

REGISTERED COMPANY NUMBER: SC200851 (Scotland)
REGISTERED CHARITY NUMBER: SC029608

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
NORTH AYRSHIRE VENTURES TRUST**

Galbraith Pritchards
Chartered Accountants & Statutory Auditor
20 Barns Street
Ayr
Ayrshire
KA7 1XA

NORTH AYRSHIRE VENTURES TRUST

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FOR THE YEAR ENDED 31 MARCH 2022**

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NORTH AYRSHIRE VENTURES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES	William John Kirkwood Audrey Sutton Louise McPhater Ann Robertson (resigned 21/1/2022) Alan Hill Derek McCrindle Craig Hatton Justin Jones
COMPANY SECRETARY	Aileen Craig
REGISTERED OFFICE	Cunninghame House Friars Croft Irvine KA12 8EE
REGISTERED COMPANY NUMBER	SC200851 (Scotland)
REGISTERED CHARITY NUMBER	SC029608
AUDITORS	Galbraith Pritchards Chartered Accountants & Statutory Auditor 20 Barns Street Ayr Ayrshire KA7 1XA
SOLICITORS	North Ayrshire Council Legal Services Cunninghame House Irvine KA12 8EE

NORTH AYRSHIRE VENTURES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

a. Policies and objectives

The principal activity of the Trust is the promotion, for public benefit, of urban or rural regeneration in areas of social or economic deprivation in North Ayrshire.

Its main objectives are to support the following purposes:

- 1) To relieve poverty among the residents of the local government area of North Ayrshire.
- 2) To advance education among residents of North Ayrshire, particularly among the unemployed.
- 3) To promote other schemes of a charitable nature for benefit of the residents of North Ayrshire.
- 4) To promote the advancement of citizenship or community development, including rural or urban regeneration and the promotion of civil responsibility, volunteering, the voluntary sector or the effectiveness or efficiency of charities.
- 5) To promote training in skills of all kinds, particularly such skills as will assist residents of North Ayrshire in obtaining paid employment.

b. Strategies for achieving objectives

North Ayrshire Ventures Trust operates a grant programme to enable voluntary, community and social enterprises in North Ayrshire to explore new opportunities to help them grow in size, improve long term sustainability and increase their impact, through grants of up to £30,000.

The Trust focuses on projects and ideas which have the potential to make a difference to the lives of North Ayrshire residents. The Trust complements other grant funds already in existence and invites ambitious applications, which promote changing the way things are currently done or which are far reaching in their outcomes.

c. Activities undertaken to achieve objectives

Success is measured through the outcomes delivered by the projects supported by the Trust. This will be assessed through post project evaluations which will be used to demonstrate the tangible benefits derived from each of the projects and will be subject to Board reports throughout the year.

d. Grant-making policies

The emphasis of the fund is on transformation and on developing ways of working which provide long term sustainable solutions for the residents of North Ayrshire.

The fund is intended to enable projects or services to either become more self-sustaining or to deliver a lasting legacy for the local community. Applications are considered for projects lasting for multiple years but the fund is not available as a long-term source of funding for projects or services.

The beneficiaries of the grant making programme are charities, voluntary organisations, social enterprises, community based organisations, volunteering bodies, co-operatives, housing associations, and credit unions whose annual income is £300,000 or less.

Details of how to apply to this Trust, together with the relevant forms, are available on the Trust's website:

<https://navt.org.uk/how-to-apply>

NORTH AYRSHIRE VENTURES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE

Review of activities and key financial indicators

During the year to 31 March 2022 the Trust has continued to utilise the income from investment properties to provide grant support to a variety of Community Groups and Social Enterprises in furtherance of its main objectives. In addition, the Trust continued to commit funds transferred from the former Irvine Bay Urban Regeneration Company in support of a range of regeneration projects within the geographical area covered by the former Company.

FINANCIAL REVIEW

Financial position

The total income for the year was £334,465 (2021 - £412,966).

