the unrestricted fund, £206,588 (2024: £275,565) was held in designated funds, £111,000 (2025: (£112,000)) was the pension scheme reserve and £354,854 (2025: £291,793) was held in restricted funds.

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 Trust 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. East Ayrshire Council have confirmed a savings requirement of £200,000 to be achieved by the Trust in 2026/27.

East Ayrshire Leisure Trust 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 2026/27 is set out below:

	2026/27 **£**
Baseline Budget (excl Savings)	9,344,420
Savings Target	(200,000)
Baseline Budget (after Savings)	**9,144,420**

RISK MANAGEMENT

East Ayrshire Leisure Trust 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 2025-26 included: significant reduction in funding received from East Ayrshire Council, partners and external stakeholders not seeing East Ayrshire Leisure Trust 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.

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 Trust 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 consistently under review and we work closely with East Ayrshire Council and other organisations to explore all partnerships that will improve the leisure opportunities for communities in East Ayrshire.

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 Trust in due course.

Our Leisure Facility Strategy and accompanying Cross-service Action Plan outlines ambitions for development of all our facilities and ranges from large scale refurbishments to smaller scale improvements such as signage and redecoration and introduction of new programming and hospitality services.

The creation of the new Strategic Lead: Facility Management post will ensure the development, delivery, monitoring and evaluation of facility plans to ensure all venues meet the required standards, particularly around Health & Safety, maintenance, environmental sustainability and cleanliness whilst contributing to the implementation of our Climate Change and Facility Strategies.

EQUIPMENT

East Ayrshire Leisure Trust 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 Trust belong to East Ayrshire Leisure Trust, not the Council.

MUSEUM COLLECTIONS

East Ayrshire Council 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 Trust has been granted licence to use these assets through the Collections Agreement and will maintain and preserve them on behalf of the Council. Our Collection Development Strategy sets out the vision for collections until 2030, and it provides a review of East Ayrshire Council's object groupings, stating collecting priorities for the future.

ACHIEVEMENT & PERFORMANCE

The Strategic Vision document covering the period of financial years 2020-2030 highlights our priorities, with the accompanying Delivery Plan outlining our two-year Action Plan. Our Performance & Audit Sub-Committee considers reports and information provided by the Trust's Internal and External Auditors, reviews performance information prior to submission to the Board and EAC, sets and monitors performance against the Delivery Plan priorities and sets future targets.

Progress towards the targets set in the Delivery Plan is reviewed on a quarterly basis by the Board and fully reported annually.

We continue to monitor the performance aspirations set out in our Strategic Vision with many projections already exceeding our 2030 targets. With major organisational changes in place - and others planned for the near future, including the transfer of additional services from East Ayrshire Council - the Strategic Vision and associated targets were reviewed throughout this period, and we are working on our new 10 year Strategic Framework which will carry us through the transition to Ayrshire360 and beyond.

Throughout this period of significant organisational change and growth, our primary focus remained on maintaining the high-quality services and experiences that our communities, customers and partners expect. Despite the scale of transformation taking place across the organisation, departments worked collaboratively to ensure continuity of service, minimise disruption and sustain strong levels of performance and customer satisfaction.

Alongside successfully managing this transition, teams continued to deliver a wide range of programmes, initiatives and improvements that have strengthened our services and enhanced community outcomes.

Key achievements and highlights from across the Trust are outlined below:

SHARING OUR VISION

Strategic Objectives:

- To create a programme of community engagement activities which includes consultation with our customers and potential customers about existing and future facilities and services and to adopt a positive approach to feedback.
- To ensure our use of creative marketing led activities effectively promote our high quality services, maximise customer engagement and make a real difference to how people view East Ayrshire Leisure Trust.
- To work collaboratively with key partners and stakeholders in the development of programmes and activities whilst exploring innovative delivery models which ensure best value for our customers.
- To introduce customer service related performance targets.

Key Points & Achievements:

- Customer and community engagement has been a key priority throughout the year, with extensive consultation undertaken to ensure that future developments are informed by the needs and aspirations of our stakeholders. A series of surveys gathered valuable feedback on areas including programming, extended opening hours and service provision at key venues
- We delivered a programme of staff, customer and community roadshows across East Ayrshire. These events provided opportunities to share our vision, plans for organisational redesign and rebranding, and to engage directly with stakeholders on future priorities. Participants were encouraged to contribute ideas, identify opportunities for improvement and innovation, and highlight areas where there may be duplication of provision, service gaps or underutilised facilities.

- To ensure the continuation of one of East Ayrshire's most cherished cultural traditions, our much-loved annual pantomime was successfully relocated to The Galleon Leisure Centre. This ambitious undertaking required significant creativity, innovation and collaboration, transforming a traditional sports games hall into a vibrant, welcoming and fully immersive theatrical venue. The space was reimagined beyond recognition, providing audiences with a high-quality theatre experience in an entirely new setting.
- The transfer of several new service areas into Trust management created a significant programme of brand integration and communications activity. To support a consistent customer experience and strengthen organisational identity, we undertook a comprehensive review of marketing materials, signage, publications and digital assets across all service areas.
- In preparation for the organisation's transition to Ayrshire360 in April 2026, significant work was undertaken to develop a new brand identity that reflects our expanded remit, ambitions and future direction. This included the creation of a new name, logo, visual identity and comprehensive brand guidelines to ensure a consistent and professional approach across all services and venues ready for implementation in April 2026

LEISURE AT THE HEART OF EVERY COMMUNITY

(Incorporating Vibrant Communities and Galleon Leisure Centre)

Strategic Objectives:

Strategic Objectives:

- To work with community, local authority and private providers to develop a Leisure Facility Plan that identifies all leisure provision throughout East Ayrshire and maximises the opportunities for our communities to participate in leisure activity
- To work with partners to explore funding opportunities for refurbishment and development of leisure facilities
- To work with East Ayrshire Council in reviewing and refining repair and maintenance plans and schedules for all facilities within our remit which include an annual programme of planned maintenance and decoration

Key Points & Achievements:

Libraries, Learning & Inclusion

- The team delivered a range of holiday learning programmes, including "Sticky Fingers", Bookbug Week and Libraries Week, engaging children and families in reading, creativity and learning activities. We also delivered "Beat the Grownups" family learning programme, engaging 35 adults and 52 children in literacy and numeracy activities
- We expanded adult literacies provision through Money MOT qualifications, dyslexia awareness training and community learning initiatives
- We supported English for Speakers of Other Languages (ESOL) learners through a series of events, activities and practical learning programmes which helped develop skills in employability, volunteering and community integration. All participants attending the ESOL volunteering taster programme progressed to volunteer opportunities within the Trust

<u>Health, Wellbeing & Physical Activity</u>

- The Active Wellbeing Suite at Rose Reilly Sports Centre was opened; one of only two facilities of its kind operated by a Scottish leisure trust
- Active Wellbeing Membership was introduced, attracting 73 pilot members and growing to 213 members following Trust-wide rollout
- The team delivered the "Living Well with Arthritis" programme in partnership with NHS Physiotherapy services, achieving a 92% attendance rate and strong improvements in physical activity, confidence and self-management in participants
- Our community venues hosted major sporting events including the East Ayrshire Open Table Tennis Tournament, Stewarton Annick 50th Anniversary Tournament and the Bill Shankly Memorial Festival
- We delivered popular Kris Boyd and Rose Reilly Football Camps, attracting more than 140 young people daily
- 24 members of staff based at the Galleon Centre raised more than £3,000 for Ayrshire Cancer Support through participation in Roon The Toon, Kilmarnock's 10k road race

<u>Communities & Inclusion</u>

- Teams continued to combat social isolation through a range of community tea dances, sheltered housing activities and intergenerational projects
- We delivered extensive support through Local Area Co-ordination, Learning Disability Week activities and inclusive social programmes
- We built on our strong partnership working with Dumfries House, with the programme being formally recognised through a King's Foundation Award nomination
- We supported communities to develop Local Place Plans in partnership with East Ayrshire Council and the Improvement Service

<u>Young People</u>

- Our teams delivered a comprehensive ASN Summer Holiday Programme supporting more than 150 young people with additional support needs through tailored activities, family events and specialist support. Achieved overwhelmingly positive feedback from children, families and staff, with families requesting increased provision in future years
- 75 Active Schools sessions were delivered across 13 venues, engaging over 1,700 participants during the summer period
- We supported youth leadership and participation through the Children and Young People's Cabinet and East Ayrshire Youth Awards

<u>LIVING YOUR BEST LIFE</u>

Strategic Objectives:

- To support the development of sustainable pathways that encourage lifelong participation in leisure activities
- To contribute to a programme of high profile regional and national events, exhibitions, programmes and projects, that are ambitious and outward facing, whilst maximising the impact on our customers and visitors
- To develop activities and services that contribute to the Scottish Government's aspirations for 'A Healthy and Active Nation' and 'A Creative, Open and Connected Nation' and that ensure that East Ayrshire Leisure is at the heart of future trends and initiatives

Key Points & Achievements:

- The "Discovering Malky McCormick" exhibition in the Dick Institute's North Museum provided a chance for the public to come behind-the-scenes and preview the Malky McCormick artworks that were being catalogued and curated in preparation for 2026's "Malky McCormick: A Life in Colour" exhibition in the museum's Main Gallery. The team unearthed significant new material within the McCormick collection, including television artwork, Gaelic works, early sketches and political cartoons. The exhibition generated significant public and media interest
- The team curated a heritage exhibition at the historic Kilmaurs Jougs, celebrating the area's rich social and industrial history. Working with local volunteers they increased public access, strengthened community engagement with local heritage and supported the venue's reopening to the public
- Over £210,000 of improvement works were completed across Cultural Hub venues
- May-June was one of the busiest months for the Ayrshire Athletics Arena recording over 10,000 attendances across regional and national sporting events. Events included Scottish Athletics West District Championships, local charity boxing event, dog show, multiple school competitions for North and East Ayrshire, RAF Sport Day and Open Graded and League competitions. A record number of runners took to the streets in Roon The Toon, with over 2000 competitors taking part from all over Scotland
- The Big Top made a welcome return to the iconic backdrop of the Dean Castle. The Live At The Dean festival featured a diverse programme of live music, comedy, theatre, and family-friendly events under a large big top tent

INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES

Strategic Objectives:

- To develop and embed our People Strategy so that employees at all levels are engaged and can contribute to the business
- To offer work placements, volunteering and apprenticeships
- To integrate our values into all aspects of our business including Review and Development programme, recruitment, training and meetings. To focus on skills, knowledge and experience in the development of our business and to ensure we invest in industry specialist training which is tailored to meet the needs of our programmes
- To ensure that our board of Trustees reflects the community we serve and the need to be both a charitable and commercial organisation