The total expenditure for the year was £461,266 (2021 - £409,044).

During the current year the charity reports a profit of £33,699 (2021 - £80,922), after a gain on revaluation of investment properties of £160,500 (2021 - £77,000).

Reserves policy

Funds are classed as unrestricted and restricted and are used for the furtherance of the charity's activities to meet objectives noted above.

At 31 March 2022, the total unrestricted funds were £2,746,171 (2021 - £2,662,472) and total restricted funds were £5,347,195 (2021 - £5,397,195).

In line with the Trust's reserves policy, a balance equivalent to one year's operating costs will be maintained, with all remaining funds available for utilisation in line with the Trust's objectives.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Since March 2020, the UK and the world has faced unprecedented uncertainty and disruption as a result of COVID-19. The Trustees have considered the effects of this pandemic on the operations and any going concern implications for the charity post year-end, and full details are noted in the Accounting Policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

The company, which is a recognised charity in Scotland, is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 11 October 1999.

The principal object of the charitable company is to provide grant funding to allow organisations to focus on transformation and on developing ways of working which provide long term sustainable solutions for the residents of North Ayrshire.

Methods of appointment or election of Trustees

The Trust can have a maximum of 9 directors at any given time, 4 appointed directors and 5 co-opted directors. Appointed directors are nominated by North Ayrshire Council in accordance with the provisions contained in the Articles of Association. Co-opted directors are nominated by the existing directors but their appointment must be ratified by North Ayrshire Council. In considering potential Trustees consideration is given to the skills of existing board members.

NORTH AYRSHIRE VENTURES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure and decision-making

The Trust is managed entirely by its Trustees.

The work of the Trust Board is underpinned by the officers of North Ayrshire Council who provide information and support the administration of the grant application process for the board.

The Board of Trustees are the key management personnel of the Trust who direct and control the organisation. The Trustees give their time freely and no Trustee remuneration was made during the year. No Trustees expenses were paid during the year.

The day to day operations of the Trust are performed by officers of North Ayrshire Council. These officers give their time freely and no officer remuneration was made during the year.

The following provide services to the Trust:

Connected Communities: provide the administrative support to process all the applications and awards of the grant. They also monitor the expenditure by following up with the grant awardees.

Financial Services: provide the board with financial advice as well as recording and monitoring all income and expenditure.

Legal Services: acts as company secretary and advises on all legal matters.

Estate Services: manage the properties owned by the Trust.

Induction and training of new trustees

New Trustees are given an extensive briefing on the objectives and activities of the Trust by the Chairperson.

Asset and risk management

The principal risks faced by the Trust lie in the capacity of the fund to support projects and the risk that projects fail to deliver their key objectives and meet the objectives of the Trust. Mitigations have been put in place to ensure that these risks are managed and controlled and include:-

- Ensuring projects are only funded which can be supported by the resources of the Trust.
- Having robust application, vetting and post project review processes in place including the reporting of key milestones and outcomes.

PLANS FOR FUTURE PERIODS

The Trust continues to build on the significant investment in Community Groups and Social Enterprises already undertaken and looks forward to supporting future grant applications which further the main objectives of the Trust.

The Trust will also continue to work closely with North Ayrshire Council to identify investment opportunities in suitable regeneration projects within the geographical area covered by the former Irvine Bay Urban Regeneration Company.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of North Ayrshire Ventures Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

NORTH AYRSHIRE VENTURES TRUST (REGISTERED NUMBER: SC200851)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:


- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Galbraith Pritchards, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 17 November 2022 and signed on its behalf by:


.....