Key Points & Achievements:

- The successful transfer of Vibrant Communities, Corporate Catering and The Galleon Leisure Centre into Trust management, substantially increasing both the scale and diversity of services delivered across East Ayrshire, represented one of the most significant changes in the organisation's history. This required extensive planning, cross-service collaboration and people management to ensure a smooth and seamless transition for staff, customers and communities
- The Trust established Wallace Chambers as its new headquarters in Kilmarnock town centre, bringing teams together within a central location that better supports collaboration, customer access and future organisational growth. The move involved significant logistical planning and investment while ensuring business continuity and minimal disruption to day-to-day operations
- A substantial programme of HR, governance and organisational development activity was implemented. This included the review and harmonisation of policies, procedures and operational practices, the development of

new workforce structures and corporate induction for transferring staff. Significant work was undertaken to update employment policies, health and safety arrangements, training frameworks, management procedures and governance documentation to reflect the expanded organisation and ensure compliance, consistency and best practice across all service areas

CREATING A SOLID FOUNDATION FOR GROWTH

Strategic Objectives:

- To review and continually improve and enhance our systems and processes to ensure that they are effective and appropriate in the transformation of our business
- To develop a collaborative approach with relevant partners to explore wider opportunities that fit within the Trust's vision and values and to explore opportunities to share resources across all of our services internally and with key stakeholders
- To maximise the return from commercial opportunities, especially around retail, hospitality and membership packages, so that we are in a position to fulfil our charitable obligations and become a sustainable organisation
- To develop an effective performance management framework

Key Points & Achievements:

- The Finance team played a central role in supporting the transfer of additional services into the trust portfolio, ensuring the effective integration of budgets, financial processes, asset registers, income streams and reporting arrangements across the expanded organisation
- The integration of a significant number of transferring employees and services created a considerable increase in workload across payroll, financial administration, procurement and reporting functions. This included the review and implementation of revised financial procedures, updates to delegated authority arrangements, amendments to budget structures, integration of new cost centres and service codes, and the alignment of financial reporting processes across all service areas.
- Working closely with HR colleagues, the team also supported the financial implications of workforce transfer arrangements, changes to staffing structures and policy reviews. Significant effort was invested in ensuring compliance with statutory, audit and governance requirements while maintaining accurate financial records and timely reporting throughout a period of considerable organisational change.

PROTECTING OUR ENVIRONMENT

Strategic Objectives:

- To prepare and adopt a Climate Change Declaration on an annual basis which audits our carbon footprint and outlines priorities for carbon reduction
- To adopt the principles of Visit Scotland's Green Tourism Business Scheme to reduce the environmental impact of our business
- To implement a Sustainable Transport Strategy which encourages active travel in all of our operations and with our staff and customers

Key Points & Achievements:

- We successfully achieved Bronze Carbon Literate Organisation Accreditation, a significant milestone that recognises our commitment to developing a carbon-aware workforce, embedding sustainability within

organisational culture and supporting the transition towards a net-zero future. Planned developments will equip staff and leadership teams with the knowledge and skills to support climate action, reduce environmental impact and embed sustainability into everyday decision-making
- We installed new live-streaming technology at the Loch Doon Osprey nest, enabling global viewing and increasing engagement with local wildlife and biodiversity. The project attracted thousands of viewers to the Osprey Watch programme, showcasing the successful breeding season of Angel, Frankie and their chicks at Loch Doon
- The team supported biodiversity projects through environmental volunteering and community wildflower planting initiatives, enhancing local habitats, encouraging community participation and contributing to the protection and restoration of East Ayrshire's natural environment
- We engaged in a programme of repairs, ensuring our communities can continue to enjoy and explore the great outdoors. On the River Ayr Way, we repaired a landslip-damaged section installing a new 25m boardwalk and reopening the route for public use. We also replaced the Airdsmoss bridge staircase, improving accessibility and infrastructure along the route
- Our extensive events programme this year featured the Lochgoin Covenanters Trail, with more than 40 participants attending the official opening event. We also supported Redburn Golf Club's annual charity event at Annanhill Golf Course, helping to raise almost £6,000 for the Crosshouse Children's Fund and hosted the annual Cairn Table Run, attracting more than 70 participants. We also supported commemorative events marking the 75th Anniversary of the Knockshinnoch Disaster, bringing together local communities and stakeholders to remember those affected.

FUTURE DEVELOPMENTS

The year ahead represents a landmark moment in the organisation's evolution as we officially transition to Ayrshire360 in April 2026. By bringing together an exceptional range of leisure, culture, sport, community, wellbeing and commercial services under one ambitious organisation, we are honouring the achievements of our legacy services whilst unlocking new opportunities for growth, innovation and impact. Ayrshire360 represents far more than a new name; it is a unified vision, one organisation, one culture and one shared commitment to delivering outstanding opportunities for everyone across East Ayrshire.

A key priority will be the development of a new 10-year Strategic Framework, providing a clear roadmap for the organisation's future and setting out our ambitions for sustainable growth, community impact, financial resilience and service excellence. This long-term vision will align all service areas behind a shared set of priorities and establish a strong foundation for future investment and development.

The full implementation of the Ayrshire360 brand will be a major programme of work throughout the year. This includes the rollout of the new organisational identity across our venues, facilities, digital platforms, publications, signage and customer communications.

Following a period of significant organisational growth, we will continue to embed the new staffing structure and implement a range of newly created roles that strengthen organisational capacity and support future ambitions. A strong and experienced leadership team will drive this next phase of development, ensuring Ayrshire360 is well placed to respond to changing community needs, embrace innovation and deliver high-quality services. Investment in people will remain a key focus, supporting workforce development, collaboration and the creation of new employment opportunities. Our ambition is to generate an additional £7 million of employment by 2030, reinforcing our contribution to the local economy and skills development.

Commercial growth and financial sustainability will remain at the forefront of future planning. We will continue to expand our hospitality, catering, events and retail operations, maximising opportunities presented through newly integrated services and increasing income generation across the organisation. By growing commercial activity and identifying new revenue streams, Ayrshire360 will continue its journey towards greater financial resilience, with a long-term ambition to deliver core services without reliance on external funding.

We will also seek to fully capitalise on the significant tourism opportunities presented by our extensive portfolio of cultural, heritage, countryside, leisure and visitor attractions. Through enhanced destination marketing, improved visitor experiences, strategic partnerships and investment in tourism infrastructure, Ayrshire360 will play a leading role in supporting regional tourism growth and attracting more visitors to East Ayrshire.

Communities will continue to be at the heart of our decision-making. A programme of ongoing consultation, engagement activity and strengthened community programming committees will ensure that local people continue to shape services, influence future priorities and help us create places and opportunities that reflect local aspirations and needs.

Looking further ahead, Ayrshire360 is uniquely positioned to bring together a broader range of complementary services that support healthier, stronger and more thriving communities. The planned integration of Greener Communities and East Ayrshire Woodlands, Creative Minds and Instrumental Music Services will further strengthen our offer, creating new opportunities for collaboration, creativity, environmental action, learning and community wellbeing.

Collectively, these developments will establish Ayrshire360 as a truly integrated organisation, delivering lasting social, cultural, environmental and economic value across East Ayrshire and we look forward to sharing further progress and achievements in future Annual Reports.

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 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the 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 charity 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 audit 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.

Trustees' Report

Approved by the Board on ……………………… 2026 and signed on its behalf by:

Clare Maitland (Chair)
Trustee

Anneke Freel
Chief Officer

Independent Auditor's Report to the Trustees of East Ayrshire Leisure Trust

Opinion

We have audited the financial statements of East Ayrshire Leisure Trust (the 'charity') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a 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 2026 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 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other 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 opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; 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 23 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

The extent to which the audit was considered capable of detecting irregularities including fraud

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

We obtain and update our understanding of the charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti- bribery, environmental, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the charity's legal advisors.

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

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify and unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

EA further description of our responsibilities is available on the FRC's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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. Our audit work has been undertaken so that we might state to the charity's trustees 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.

Azets Audit Services, Statutory Auditor
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Date:……………………….2026

East Ayrshire Leisure Trust
Statement of Financial Activities
For the year ended 31st March 2026

	Notes	Unrestricted Fund 2026	Pension Reserve 2026	Restricted Funds 2026	2026	2025
		£	£	£	£	£
Income from:						
Charitable activities	3	16,511,746	-	453,665	16,965,411	9,383,253
Investments	3	12,598	-	-	12,598	23,308
Total income		**16,524,344**	**-**	**453,665**	**16,978,009**	**9,406,561**
Expenditure on:						
Charitable activities	4	16,584,144	1,021,000	160,853	17,765,997	10,542,431
Other (net interest defined benefit pension scheme)	8	-	40,000	-	40,000	20,000
Total expenditure		**16,584,144**	**1,061,000**	**160,853**	**17,805,997**	**10,562,431**
Net (expenditure)		**(59,800)**	**(1,061,000)**	**292,812**	**(827,988)**	**(1,155,870)**
Other recognised gains:						
Actuarial gain on defined benefit pension schemes	8	-	1,062,000	-	1,062,000	550,000
Net movement in funds		**(59,800)**	**1,000**	**292,812**	**234,012**	**(605,870)**
Transfers between funds		229,751	-	(229,751)	-	-
Reconciliation of funds:						
Total funds brought forward		603,227	(112,000)	291,793	783,020	1,388,890
Total funds carried forward	16	**773,178**	**(111,000)**	**354,854**	**1,017,032**	**783,020**

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 31 to 55 form part of these financial statements.

East Ayrshire Leisure Trust
Balance Sheet
As at 31st March 2026

	Notes	2026	2025
		£	£
Fixed assets			
Tangible assets	9	163,319	154,188
Heritage assets	10	34,920	34,920
		198,239	189,108
Current assets			
Stocks and work in progress	11	50,918	42,870
Debtors	12	1,366,880	745,576
Cash at bank and in hand	17	1,460,572	809,931
		2,878,370	**1,598,377**
Liabilities			
Creditors: Amounts falling due within one year	13	(1,948,577)	(892,465)
Net current assets		**929,793**	**705,912**
Net assets excluding pension scheme (liability)		**1,128,032**	**895,020**
Defined benefit pension scheme (liability)	8	(111,000)	(112,000)
Total net assets		**1,017,032**	**783,020**
The funds of the charity:			
Restricted income funds	16	354,854	291,793
Unrestricted funds	16	773,178	603,227
Unrestricted fund - Pension reserve	16	(111,000)	(112,000)
Funds		**1,017,032**	**783,020**

The financial statements were approved and authorised for issue by the Board on ………………….. .2026

Signed on behalf of the board of trustees

Clare Maitland
Trustee

Anneke Freel
Chief Officer

The notes on pages 31 to 55 form part of these financial statements

East Ayrshire Leisure Trust
Statement of Cash Flows for the year ended 31st March 2026

	Notes	2026 £	2025 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	**17**	**718,304**	**(697,270)**
Cash flows from investing activities:			
Investment income		12,598	23,308
Purchase of property, plant and equipment		(80,261)	(121,150)
Net cash (used in)/provided by investing activities		(67,663)	(97,842)
Change in cash and cash equivalents in the reporting period		**650,641**	**(795,112)**
Cash at the beginning of the reporting period		809,931	1,605,043
Cash at the end of the reporting period		**1,460,572**	**809,931**

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 12 of these financial statements.

These financial statements are presented in pounds sterling (GBP), rounded to the nearest £1, 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.

1. 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.
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.

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 on a straight line basis.

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 31st March 2026. In the Trustee's opinion, the charity will be able to continue for the foreseeable future. East Ayrshire Leisure Trust participates in a defined benefit retirement scheme, excluding this scheme, the charity reported unrestricted funds of £773,178 (2025: £603,227).

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 which the benefits are to be paid and that have terms to maturity approximating the terms of the related pension liability.

3. Income

Investment income

Investment income comprises bank interest. In 2026 bank interest of £12,598 (2025: £23,308) was received. This is all unrestricted in both 2025 and 2026.

Income from charitable activities is as follows:

	2026 Operating Fund £	2026 Restricted Fund £	2026 Total £	2025 Total £
Executive Management	9,340,329	-	9,340,329	5,885,805
East Ayrshire Leisure Trading	980,050	-	980,050	-
Leisure Development	2,345,555	-	2,345,555	1,038,890
Sharing our vision	6,767	-	6,767	5,100
Investing in our people and embracing our values	119,313	-	119,313	28,267
Big Top	-	-	-	303,864
Creating a solid foundation for growth	-	-	-	409,287
Living your best life	3,534,509	-	3,534,509	812,199
Protecting our environment	185,223	-	185,223	167,204
Projects (Restricted income)	-	453,665	453,665	732,637
Total income from provision of facilities and services	**16,511,746**	**453,665**	**16,965,411**	**9,383,253**

A management service fee of £9,265,529 was received from East Ayrshire Council for the year (2025: £5,921,648).

Income on charitable activities was £16,965,411 (2025: £9,383,253) of which £16,511,746 was unrestricted (2025: £8,650,616) and £453,665 (2025: £732,637) was restricted. All other income was unrestricted.

4. Charitable expenditure

2026

	Executive Management £	Sharing our Vision £	People £	Growth £	Community £	East Ayrshire Leisure Trading £	Living Your Best Life £	Protecting Environment £	Projects £	Total £	2025 £
Employee costs	428,440	399,348	822,079	168,152	4,959,264	918,550	3,592,622	1,260,256	2,819	**12,551,530**	**5,972,693**
Property costs	7,081	-	10,997	-	508,371	89,473	673,038	83,314	40,578	**1,412,852**	**1,266,319**
Supplies & services	793,328	122,627	197,217	33	332,365	798,236	848,383	122,198	117,456	**3,331,843**	**2,871,264**
Transport costs	1,580	-	60	-	43,911	20,652	18,076	41,619	-	**125,898**	**126,109**
Financing costs	-	-	-	-	41,170	-	18,990	10,970	-	**71,130**	**56,930**
Support services	-	-	187,400	-	-	-	-	-	-	**187,400**	**187,400**
Governance	-	-	39,722	33,785	-	-	11,837	-	-	**85,344**	**61,716**
Total	**1,230,429**	**521,975**	**1,257,475**	**201,970**	**5,885,081**	**1,826,911**	**5,162,946**	**1,518,357**	**160,853**	**17,765,997**	**10,542,431**

Expenditure on charitable activities was £17,765,997 (2025: £10,542,431) of which £17,605,144 was unrestricted (2025: £9,690,368) and £160,853 (2025: £852,063) was restricted.

2025

	Executive Management £	Sharing our Vision £	People £	Big Top £	Community Letting £	Growth £	Community £	Management Arrangements £	Living Your Best Life £	Protecting Environment £	Projects £	Total £	2024 £
Employee costs	323,743	343,511	539,729	-	-	355,061	2,396,670	93	1,076,354	931,222	6,310	**5,972,693**	**5,956,202**
Property costs	57,269	-	259	-	11,045	151	429,746	108,500	309,645	106,458	243,246	**1,266,319**	**1,235,758**
Supplies & services	602,482	90,830	112,292	303,864	526	271,957	242,074	3,413	503,011	186,018	554,797	**2,871,264**	**2,419,488**
Transport costs	-	255	423	-	-	-	23,181	-	23,894	30,646	47,710	**126,109**	**96,567**
Financing costs	-	-	-	-	-	-	29,780	-	17,480	9,670	-	**56,930**	**32,680**
Support services	-	-	187,400	-	-	-	-	-	-	-	-	**187,400**	**187,400**
Governance	-	-	44,660	-	-	17,056	-	-	-	-	-	**61,716**	**36,345**
Total	**983,494**	**434,596**	**884,763**	**303,864**	**11,571**	**644,225**	**3,121,451**	**112,006**	**1,930,384**	**1,264,014**	**852,063**	**10,542,431**	**9,964,440**

5. Analysis of governance and support costs

	General Support £	Governance £	2026 £	2025 £
Support services from East Ayrshire Council				
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
Sub total – support services from East Ayrshire Council	**148,400**	**39,000**	**187,400**	**187,400**
Other				
Audit fees	-	28,972	28,972	24,580
Accountancy fees	10,750	-	10,750	20,080
Legal fees	200	-	200	-
Consultancy fees	11,637	-	11,637	-
Banking And Treasury	33,785	-	33,785	17,056
Sub total - other	**56,372**	**28,972**	**85,344**	**61,716**
Total governance and support costs	**204,772**	**67,972**	**272,744**	**249,116**

General support costs in 2026 were £204,772 (2025: £185,536) and governance costs £67,972 (2025: £63,580).

East Ayrshire Leisure receives support services from East Ayrshire Council. The total cost of support services provided by the Council in 2026 was £187,400 (2025 £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.

6. Staff Costs and Numbers

	2026	**2025**
	£	**£**
Wages and salaries	9,756,699	4,640,484
Social security costs	1,078,187	377,685
Other pension costs	587,812	790,852
Other staff costs	107,832	163,942
	11,530,530	**5,972,693**

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

	2026	**2025**
£100,000 - £109,999	1	1
£70,000 - £79,999	3	-
£60,000 - £69,999	3	2

The executive management team comprises 3 staff members (2025: 3 staff members). The total employee benefits (including employers contributions) of the executive management team were £271,692 (2025: £309,630).

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

	2026 Number	**2025 Number**
East Ayrshire Leisure Trust		
Permanent – Full Time	144	84
Permanent – Part Time	137	87
Temporary	51	29
Casual/Bank Register	192	110
	524	**310**

During the year trustees received no remuneration (2025: £nil). Trustee expenses totalled £139 (2025: £nil). No trustees received payment for professional or other services supplied to the charity (2025: £nil).

7. Operating Surplus

	2026 £	2025 £
The operating surplus is stated after charging/(crediting)		
Auditors' remuneration (including expenses) for audit	28,972	24,580
for other services	10,750	20,080
Operating lease rentals	5,167	9,422
Depreciation	71,130	56,930

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 employees' 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 31st March 2023 and following this valuation employer's contributions have been set at 6.5% for the year ended 31st March 2026 and 17.5% for year ended 31 March 2027.

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.

Net pension asset in the statement of financial position is as follows:

	2026 £'000	2025 £'000
Present value of the funded defined benefit obligation	(25,480)	(19,352)
Fair value of fund assets (bid value)	44,717	36,487
Surplus	**19,237**	**17,135**
Present value of unfunded obligation	(111)	(112)
Impact of asset ceiling	(19,237)	(17,135)
Net defined benefit (liability)	**(111)**	**(112)**

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

	2026 £'000	2025 £'000
Opening defined benefit obligation	19,464	21,926
Current service cost	1,236	807
Past service cost (including curtailments)	165	-
Interest cost on defined benefit obligation	1,408	1,076
Effect of business combinations and disposals	4,171	-
Contributions by members	508	246
Actuarial (gains)/losses	(795)	(4,074)
Benefits paid	(559)	(510)
Unfunded benefits paid	(7)	(7)
Closing defined benefit obligation	25,591	19,464

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

	2026 £'000	2025 £'000
Opening fair value of plan assets	36,487	35,134
Prior year difference	-	84
Interest income on plan assets	2,361	1,707
Contributions by members	508	246
Contributions by the employer	562	285
Effect of business combinations and disposals	3,982	-
Contributions in respect of unfunded benefits	7	7
Actuarial gain/(loss)	1,376	(459)
Benefits paid	(559)	(510)
Unfunded benefits paid	(7)	(7)
Closing fair value of plan assets	44,717	36,487

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

	2026 £'000	2025 £'000
Current service cost	(1,236)	(807)
Past service cost (including curtailments)	(165)	-
Contributions paid by employer	562	285
Contributions in respect of unfunded benefits	7	7
Effect of business combinations and disposals	(189)	-
Total service cost	**(1,021)**	**(515)**
Net interest		
Interest income on plan assets	2,361	1,707
Interest cost on defined benefit obligation	(2,401)	(1,727)
Total net interest	**(40)**	**(20)**
Total defined benefit cost recognised in net income/expenditure per the SOFA	**(1,061)**	**(535)**

Actuarial gains/(losses) recognised in SOFA

	2026	2025
Actuarial gains	20,299	17,685
Asset ceiling adjustments	(19,237)	(17,135)
Actuarial gains/(losses) per SOFA	1,062	550

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

	2026 %	**2025** %
Equities	58	60
Bonds	22	23
Property	10	9
Cash	10	8

The estimated employer contributions for the year to 31 March 2027 are £1,513,000.