Craig Hatton - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF NORTH AYRSHIRE VENTURES TRUST

Opinion

We have audited the financial statements of North Ayrshire Ventures Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF NORTH AYRSHIRE VENTURES TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and, enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF NORTH AYRSHIRE VENTURES TRUST

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Marguerite Roos BAcc CA (Senior Statutory Auditor)

for and on behalf of Galbraith Pritchards

Chartered Accountants & Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

20 Barns Street

Ayr

Ayrshire

KA7 1XA

Date: 30 November 2022

NORTH AYRSHIRE VENTURES TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted fund £	Restricted fund £	31/3/22 Total funds £	31/3/21 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	3	334,465	-	334,465	412,966
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		411,266	50,000	461,266	409,044
NET INCOME/(EXPENDITURE)		(76,801)	(50,000)	(126,801)	3,922
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		160,500	-	160,500	77,000
Net movement in funds		83,699	(50,000)	33,699	80,922
RECONCILIATION OF FUNDS					
Total funds brought forward		2,662,472	5,397,195	8,059,667	7,978,745
TOTAL FUNDS CARRIED FORWARD		<u>2,746,171</u>	<u>5,347,195</u>	<u>8,093,366</u>	<u>8,059,667</u>

The notes form part of these financial statements

NORTH AYRSHIRE VENTURES TRUST (REGISTERED NUMBER: SC200851)

**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted fund £	Restricted fund £	31/3/22 Total funds £	31/3/21 Total funds £
FIXED ASSETS					
Investment property	12	1,997,500	-	1,997,500	1,837,000
CURRENT ASSETS					
Debtors	13	952,709	5,347,195	6,299,904	6,688,334
CREDITORS					
Amounts falling due within one year	14	(204,038)	-	(204,038)	(311,456)
NET CURRENT ASSETS		<u>748,671</u>	<u>5,347,195</u>	<u>6,095,866</u>	<u>6,376,878</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,746,171	5,347,195	8,093,366	8,213,878
CREDITORS					
Amounts falling due after more than one year	15	-	-	-	(154,211)
NET ASSETS		<u>2,746,171</u>	<u>5,347,195</u>	<u>8,093,366</u>	<u>8,059,667</u>
FUNDS	18				
Unrestricted funds				2,746,171	2,662,472
Restricted funds				<u>5,347,195</u>	<u>5,397,195</u>
TOTAL FUNDS				<u>8,093,366</u>	<u>8,059,667</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 17 November 2022 and were signed on its behalf by:


.....
Craig Hatton - Trustee

The notes form part of these financial statements

NORTH AYRSHIRE VENTURES TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	31/3/22 £	31/3/21 £
Cash flows from operating activities			
Cash generated from operations	1	229,559	163,964
Interest paid		(5,004)	(15,599)
Net cash provided by operating activities		<u>224,555</u>	<u>148,365</u>
Cash flows from investing activities			
Sale of investment property		-	70,000
Interest received		3,322	3,404
Net cash provided by investing activities		<u>3,322</u>	<u>73,404</u>
Cash flows from financing activities			
Loan repayments in year		(227,877)	(221,769)
Net cash used in financing activities		<u>(227,877)</u>	<u>(221,769)</u>
Change in cash and cash equivalents in the reporting period		<u>-</u>	<u>-</u>
Cash and cash equivalents at the beginning of the reporting period		<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the reporting period		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31/3/22 £	31/3/21 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(126,801)	3,922
Adjustments for:		
Interest received	(3,322)	(3,404)
Interest paid	5,004	15,599
Decrease in debtors	388,430	158,408
Decrease in creditors	(33,752)	(10,561)
Net cash provided by operations	<u>229,559</u>	<u>163,964</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/21 £	Cash flow £	At 31/3/22 £
Net cash			
Cash at bank and in hand	-	-	-
Debt			
Debts falling due within 1 year	(227,877)	73,666	(154,211)
Debts falling due after 1 year	(154,211)	154,211	-
	<u>(382,088)</u>	<u>227,877</u>	<u>(154,211)</u>
Total	<u>(382,088)</u>	<u>227,877</u>	<u>(154,211)</u>

The notes form part of these financial statements

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. GENERAL INFORMATION

The charity is a company limited by guarantee, incorporated and registered in Scotland, under company number SC200851 and has no share capital. The liability of each member in the event of winding up the charitable company is limited to £1.

The charity's registered number is SC029608.