The principal actuarial assumptions used in the calculations are:

	2026 **% per annum**	**2025** **% per annum**
Pension Increase Rate	3.00	2.75
Salary Increase Rate	3.70	3.45
Discount Rate	6.30	5.80

Mortality
Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2025 model, with core parameterisation, initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 for the Employer are summarised below:

	Males	**Females**
Current Pensioners	20.2 years	23.1 years
Future Pensioners	20.3 years	24.6 years

9. Fixed Assets

	Furniture & Equipment £	Total £
Cost		
As at 1st April 2025	442,125	442,125
Additions	80,261	80,261
As at 31st March 2026	522,386	522,386
Depreciation		
As at 1st April 2025	287,937	287,937
Charge	71,130	71,130
As at 31st March 2026	359,067	359,067
Net book value		
As at 31st March 2025	154,188	154,188
As at 31st March 2026	163,319	163,319

10. Heritage Assets

In 2014/15, the Trust procured a silver gilt sculpture of Lord Eglinton. This asset was fully funded by external providers and the Trust maintains and preserves it. There have been no additions or disposals since 2014/15.

	Heritage Assets £	Total £
Cost		
As at 1st April 2025	34,920	34,920
As at 31st March 2026	34,920	34,920
Net book value		
As at 31st March 2025	34,920	34,920
As at 31st March 2026	34,920	34,920

11. Stock

	2026 £	2025 £
Goods for re-sale	50,918	42,870

12. Debtors

	2026	2025
	£	£
Amounts due from East Ayrshire Council	1,118,758	543,916
Trade debtors	87,111	124,643
Other debtors and prepayments	161,011	77,017
	1,366,880	745,576

13. Creditors: Amounts falling due within one year

	2026	2025
	£	£
Amounts owed to East Ayrshire Council	343,130	59,654
Trade creditors	59,090	26,385
Accruals and deferred income	670,006	496,127
Taxation and social security	876,351	310,299
	1,948,577	892,465

14. Deferred income

Deferred income comprises advanced ticket sales.

	2026	2025
	£	£
Balance as at 1st April 2025	69,839	37,029
Amounts released to income during 2025/26	(69,839)	(37,029)
Amounts deferred in year	153,923	69,839
Balance as at 31st March 2026	153,923	69,839

15. Financial assets and liabilities

	2026	2025
	£	£
Financial assets at amortised cost	2,747,681	1,517,462
Financial liabilities at amortised cost	(861,200)	(512,327)
	1,886,481	1,005,135

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

16. Reserves

Funds 2026	**Unrestricted Funds**	**Restricted Funds**	**2026 Total**	**2025 Total**
	£	**£**	**£**	**£**
Represented by:				
Fixed assets	198,239	-	198,239	189,108
Net current assets	345,188	584,605	929,793	705,912
Transfers between funds	229,751	(229,751)	-	-
Retirement benefit scheme asset/(liability)	(111,000)	-	(111,000)	(112,000)
	662,178	354,854	1,017,032	783,020

Funds 2025	**Unrestricted Funds**	**Restricted Funds**	**2025 Total**	**2024 Total**
	£	**£**	**£**	**£**
Represented by:				
Fixed assets	189,108	-	189,108	124,888
Net current assets	414,119	291,793	705,912	1,391,002
Retirement benefit scheme asset/(liability)	(112,000)	-	(112,000)	(127,000)
	491,227	291,793	783,020	1,388,890

Unrestricted Funds 2026	**Opening Balance at 1st April 2025 £**	**Incoming £**	**Outgoing £**	**Transfers £**	**Actuarial Gain/(Loss) £**	**Closing Balance at 31st March 2026 £**
Unrestricted fund	327,662	16,353,344	(16,388,519)	274,103	-	566,590
Designated funds	275,565	171,000	(195,625)	(44,352)	-	206,588
Pension reserve	(112,000)	-	(1,061,000)	-	1,062,000	(111,000)
	491,227	16,524,344	(17,645,144)	229,751	1,062,000	662,178

Unrestricted Funds 2025	**Opening Balance at 1st April 2024 £**	**Incoming £**	**Outgoing £**	**Transfers £**	**Actuarial Gain/(Loss) £**	**Closing Balance at 31st March 2025 £**
Unrestricted fund	762,126	8,056,040	(8,665,484)	174,980	-	327,662
Designated funds	342,545	617,884	(509,884)	(174,980)	-	275,565
Pension reserve	(127,000)	-	(535,000)	-	550,000	(112,000)
	977,671	8,673,924	(9,710,368)	-	550,000	491,227

Designated Funds 2026:	**2025 £**	**Incoming £**	**Outgoing £**	**Transfer £**	**2026 £**
Fixed assets	34,920	-	-	66,278	101,198
Box Office / Booking System	3,325	-	(3,325)	-	-
Climate Strategy	9,640	-	-	-	9,640
Roundhouse Improvements	-	20,000	(20,000)	-	-
Urban Farms	6,750	-	-	-	6,750
IT Equipment Linked to New Systems	1,550	-	(1,550)	-	-
Potential NDR Liability	5,470	-	(1,750)	(3,720)	-
Regional Sports Park	30,000	-	(19,000)	-	11,000
10th Anniversary Events and Initiatives	2,910	-	-	(2,910)	-

25-26 Savings Balance	-	151,000	(150,000)	-	1,000
Legal Provision	-	-	-	77,000	77,000
24-25 Savings Balance	181,000	-	-	(181,000)	-
Total designated funds	**275,565**	**171,000**	**(195,625)**	**(44,352)**	**206,588**

The above transfers relate to funds that the trustees no longer wish to designate for the above purposes, and the balances have been transferred to the unrestricted fund. The transfer to the legal provision for an legal claim settled post year end.

Designated Funds 2025:	**2024**	**Incoming**	**Outgoing**	**Transfer**	**2025**
	£	**£**	**£**	**£**	**£**
Fixed assets	34,920	-	-	-	34,920
IT equipment – corporate services, P&E	170	-	-	(170)	-
Box Office / Booking System	13,775	-	(10,450)	-	3,325
Big Top	-	303,864	(303,864)	-	-
Climate Strategy	-	30,000	(20,360)	-	9,640
Urban Farms	-	30,000	(23,250)	-	6,750
IT Equipment Linked to New Systems	-	10,000	(8,450)	-	1,550
Potential NDR Liability	-	7,300	(1,830)	-	5,470
Regional Sports Park	-	30,000	-	-	30,000
Growth Plan – Trading Subsidiary	-	10,000	(10,000)	-	-
Secure Portal Upgrade	4,880	-	(4,880)	-	-
People Counters	3,000	-	-	(3,000)	-
Venue Equipment	3,000	-	-	(3,000)	-
Valuations	4,000	-	-	(4,000)	-
Equipment replacement programme	111,970	-	(94,120)	(17,850)	-
Wellbeing Initiatives – EA Gift Cards to Staff	4,280	-	-	(4,280)	-
Event Management	25,500	-	(10,000)	(15,500)	-
10th Anniversary Events and Initiatives	19,590	-	-	(16,680)	2,910
23-24 Savings Balance	68,000	-	-	(68,000)	-
24-25 Savings Balance	-	181,000	-	-	181,000
Uniforms	35,000	-	-	(35,000)	-
Collection Management	6,960	15,720	(22,680)	-	-
Security Costs	2,500	-	-	(2,500)	-
Dean Castle	5,000	-	-	(5,000)	-
Total designated funds	**342,545**	**617,884**	**(509,884)**	**(174,980)**	**275,565**

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2026

Restricted funds 2026

	Opening Balance	2026 Incoming Resources	2026 Resources Expended	2026 Transfers	2026 Closing balance
	£	£	£	£	£
Annick Valley Leisure Facilities	40,494	-	(845)	-	39,649
Commercial Opportunities	-	116,000	-	-	116,000
Leisure at the Heart of All Communities	34,346	-	-	(34,346)	-
Patna Leisure Facilities	810	-	(810)	-	-
Youth Memberships	7,562	-	-	-	7,562
Ayrshire Libraries forum	3,593	-	(114)	-	3,479
Burns Birthday in Mauchline	861	-	-	-	861
Celebration Wood	2,100	1,860	(3,289)	-	671
Civic Centre Set Up	(37,429)	89,140	(51,711)	-	-
Barony Goals	-	42,000	-	-	42,000
Cumnock Town Hall Community Cinema	5,571	-	-	(5,571)	-
DCCP Parks for People	8,040	-	-	(8,040)	-
Digital Storyteller in Residence	2,372	-	-	-	2,372
Sports Council	-	10,733	(6,473)	-	4,260
Foster Carer Service – Memberships	4,000	-	(1,450)	-	2,550
Irvine Valley Trails 2019 onwards	181,794	-	-	(181,794)	-
Talented Athlete Support Programme	-	13,110	(2,200)	-	10,910
SHOUT	3,473	-	-	-	3,473
Wifi Project	2,456	-	(2,456)	-	-
Jumpstart	-	265	(43)	-	222
KGIL Artworks Programme	(770)	770	-	-	-
VACMA	4,664	8,500	(10,382)	-	2,782
Leisure Facility Strategy	(1,830)	1,830	-	-	-
Essential Spend 2025-26	-	56,828	(56,828)	-	-
Bikeability	-	29,500	(2,349)	-	27,151
Youth Work Network	-	21,287	(6,610)	-	14,677
Bowling League	-	1,304	(680)	-	624
Galleon Bowling Club	-	8,263	(8,172)	-	91
Meals & More	-	3,480	-	-	3,480
Community Benefits	-	4,143	-	-	4,143
Morton Hall and Library	(3,997)	9,454	(5,457)	-	-
Stewarton Dev Cont	32,048	24,012	-	-	56,060
Parkinson's UK Physical Activity Grants 2025	-	3,000	(470)	-	2,530
Nature Therapy Breaks	501	-	(501)	-	-
Ice Hockey Spectator Charge	-	8,186	-	-	8,186
Parental Employability – Work Experience	1,134	-	(13)	-	1,121
	291,793	**453,665**	**(160,853)**	**(229,751)**	**354,854**

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2026

Restricted funds 2025

	Opening Balance	2025 Incoming Resources	2025 Resources Expended	2025 Transfers	2025 Closing balance
	£	£	£	£	£
Annick Valley Leisure Facilities	198,144	10,000	(167,650)	-	40,494
Dean Castle Event	(41,980)	-	-	-	(41,980)
FutureMuseum.co.uk Redevelopment	(386)	23,909	(23,523)	-	-
Annick Valley Leisure Facilities					
Leisure at the Heart of All Communities	34,346	-	-	-	34,346
Patna Leisure Facilities	810	-	-	-	810
Youth Memberships	8,162	-	(600)	-	7,562
Ayrshire Libraries forum	3,707	-	(114)	-	3,593
Burns Birthday in Mauchline	861	-	-	-	861
Celebration Wood	-	2,100	-	-	2,100
Civic Centre Set Up	-	-	(37,429)	-	(37,429)
Cost of Living Crisis	-	-	-	-	-
Cumnock Town Hall Community Cinema	5,572	-	-	-	5,572
DCCP Parks for People	8,040	-	-	-	8,040
Digital Storyteller in Residence	2,372	-	-	-	2,372
Foster Carer Service – Memberships	4,000	-	-	-	4,000
Fanzone	-	36,184	(36,184)	-	-
Irvine Valley Trails 2019 onwards	183,459	14,955	(16,620)	-	181,794
Kilmarnock Green Infrastructure	14,955	-	(14,955)	-	-
SHOUT	3,684	-	(211)	-	3,473
Wifi Project	24,700	-	(22,244)	-	2,456
KGIL Artworks Programme	-	-	(770)	-	(770)
VACMA	-	10,000	(5,336)	-	4,664
Leisure Facility Strategy	-	351,803	(353,633)	-	(1,830)
Starry Nights	-	11,342	(11,342)	-	-
Morton Hall and Library	(21,743)	19,042	(1,296)	-	(3,997)
Dean Castle Restoration and Event	41,979	-	-	-	41,979
Stewarton Dev Cont	49,464	14,674	(32,090)	-	32,048
Going Green (Par for the Course)	(155,439)	198,123	(42,684)	-	-
Nature Therapy Breaks	12,952	20,130	(32,581)	-	501
Mayfest event at DCCP	-	20,375	(20,375)	-	-
Cultural Hub Events	32,236	-	(32,236)	-	-
Parental Employability – Work Experience	1,324	-	(190)	-	1,134
	411,219	**732,637**	**(852,063)**	**-**	**291,793**

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.

Dean Castle Event – An HLF funded project led by EAC. Some expenditure is processed through East Ayrshire Leisure and subsequently recharged to EAC.

Leisure at the Heart of All Communities – We have received funding through the UK Government's Community Renewal Fund for the Leisure at the Heart of All Communities project, which aims to bring physical activity, cultural, heritage and greenspace activities right to every community in East Ayrshire. The project will refurbish 4 buses to deliver programmes throughout East Ayrshire.

Burns Birthday in Mauchline – The project which was funded by Event Scotland has now come to an end. There is a surplus balance which Event Scotland have said we can use towards future support of cultural programme for Scotland's Winter Festival planning. The team are drafting a proposal to utilise the balance and it is anticipated funds will be utilised by end of 2024-25.

Cumnock Town Hall Community Cinema – All cinema equipment is installed but project start date has been postponed due to Covid-19.

DCCP Parks for People (Jul 20-Mar 21) – HLF have confirmed agreement that previously approved funding has been allocated to specific projects with an initial extension to May 2022. Given current restrictions HLF recognised a further extension was necessary and extended this to July 2022.

Digital Storyteller in Residence - The project which was funded by the Scottish Book Trust has now come to an end. There is a surplus balance which Scottish Book Trust have said we can use towards further Digital Storytelling activities. The team are drafting a proposal which will support the digital infrastructure in conjunction with Library Mobile Services. It is anticipated funds will be utilised by end of 2024-25.

Irvine Valley Trails – Work has now been completed improving access to this path network, upgrading bridges, gates, steps and fencing as well as installing new signage. Claim have been submitted to the Low Carbon Travel and Transport Fund and the Renewable Energy Fund to claim the Trails capital grant.

SHOUT - £5,000 funding from East Ayrshire Council has been issued to offer FREE swimming to SHOUT card holders during the school holiday periods.

Morton Hall and Library – Procurement of new furniture for Newmilns Library is being managed by the Trust but will be funded by EAC. A maximum of £20,000 of the £30,000 allocation will be for library furniture and the balance is for the overall venue.

Wifi Project - After an initial review was submitted to the EAC we have since received funding of £20,000 to contribute to the installation costs of Wi-Fi across all East Ayrshire Leisure standalone venues.

Foster Carer Service - Memberships – £4,000 funding from East Ayrshire Council has been issued to support foster carers in accessing sport and physical activity services for the children they are caring for.

Youth Memberships – £5,000 funding will be utilised to target certain 16-17 years olds who currently do not engage with physical activity or our sports venues. The funding will be utilised to pay for a fitness membership that will give them access to our gyms, fitness classes, swimming pools, running tracks and racquet sports.

Stewarton Dev Contr – With reference to the cabinet report of 31st May 2023, £49,464 has been allocated from developer contribution funds towards leisure projects in Stewarton.

Annick Valley Leisure Facilities – EAC Members and Officers Working Group (MOWG) on developer contributions identified £212,000 which has been allocated for Annick Valley and has been transferred to East Ayrshire Leisure.

Patna Leisure Facilities – EAC Members and Officers Working Group (MOWG) on developer contributions identified £810 which has been allocated for Patna and has been transferred to East Ayrshire Leisure.

Nature Therapy Breaks – Funding of £34,200 was awarded to provide short breaks for unpaid carers and those they care for in the Treehouse Residential Centre within Dean Castle Country Park. Working with East Ayrshire Council Children and Disabilities Team, there were almost 100 notes of interest for the breaks. We hosted 35 adults and 55 children and young people staying across a four week period over the summer holiday period. The staff thoroughly enjoyed working with the families to ensure opportunities were suggested to suit all requirements. When asked what difference the break had made for the young people, their responses were overwhelmingly positive and in most instances attendees noted benefits to their mental health and wellbeing.

After the short breaks had concluded, around 70 children, young people, parents and carers returned to the Dean Park Castle Courtyard for a feedback event. This allowed for the children and carers to meet up with people they had met on their stay and the turnout was amazing with 75% of the attendees coming along.

Leisure Facility Strategy – Following the publication of the Leisure Facility Strategy 2020-2030, East Ayrshire Council allocated £500k for their capital programme to implement the priorities for the period 2020-2025. A cross service leisure facility action plan has been produced to identify and implement the priority for this funding.

Parental Employability – Work Experience – Funding was secured from EAC to deliver a work experience project with Parental Employability. The scheme is aiming to give parents who are interested in working in the outdoors some practical experience and training.

Celebration Wood – Sponsorship income to be gathered here until a sufficient fund is achieved to progress purchase of trees and planting.

Civic Centre Set Up – EAC have allocated funding to assist the Trust with setting up Wallace Chambers as new head office.

KGIL Artworks Programme – This project is being managed by East Ayrshire Leisure Trust, in conjunction with Ayrshire Road Alliance.

VACMA – Visual Arts and Craft Makers Awards – East Ayrshire Leisure Trust is taking lead from 2024/25. Creative Scotland contribute £6k funding along with £1k from each of the 3 Ayrshire authorities

Commercial Opportunities – Plans are in place to commission an architect and other professional services from the framework to do some work on some of our properties.

Barony Goals – Goals have been delivered and built and the old goals are awaiting to be collected.

Sports Council – The Sports Council is hosted within East Ayrshire Leisure/Council and administration support from the Club Development Manager within Community Pathways, however is a constituted organisation that is the locally elected committee who play a role in promoting and developing sports throughout East Ayrshire. The annual accounts has income from affiliation fees and coach education costs and previously there was an EAC Contribution of £10,700 per year, however clarification on whether this will continue will be required. Income and expenditure fluctuates each year based on number of affiliated members, funding awards granted and coach education fees. We have since approved the 2025/26 finances following the transfer of balances from EAC.

Talented Athlete Support Programme – This is a rolling budget that continues from year to year and is used to support athletes with a financial package and free leisure/gym membership on a yearly basis. Traditionally this is a depleting budget line however we have previously received sponsorship to maintain this and will continue to seek this moving forward. We have since approved the 2025/26 finances following the transfer of balances from EAC.

Jumpstart – £265 Balance from galleon for Jumpstart programme

Bike ability – The bike ability programme is developed to provide young people with the introduction to cycling and providing the skills and confidence on a bike. Targeting approximately 20 schools to undertake the programme in 2026.

Youth Work Network - Similar to Sports Council, however this network does not have a yearly affiliation fee that is applied to members and this is used to encourage more youth work organisations to affiliate and receive the benefits and support that members can access. Expenditure in the YWN fluctuates based on funding awards to affiliated members as well as training course fees. We have since approved the 2025/26 finances following the transfer of balances from EAC.

Bowling League – Funds relating to Bowling League at Galleon Leisure Centre.

Galleon Bowling Club – Funds will be utilised for future tournaments prizes.

Meals & More – These funds have transferred from EAC and it is anticipated that this will be used towards lunches for kids during the summer holidays.

Community Benefits - These funds have transferred from EAC and plans are yet to be finalised about how this funding will be spent to provide hospitality benefit to the community.

Parkinson's UK Physical Activity Grants 2025 – Funding to deliver 3 x 12 week programmes specifically targeting those with Parkinson's to become, and stay, active. Each programme will include assessments, physically activity participation and an education component encouraging positive health behaviour change.

Stewarton Dev Cont - With reference to the cabinet report of 31st May 2023, £49,464 has been allocated from developer contribution funds towards leisure projects in Stewarton.

Essential Spend - This cost centre relates to additional funding of £100k secured from EAC to address urgent issues that require essential spend in 2025-26.

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

	2026	**2025**
	£	**£**
Net income/(expenditure) for the reporting period (as per the SOFA)	(827,988)	(1,155,870)
Adjustments for:		
Interest received	(12,598)	(23,308)
Depreciation	71,130	56,930
Net cost in respect of pensions	1,061,000	535,000
Increase in stock	(8,048)	1,357
Increase in debtors	(621,303)	55,300
Increase in creditors	1,056,111	(166,679)
Net cash provided by (used in) operating activities	**718,304**	**(697,270)**

Analysis of cash and cash equivalents

	2026	**2025**
	£	**£**
Cash in hand	1,460,572	809,931
Total cash and cash equivalents	**1,460,572**	**809,931**

18. Operating lease commitments

At 31st March 2026, the Trust had future minimum lease payments under non-cancellable operating leases as follows:

	2026		**2025**	
	Land and buildings	**Other**	**Land and buildings**	**Other**
	£	**£**	**£**	**£**
Within one year	-	5,096	-	6,086
Within two to five years	-	13,783	-	17,841
	-	18,879	-	23,927

19. Related parties

East Ayrshire Council (EAC) made a contribution in line with the Services Agreement of £9,265,529 (2025: £5,921,648). 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 (2025: £187,400).