The registered is Cunninghame House, Friars Croft, Irvine, North Ayrshire, KA12 8EE.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The Trustees consider that there are no material uncertainties about the company's abilities to continue as a going concern.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Covid 19 is one of the most significant economic events for the UK, and at this date its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown.

Whilst the Trustees believe that the charity will not be significantly affected by the pandemic no organisation should be expected to predict the unknowable factors or all possible future implications for its business and this is particularly the case in relation to Covid 19.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Interest from funds held is included when receivable and the amount can be measured reliably by the company.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES - continued

Expenditure

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

General Funds are unrestricted funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3. INVESTMENT INCOME

	31/3/22	31/3/21
	£	£
Rents received	303,750	401,282
Other income	27,393	8,280
Deposit account interest	3,322	3,404
	<u>334,465</u>	<u>412,966</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5)	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Charitable activities	<u>20,880</u>	<u>434,475</u>	<u>5,911</u>	<u>461,266</u>

NORTH AYRSHIRE VENTURES TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31/3/22	31/3/21
	£	£
Staff costs	10,130	22,084
Rates and water	-	1,613
Property insurance	6,248	6,903
Light and heat	-	184
Computer equipment	(502)	1,613
Property repairs	-	2,381
Interest payable and similar charges	5,004	15,599
	<u>20,880</u>	<u>50,377</u>

6. GRANTS PAYABLE

	31/3/22	31/3/21
	£	£
Grants payable	<u>434,475</u>	<u>350,635</u>

7. SUPPORT COSTS

	31/3/22	31/3/21
	£	£
Auditors remuneration	4,000	4,000
Auditors remuneration for non audit work	1,900	1,900
Legal fees	11	1,182
Accountancy fees (previous auditor)	-	950
	<u>5,911</u>	<u>8,032</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/22	31/3/21
	£	£
Auditors' remuneration	4,000	4,000
Auditors' remuneration for non audit work	<u>1,900</u>	<u>1,900</u>

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10. STAFF COSTS

The staff costs represent a North Ayrshire Council employee who's time has been recharged to the Trust.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 31.03.21

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	412,966	-	412,966
EXPENDITURE ON			
Charitable activities			
Charitable activities	402,544	6,500	409,044
NET INCOME/(EXPENDITURE)	10,422	(6,500)	3,922
Other recognised gains/(losses)			
Gains on revaluation of fixed assets	77,000	-	77,000
Net movement in funds	87,422	(6,500)	80,922
RECONCILIATION OF FUNDS			
Total funds brought forward	2,575,050	5,403,695	7,978,745
TOTAL FUNDS CARRIED FORWARD	2,662,472	5,397,195	8,059,667

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2021	1,837,000
Revaluation	160,500
	<u>1,997,500</u>
At 31 March 2022	<u>1,997,500</u>
NET BOOK VALUE	
At 31 March 2022	<u>1,997,500</u>
At 31 March 2021	<u>1,837,000</u>

Investment properties are included at fair value. The historic cost of investment properties as at 31st March 2022 was £3,110,000 (2021 - £3,110,000).

Investment properties were valued on an existing use value basis on 31st March 2022 by North Ayrshire Council's Estates Team.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/22 £	31/3/21 £
North Ayrshire Council	6,245,065	6,643,089
Other debtors	52,792	44,221
VAT	2,047	1,024
	<u>6,299,904</u>	<u>6,688,334</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/22 £	31/3/21 £
Other loans (see note 16)	154,211	227,877
Accruals and deferred income	49,827	83,579
	<u>204,038</u>	<u>311,456</u>

Deferred income is rental income received in advance. All income deferred in the year ended 31st March 2021 was released in the year ended 31st March 2022. Any deferred income in the year ended 31st March 2022 will be released in the first quarter of the year ended 31st March 2023.