The relevant transactions and balances with East Ayrshire Council were:

2025/26				2024/25			
Income from EAC	**Payments to EAC**	**Due from**	**Due to**	**Income from EAC**	**Payments to EAC**	**Due from**	**Due to**
£	**£**	**£**	**£**	**£**	**£**	**£**	**£**
14,014,444	697,551	1,119,622	343,130	6,428,926	617,929	543,916	59,654

20. Contingent Liabilities

There are three public liability claims and two employer liability claim ongoing at the year end (2025: three public liability claims, and one employer liability claim ongoing).

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. 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.

22. Post Balance Sheet Events

Post year end there has been approval for further transfer of services from East Ayrshire Council to East Ayrshire Leisure. These are Woodland Services (April 2026; Instrumental Music (August 2026) and Greener Communities (April 2027).

From 1st April 2026 East Ayrshire Leisure Trust has re-branded to be known as Ayrshire360 (registered as East Ayrshire Leisure Trust).

23. Comparative Statement of Financial Activities

	Notes	Unrestricted Fund 2025	Pension Reserve 2025	Restricted Funds 2025	2025	2024
		£	£	£	£	£
Income from:						
Charitable activities	3	8,650,616	-	732,637	9,383,253	9,741,471
Investments	3	23,308	-	-	23,308	26,140
Total income		**8,673,924**	**-**	**732,637**	**9,406,561**	9,767,611
Expenditure on:						
Charitable activities	4	9,175,368	515,000	852,063	10,542,431	9,664,440
Other (net interest defined benefit pension scheme)	8	-	20,000	-	20,000	(8,000)
Total expenditure		**9,175,368**	**535,000**	**852,063**	**10,562,431**	**9,656,440**
Net (expenditure)/income		**(501,444)**	**(535,000)**	**(119,426)**	**(1,155,870)**	**(188,829)**
Transfer between funds		-		-	-	-
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	8	-	550,000	-	550,000	(262,000)
Net movement in funds		**(501,444)**	**15,000**	**(119,426)**	**(605,870)**	**(450,829)**
Reconciliation of funds:						
Total funds brought forward		1,104,671	(127,000)	411,219	1,388,890	1,839,719
Total funds carried forward	16	**603,227**	**(112,000)**	**291,793**	**783,020**	**1,388,890**

Audit findings report

East Ayrshire Leisure Trust

Year ended 31 March 2026

Strictly Private & Confidential

The Board of Trustees
East Ayrshire Leisure Trust
Dick Institute
14 Elmbank Avenue
Kilmarnock
KA1 3BU

Our ref: SACH/CHHE/EASTAL01
15/07/2026

Dear Board,

East Ayrshire Leisure Trust
Audit findings for the year ended 31 March 2026

This Audit Findings Report highlights the significant findings arising from the audit for the benefit of those charged with governance. We appreciate that you may be aware of some of the matters contained in this report, however as required by International Standard on Auditing (UK) 260 we are communicating them to you formally.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK) (ISAs UK)), which is directed towards forming and expressing an opinion on the financial statements. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities, including those in respect of the preparation of financial statements.

There is more detail in respect of the responsibilities of the auditor and those charged with governance within our engagement letter. Our standard terms and conditions can be found at https://www.azets.co.uk/terms-of-business.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements. We do not accept any responsibility for any loss occasioned to any third party acting or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to take this opportunity to record our appreciation for the kind assistance provided by your team during our audit. If we can be of any further assistance, please contact Sally Cheeney.

Yours faithfully

Sally Cheeney

Senior Statutory Auditor

Azets Audit Services

Contents

1. Executive summary

Significant matters relevant to our audit

This table summarises the significant matters arising from the statutory audit of East Ayrshire Leisure Trust for the year ended 31 March 2026 for those charged with governance.

Audit opinion	We do not propose any modifications to our audit opinion which is unqualified. We have no matters to report regarding the adoption of the going concern basis or inadequate disclosures relating to material uncertainties. Our audit work is substantially complete and there are currently no matters which would require modification of our audit report.
Audit approach	There were no changes to our audit approach as set out to you in our letter dated 2nd April 2026.
Significant audit findings	The Trust reported a significant increase in income and expenditure from charitable activities primarily due to the transfer of larger projects from East Ayrshire Council during the year. We have reported our significant audit findings on pages 5-9 and audit adjustments in the financial performance section on page 3. We are pleased to report that the audit progressed well from our perspective and in accordance with the agreed timetable.
Audit adjustments	We are required to communicate all potential adjustments, other than those considered to be clearly trivial, to management and to request that management corrects them. Audit adjustments proposed can be seen in the reconciliation to accounts below. Presentational and reclassification adjustments were proposed and accepted by management. The aggregate impact of unadjusted misstatements on the profit and loss account, were they to be processed, would result in a combined decrease to the net income for the year of approximately £10,173 which is immaterial to the financial statements. Details of adjusted misstatements are included on page 3. All unadjusted differences are collectively and individually under materiality.
Internal controls	The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Our audit is, therefore, not designed to identify all control weaknesses. No material weaknesses or significant deficiencies were noted.

2. Financial performance

This section of our report summarises the main features of the financial statements and key movements from the prior financial year.

Reconciliation to accounts

The reconciliation of the trial balance presented to the audited statutory financial statements is as follows.

	£
Profit / (loss) per TB	***1,175,421***
Audit adjustments	
Being opening balance adjustments for unposted amounts	90,123
Being reversal of creditors balances per TB as recognised as income in restricted funds	37,905
Being increase in bad debt provision	(8,437)
Being defined benefit pension adjustment	(1,061,000)
Net income per statutory financial statements	***234,012***

Income statement

	2026	2025
	£	£
Total Income	16,978,009	9,406,561
Total Expenditure	(17,805,997)	(10,562,431)
Net (expenditure)	**(827,988)**	**(1,155,870)**
Actuarial gain on defined benefit pension schemes	1,062,000	550,000
Net movement in funds	234,012	(605,870)
Total funds brought forward	*783,020*	*1,388,890*
Total funds carried forward	**1,017,032**	**783,020**

The management fee received from the Council has increased on the prior year (£9,265,530 in 2025/26 in comparison to £5,921,648). This is due to the transfer of services for Galleon, Vibrant Communities and catering from the council. This has also led to significant increases in income and expenditure in the year

There has been a significant decrease in Projects (Restricted Income) due primarily to decreased number of projects and events. There was an increase in transfers in the year (£229,751) from restricted to unrestricted funds for funds that are were no longer active.

2. Financial performance

Balance sheet

	2026	2025
	£	£
Tangible Assets	163,319	154,188
Heritage Assets	34,920	34,920
Fixed Assets	198,239	189,108
Stock	50,918	42,870
Debtors	1,366,880	745,576
Bank	1,460,572	809,931
Current Assets	**2,878,370**	**1,598,377**
Creditors less than one year	(1,948,577)	(892,465)
Current Assets / liabilities	**929,793**	**705,912**
Total Assets / current liabilities	**1,128,032**	**895,020**
Creditors more than one year	(111,000)	(112,000)
Provisions for liabilities	-	-
Net assets / liabilities	**1,017,032**	**783,020**
Restricted funds	354,854	291,793
Unrestricted funds	773,178	603,227
Unrestricted funds – pension reserve	(111,000)	(112,000)
Total Funds	**1,017,032**	**783,020**

Fixed and Intangible Assets

- Tangible assets increased in the year due to the purchase of a Boditrax; golf buggy and Kawasaki mule.
- We recommend that the heritage asset undergoes a valuation for the financial year ended March 2027.

Stock

- Stock was an immaterial balance to the financial statements and no testing as performed over this balance.

Debtors

- Debtors increase in the year due to an increased amount received from East Ayrshire Council and these amounts being receivable at year end. This includes a £171k HSCP drawdown; £200k for the leisure & cultural review and year end accruals for catering related costs.

Creditors

- Creditors has increased due to the transfers of Galleon, catering and vibrant communities in the year resulting in higher deferred income (£112k) and social security (£566k) due at year end. In the prior year there was an overspend of electricity and in the current year there was an underspend and £135k due back to EAC,

Provision for liabilities

- An unadjusted amount of £77k is included for this amount for the legal settlement paid after year end for damages to equipment during the financial year ended March 2026.

3. Significant audit findings

This section of our report includes a summary of significant audit findings relating to significant risk areas identified at planning and other risk areas that required special consideration or arose during the course of the audit.

Significant risk areas identified at planning

Significant risks are risks that require special audit consideration and include identified risks of material misstatement that:

- our risk assessment procedures identified as being close to the upper range of the spectrum of inherent risk due to their nature and a combination of the likelihood and potential magnitude of misstatement; or
- are required to be treated as significant risks due to requirements of ISAs (UK), for example in relation to management override of internal controls.

Significant risks at the financial statement level

The below table summarises conclusions in relation to significant risks of material misstatement identified at the financial statement level. These risks are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Key risk area	Audit Approach	Conclusions
Management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk. **Risk of material misstatement:** **Very High**	Procedures performed to mitigate risks of material misstatement in this area will include: • Review of accounting estimates, judgements and decisions made by management; • Testing of journal entries; • Review of any unusual significant transactions; • Review of accounting records for significant transactions that are outside the normal course of business and obtain evidence to ensure that these are valid and accounted for correctly.	We have not identified any indications of management override in the year. We did not identify any areas of bias in key judgements made by management and judgements were consistent with prior years

Going concern The directors must undertake a formal assessment of the Company's ability to continue as a going concern for at least the 12 months following the signing of the financial statements at both the planning stage of the audit and at the date the financial statements are signed. Risk of material misstatement: **Low**	In respect of going concern, we have reviewed: • assessment of going concern at planning and at the date of signing the financial statements; • budgets covering the 12-month period from the date of signing the financial statements; • post year end management accounts; and • the cash position at sign off. We have also held detailed discussions with the finance team in respect of going concern. Finally, we will ask the Trustees, via the letter of representation, to confirm that the Trustees have concluded that the charity is a going concern.	We confirm that there are no issues affecting the Trust's ability to continue as a going concern. As highlighted in the financial statements, the current funding agreement with East Ayrshire Council covers up to 31 March 2027. In the Board's opinion, the Trust will be able to continue for the foreseeable future. We concur with management's assessment that it is appropriate to continue to adopt the going concern basis and there are no material uncertainties relating to going concern which should be disclosed in the financial statements.
Laws and Regulations The Trust is required to comply with relevant charity, health and safety, safeguarding, data protection, employment and equality legislation applicable to its leisure activities in Scotland. Key obligations include effective governance and trustee oversight, maintenance of safe facilities and activities, protection of children and vulnerable adults, secure handling of personal data, and compliance with statutory employment and equality requirements. Risk of material misstatement: **Medium**	We reviewed the legal fees nominal ledger, board minutes and other relevant documentation to identify any indications of litigation, claims, provisions, contingencies or breaches of laws and regulations. We discussed legal, regulatory and compliance matters with management, including health and safety, employment and data protection arrangements. We also considered whether any issues identified through other audit procedures indicated non-compliance	No evidence of material non-compliance with laws and regulations was identified. A settlement relating to damaged equipment on hire was agreed post year end for £77k. Supporting legal documentation and evidence of settlement were reviewed. As the obligation existed at the year end, the matter should have been recognised as a creditor rather than disclosed within designated funds and was therefore included within the schedule of unadjusted errors.

	with applicable laws and regulations.	In addition, three public liability claims and two employer liability claims remain ongoing at the year end. Based on legal advice and the status of the insurers' assessments, management has concluded that these matters are possible rather than probable obligations and has therefore disclosed them as contingent liabilities with no provision recognised. We consider this treatment to be reasonable based on the information available at the date of our audit.

Significant risks at the assertion level for classes of transaction, account balances and disclosures

The below table summarises conclusions in relation to significant risks of material misstatement assertion level for classes of transaction, account balances and disclosures.

Key risk area	Audit Approach	Conclusions
Fraud in revenue recognition Material misstatement due to fraudulent financial reporting relating to revenue recognition is a presumed risk in ISA 240 (The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements). Inherent risk of material misstatement: • Revenue (Occurrence, Cut off): **Very High**	Whilst we do not suspect any incidences of fraud or error, we have evaluated each type of income transaction and document our conclusions. Procedures performed to mitigate risks of material misstatement in this area were: • Review and testing of revenue recognition policies; • Detailed substantive testing on material revenue streams; and • Substantive analytical procedures.	We have gained reasonable assurance on the cut off and occurrence of income and we are satisfied that income is fairly stated in the financial statements.
Grants and contract income Given that the trust can receive restricted revenue, aligned with performance obligations, the accounting can be complex and subject to client judgement. It is important that all income is recorded as performance obligations are satisfied. Inherent risk of material misstatement: • Revenue – grants and contracts (Completeness, Presentation and Disclosure): **Medium**	We have performed sufficient substantive testing to gain assurance that grant and contract income has been received and recognised in accordance with SORP requirements.	We have gained completeness assurance on the accuracy of grants and contract income and we are satisfied that income is fairly stated in the financial statements.

Fund accounting		
There is a risk that income and expenditure could be incorrectly accounted for between unrestricted and restricted funds. Inherent risk of material misstatement: • Funds, income and expenditure (Presentation & Classification): Medium	We performed sufficient sample testing to gain assurance that income which includes restrictions are accounted for within the appropriate restricted fund and that only expenditure relating to restricted income is recognised within the same restricted fund.	We have gained completeness assurance on the accuracy of grants and contract income and we are satisfied that income is fairly stated in the financial statements.
Pension Assumptions		
An actuarial estimate of the pension fund asset/liability is calculated on an annual basis under FRS 102 and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience. The estimates are based on the most up to date membership date held by the pension fund and have regard to local factors such as mortality rates and expected pay rises with other assumptions around inflation when calculating the liabilities. There is a risk that the assumptions used are not appropriate. Inherent risk of material misstatement: • Pensions (Accuracy,valuation & allocation): Medium	We will review the controls in place to ensure that the data provided from the pension fund to the actuary is complete and accurate. We will review the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data. We will agree the disclosures in the financial statements to information provided by the actuary.	We have considered the competence, capability and objectivity of the actuary in line with the requirements of ISA (UK) 500 'Audit Evidence'. From this review we did not identify any items which gave us cause for concern over the suitability of the actuary. We reviewed the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data, with no issues identified. In addition, we reviewed the information in the actuarial report for completeness and accuracy against the published pension fund data.

4. Going concern

As auditors, we are required to "obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern" (ISA (UK) 570).

Management's assessment of going concern

East Ayrshire Leisure Trust has prepared its financial statements on the going concern basis. Management believe that the financial statements should be prepared on the going concern basis due to the following:

- The current funding agreement with East Ayrshire Council covers up to 31 March 2027.
- SLA agreement in place with the Council.
- Financial strategy to 2030 has been considered.
- Strong cash and reserves position at the year end.
- Activities continue to be transferred to the Trust from the council with support being provided.

Management's assessment covers a period of at least 12 months from expected date of approval of the accounts

Audit work performed

ISA 570 (revised) specifies mandatory procedures that we are required to carry out on going concern.

We have completed:

- a review of budgets covering a period of 12 months from the expected signing of the audit report, together with post year end management accounts (still currently outstanding);
- a review of minutes of post balance sheet Board meetings;
- made enquiries with senior management concerning litigation, claims and assessments;

Financial resources available

A balanced budget has been set and approved for 25/26 - savings of £200,000 have to be achieved.

Pension contributions: The last actuarial valuation was at 31st March 2023 and following this valuation employer's contributions have been set at 6.5% for the year ended 31 March 2026 and 17.5% for the year ended 31 March 2027.
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.

Other factors

Post year end there has been approval for further transfer of services from East Ayrshire Council to East Ayrshire Leisure. These are Woodland Services (April 2026; Instrumental Music (August 2026) and Greener Communities (April 2027).
From 1st April 2026 East Ayrshire Leisure Trust has re-branded to be known as Ayrshire360 (registered as East Ayrshire Leisure Trust).

From discussion with management we note that post year end there was an legal settlement paid by the trust for £77k for damages to equiptment that occurred during the financial year ended 31st March 2026.

Disclosures

We have reviewed the disclosures set out in the financial statements and conclused that they are sufficent and appropriate.

Conclusion

We concur with management's assessment that it is appropriate to continue to adopt the going concern basis and there are no material uncertainties relating to going concern which should be disclosed in the financial statements.

5. Audit communication

Materiality

Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report to those charged with governance and management any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Under ISA (UK) 260 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA (UK) 260 defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

An omission or misstatement is regarded as material if it would reasonably influence the users of the financial statements. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the business and the needs of the users.

Accounting policies

The accounting policies used in preparing the financial statements are unchanged from the prior year.

Presentation and disclosures

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and estimation techniques adopted by the entity. We identified a number of reclassification adjustments and some minor presentational issues in the Group, and these have all been amended by management.

Overall, we found the disclosed accounting policies, significant accounting estimates and the overall disclosures and presentation to be appropriate.

Fraud and suspected fraud

We have previously discussed the risk of fraud with management. We have not been made aware of any incidents in the period nor have any incidents come to our attention as a result of our audit testing.

Our work as auditor is not intended to identify any instances of fraud of a non-material nature and should not be relied upon for this purpose. In the event that the directors wish to obtain enhanced assurance with regard to the effectiveness of internal control in preventing and detecting fraud we should be happy to provide additional services.

Written representations

We will present the final letter of representation to the Board to sign at the same time as the financial statements are approved.

Related parties

We are not aware of any related party transactions which have not been disclosed.

Confirmations from third parties

All requested third party confirmations in respect of stock, bank and legal confirmations have been received.

6. Unadjusted misstatements

Unadjusted audit differences

Our summary of unadjusted audit differences is presented below. We have discussed these with management and confirmed that all unadjusted differences are collectively and individually under materiality.

No	Detail	Assets	Liabilities	Equity	Profit / (loss)
Details of unadjusted audit differences		**Dr / (Cr) £**	**Dr / (Cr) £**	**Dr / (Cr) £**	**Dr / (Cr) £**
1	Unadjusted over accrual of electricity costs	-	66,827	-	(66,827)
2	Unadjusted provision for damages liability at year end	-	(77,000)	-	77,000
Total		**-**	**10,173**	**-**	**10,173**

7. Internal controls

The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Our audit is, therefore, not designed to identify all control weaknesses and the matters reported below are limited to those deficiencies that we have identified during the audit.

Control weaknesses and recommendations

Control weaknesses and recommendations identified from our current year work are summarised below. The control weaknesses are categorised into three risk ratings as shown in the key.

Key

1. Significant deficiency
2. Other deficiency
3. Other observations

Table of control weaknesses and recommendations

Risk rating	Control weakness identified	Implication	Recommendation	Management Response
3	Adjustments are needed to opening balances each year.	Impact is that the clients working trial balance will not reflect the statutory accounts.	All adjustments to year end figures should be posted to the trial balance.	[Management can respond here]
3	Transfers of ‘unspent’ restricted fund income to unrestricted reserves that had been spent in prior years and had been carried forward as restricted funds.	Failure to accurately track and monitor restricted funds increases the risk that income is not applied in accordance with donor or funding body requirements. This could result in the misstatement of reserves and fund balances within the financial statements, non-compliance with funding agreements, and the potential requirement to repay funding.	Restricted fund closing balances should be reconciled each year between the trust records and statutory accounts.	[Management can respond here]

8. Independence and ethics

In accordance with our profession's ethical requirements and further to our audit planning letter issued confirming audit arrangements there are no further matters to bring to your attention in relation to our integrity, objectivity, and independence.

We confirm that Azets Audit Services and the engagement team complied with the FRC's Ethical Standard. We confirm that all threats to our independence have been properly addressed through appropriate safeguards and that we are independent and able to express an objective opinion on the financial statements.

Audit and non-audit services

The following services were provided in the year to March 2026 and to March 2025.

Audit services	Fees 2026 £	Fees 2025 £
Audit of the statutory financial statements	28,870	24,500

Non-audit service	Fees 2026	Fees 2025	Type of threat	Safeguard
Preparation of statutory accounts	£7,650	£7,150	Self-review	Trustees to sign and approve all adjustments made to the financial statements. Preparation of statutory financials statements performed and reviewed by a separate team / Whilst the preparation of the statutory financial statements is carried out by members of the audit team, it is reviewed by a reviewer separate from the audit team.
Corporation tax compliance	£3,275	£3,100	Self-review	Work is performed by a separate team who are not involved in the delivery of audit services.
Adhoc Tax and VAT services (Tax report on C Tax and VAT implications of new subsidiary)	£nil	£10,000	Self-review	The report provided options only and it was informed management's responsibility to take the final decision.

AZETS

Ayrshire360
Wallace Chambers
16 John Dickie Street
Kilmarnock
KA1 1HW

8 September 2026

Azets Audit Services Limited
Quay 2
139 Fountainbridge
Edinburgh
EH3 PQG

RE: EAST AYRSHIRE LEISURE TRUST

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charity's financial statements for the period ended 31 March 2026. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

GENERAL

We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 2 April 2026, under the Charities and Trustee Investment (Scotland) Act 2005 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

1. All the transactions undertaken by the charity have been properly reflected and recorded in the accounting records.

2. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charity, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Office of the Scottish Charity Regulator.

ADJUSTMENTS & DISCLOSURES

3. The financial statements are free of material misstatements, including omissions.

4. There were no uncorrected misstatements.

5. We have reviewed and approved all audit adjustments made in the financial statements. (See appendix 1 for details of such audit adjustments)

6. We have reviewed and approved all disclosures made in the financial statements and we are not aware of any other matters which require disclosure in order to comply with the requirements of applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

INTERNAL CONTROL AND FRAUD

7. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

8. We have disclosed to you all instances of known or suspected fraud affecting the charity involving management, employees who have a significant role in internal control or others where fraud could have a material effect on the financial statements.

9. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the charity's financial statements communicated by current or former employees, analysts, regulators or others.

ASSETS AND LIABILITIES

10. The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets except for those that are disclosed in the notes to the financial statements.

11. There were no changes in fixed assets during the period ended 31 March 2025 other than those disclosed in the accounts.

12. We have reviewed the residual values attached to fixed assets and confirm they are still appropriate and reasonable reflections of these assets condition and usage.

13. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

14. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

15. We confirm that all bank accounts have been disclosed to you and are included within the financial statements.

16. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.

ACCOUNTING ESTIMATES

17. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

LOANS AND ARRANGEMENTS

18. The charity has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

LEGAL CLAIMS

19. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

LAWS AND REGULATIONS

20. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements and disclosures, including non-compliance matters:
    a. Involving financial impropriety;
    b. Related to laws or regulations that have a direct effect on the determination of material amounts and disclosures in the charity's financial statements;
    c. Related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the charity's business, its ability to continue in business, or to avoid material penalties; and
    d. Involving management, or employees who have significant roles in internal control, or others.

21. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance, other than those already disclosed.

RELATED PARTIES

22. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and we confirm that such information is complete. We are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

SUBSEQUENT EVENTS

23. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

GOING CONCERN

24. We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that there is a long term funding agreement and an SLA in place with the Council, the financial strategy for period to 2027 has been considered and there is a strong current reserves position.

25. We also confirm our plans for future action(s) required to enable the charity to continue as a going concern are feasible.

26. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

GRANTS AND DONATIONS

27. All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

28. Restricted grants and donations are disclosed in note 16 to the financial statements. All income has been recorded, all restricted funds have been properly applied and all constructive obligations have been recognised.

DISCLOSURE OF INFORMATION TO THE AUDITOR

29. We acknowledge our legal responsibilities regarding disclosure of information to you as auditor and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

30. Each Trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

....
Signed on behalf of the board of directors by:

Trustee

Date: 8 September 2026

Appendix 1 – Adjustments

Actual adjustments - current year

	JE detail	P&L account / SOCI Dr	P&L account / SOCI Cr	Balance Sheet/SOFP Dr	Balance Sheet/SOFP Cr	Impact on P&L account/SOFA
1	DR fixed assets			£34,920		£ -
	CR Income		£89,040			-£ 89,040
	CR Expenses		£ 1,083			-£ 1,083
	DR Other creditors			£ 293,980		£ -
	DR Other debors			£ 8,437		£ -
	DR Restricted funds			£ 83,031		£ -
	CR Unrestricted Funds				£ 18,245	£ -
	CR Defined pension liabililty				£ 112,000	£ -
	Being opening balance adjustments for unposted amounts					
2	DR Creditors			£ 37,905		£ -
	Cr Income		£ 37,905			-£ 37,905
	Being reversal of creditors balances per TB as recognised as income in restricted funds					
3	DR Provision for bad debt	£8,437				£ 8,437
	CR Other Debtors				£8,437	£ -
	being increase in bad debt provision					
4	DR Accounts receivable			£ 64,061		£ -
	CR Other debtors				£ 64,061	£ -
	Reclass of amounts for other invoice systems to other debtors from TD					
5	DR Other Debtors			£ 514,371		£ -
	CR Accounts receivable				£514,371	£ -
	Being reclass of related party amounts					
6	Pension costs	£1,021,000				£ 1,021,000
	Interest costs	£ 40,000				£ 40,000
	Actuarial gains				£ 1,062,000	£ -
	Pmesion liability			£ 1,000		
	Being defined benefit pension adjustment					
			Impact on P&L/SOCI			£ 941,409

Appendix 2 – Adjustment Errors

	JE detail	P&L account / SOCI Dr	P&L account / SOCI Cr	Balance Sheet/SOFP Dr	Balance Sheet/SOFP Cr	Impact on P&L account/SOFA
1	Creditors: Amounts falling due within one year			£66,827		£ -
	Expenditure on charitable activities		£66,827			-£ 66,827
	Unadjusted over accrual of electricty costs					
2	DR Expenses	£ 77,000				£ 77,000
	CR Provision for damages at year end				£ 77,000	£ -
	Unadjusted provision for damages liabillty at year end					
			Impact on P&L/SOCI			£ 10,173

TRUST BOARD ANNUAL GENERAL MEETING

TRUST BOARD MEETING SCHEDULE

Date: 8 September 2026

Agenda Item: 6

Report by: Anneke Freel, Chief Officer

1 PURPOSE OF REPORT

1.1 The purpose of this report is to seek approval for the schedule of Board, Performance and Audit Sub-Committee and the Trading Subsidiary meetings requiring Trustee attendance for the period November 2026 – September 2027.

2 PROPOSED SCHEDULE

2.1 Board Meetings are scheduled on a quarterly basis to allow consideration of Reports presented to the Performance and Audit Sub-Committee and the Trading Subsidiary, while ensuring that the timetable is appropriate for the Trust's financial procedures.

2.2 Trust Board meetings are now established on a Tuesday evening at 6pm and it is suggested that this remains unchanged. It is proposed that the quarterly Performance and Audit Sub-Committees continue to take place on a Tuesday afternoon at 4pm with the Trading Subsidiary meeting schedule to take place thereafter at 5.30pm. Trustees are asked to consider whether or not any changes are required to these arrangements.

<u>Proposed Schedule</u>

Performance and Audit Sub-Committee	Tuesday 10 November
Trading Subsidiary	Tuesday 10 November
Trust Board	Thursday 8 December
Performance and Audit Sub-Committee	Tuesday 9 February
Trading Subsidiary	Tuesday 9 February
Trust Board	Tuesday 23 February
Performance and Audit Sub-Committee	Tuesday 11 May
Trading Subsidiary	Tuesday 11 May
Trust Board	Tuesday 25 May
Performance and Audit Sub-Committee	Tuesday 24 August
Trading Subsidiary	Tuesday 24 August
Trust AGM/Board	Tuesday 7 September

2.3 Trustee Development Sessions will be organised throughout the year as and when required.

Recommendation/s:

It is recommended that the Board of Trustees:

i. Approve the schedule of meetings as described in the report; and

ii. Otherwise note the content of this report.

Signature: Anneke Freel

Designation: Chief Officer

Date: 25 August 2026

AYRSHIRE360 BOARD MEETINGS CALENDAR: NOVEMBER 2026 - SEPTEMBER 2027

DATE/TIME/VENUE OF MEETING	LODGEMENT DATE	*PRE-AGENDA MEETING DETAILS	ISSUE AGENDA
NOVEMBER			
PERFORMANCE & AUDIT SUB-COMMITTEE TUES 10/11/26 1600 HOURS WALLACE CHAMBERS	WED 28/10/26	TUES 03/11/26	WED 04/11/26 *2ND QUARTER* *(July - Sept)*
TRADING SUBSIDIARY TUES 10/11/26 1730 HOURS WALLACE CHAMBERS	WED 28/10/26	TUES 03/11/26	WED 04/11/26
DECEMBER			
TRUST BOARD TUES 08/12/26 1800 HOURS WALLACE CHAMBERS	WED 25/11/26	TUES 01/12/26	WED 02/12/26 *2ND QUARTER* *(July - Sept)*
FEBRUARY			
PERFORMANCE & AUDIT SUB-COMMITTEE TUES 09/02/27 1600 HOURS WALLACE CHAMBERS	WED 27/01/27	TUES 02/02/27	WED 03/02/27 *3RD QUARTER* *(Oct - Dec)*
TRADING SUBSIDIARY TUES 09/02/27 1730 HOURS WALLACE CHAMBERS	WED 27/01/27	TUES 02/02/27	WED 03/02/27
TRUST BOARD TUES 23/02/27 1800 HOURS WALLACE CHAMBERS	WED 10/02/27	TUES 16/02/27	WED 17/02/27 *3RD QUARTER* *(Oct - Dec)*
MAY			
PERFORMANCE & AUDIT SUB-COMMITTEE TUES 11/05/27 1600 HOURS WALLACE CHAMBERS	WED 28/04/27	TUES 04/05/27	WED 05/05/27 *ANNUAL PERFORMANCE REPORT*

* Chief Officer and Chair to determine time and venue of Pre-Agenda.

TRADING SUBSIDIARY TUES 11/05/27 1730 HOURS WALLACE CHAMBERS	WED 28/04/26	TUES 04/05/27	WED 05/05/27
TRUST BOARD TUES 25/05/27 1800 HOURS WALLACE CHAMBERS	WED 12/05/27	TUES 18/05/27	WED 19/05/27 *ANNUAL PERFORMANCE REPORT*
<u>AUGUST</u>			
PERFORMANCE & AUDIT SUB-COMMITTEE TUES 24/08/27 1600 HOURS WALLACE CHAMBERS	WED 11/08/27	TUES 17/08/27	WED 18/08/27 *ANNUAL ACCOUNTS/REPORT* *1ST QUARTER* *(April - June)*
TRADING SUBSIDIARY TUES 24/08/27 1730 HOURS WALLACE CHAMBERS	WED 11/08/27	TUES 17/08/27	WED 18/08/27
<u>SEPTEMBER</u>			
TRUST AGM/BOARD TUES 07/09/27 1800 HOURS WALLACE CHAMBERS	WED 25/08/27	TUES 31/08/27	WED 01/09/27 *ANNUAL ACCOUNTS/REPORT* *1ST QUARTER* *(April - June)*

* Chief Officer and Chair to determine time and venue of Pre-Agenda.