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/3/22	31/3/21
	£	£
Other loans (see note 16)	-	154,211

16. LOANS

An analysis of the maturity of loans is given below:

	31/3/22	31/3/21
	£	£
Amounts falling due within one year on demand:		
North Ayrshire Council loan	154,211	227,877
Amounts falling between one and two years:		
North Ayrshire Council loan	-	154,211

17. SECURED DEBTS

The following secured debts are included within creditors:

	31/3/22	31/3/21
	£	£
North Ayrshire Council Loan	154,211	382,088

The loan from North Ayrshire Council is supported by a floating charge in favour of North Ayrshire Council in respect of all borrowings. At the balance sheet date the total amount for which security has been granted is £154,211 (2021 - £382,088).

18. MOVEMENT IN FUNDS

	At 1/4/21	Net movement in funds	At 31/3/22
	£	£	£
Unrestricted funds			
General fund	2,662,472	83,699	2,746,171
Restricted funds			
Irvine Bay Urban Regeneration	5,397,195	(50,000)	5,347,195
TOTAL FUNDS	8,059,667	33,699	8,093,366

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	334,465	(411,266)	160,500	83,699
Restricted funds				
Irvine Bay Urban Regeneration	-	(50,000)	-	(50,000)
TOTAL FUNDS	<u>334,465</u>	<u>(461,266)</u>	<u>160,500</u>	<u>33,699</u>

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	2,575,050	87,422	2,662,472
Restricted funds			
Irvine Bay Urban Regeneration	5,403,695	(6,500)	5,397,195
TOTAL FUNDS	<u>7,978,745</u>	<u>80,922</u>	<u>8,059,667</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	412,966	(402,544)	77,000	87,422
Restricted funds				
Irvine Bay Urban Regeneration	-	(6,500)	-	(6,500)
TOTAL FUNDS	<u>412,966</u>	<u>(409,044)</u>	<u>77,000</u>	<u>80,922</u>

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/20 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	2,575,050	171,121	2,746,171
Restricted funds			
Irvine Bay Urban Regeneration	5,403,695	(56,500)	5,347,195
TOTAL FUNDS	<u>7,978,745</u>	<u>114,621</u>	<u>8,093,366</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	747,431	(813,810)	237,500	171,121
Restricted funds				
Irvine Bay Urban Regeneration	-	(56,500)	-	(56,500)
TOTAL FUNDS	<u>747,431</u>	<u>(870,310)</u>	<u>237,500</u>	<u>114,621</u>

Irvine Bay Urban Regeneration is a restricted fund to provide grants to projects previously committed by Irvine Bay Regeneration Company. As per the transfer agreement, North Ayrshire Ventures Trust have acknowledged that grants are committed to ongoing projects.

19. OTHER FINANCIAL COMMITMENTS

In prior years the Trust received £10,762,478 in cash as part of a transfer of trade and assets from the Irvine Bay Urban Regeneration Company. As per the transfer agreement North Ayrshire Ventures Trust have acknowledged that grants are committed to ongoing projects. The maximum aggregate grant still to be advanced to ongoing projects is £3,759,336 (2021 - £3,417,518).

As at 31st March 2022, North Ayrshire Ventures Trust had grants committed to be paid out with the next financial year totalling £471,050 (2021 - £637,105). The conditions for these grants have not been met at 31st March 2022 and therefore these have not been provided for in these accounts.

NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

20. RELATED PARTY DISCLOSURES

During the year, the charity made loan repayments of £227,877 (2021 - £221,769) to North Ayrshire Council. Interest paid on the loan totalled £5,004 (2021 - £15,599). At the year end North Ayrshire Ventures Trust has a loan balance with North Ayrshire Council of £154,211 (2021 - £382,088). The loan from North Ayrshire council is supported by a floating charge in favour of North Ayrshire Council in respect of all borrowings.

There was an outstanding debtor balance owed by North Ayrshire Council to North Ayrshire Ventures Trust of £6,245,065 (2021 - £6,643,089). Amounts owed by North Ayrshire Council are unsecured, interest free and repayable on demand.

Payroll costs incurred by North Ayrshire Council on behalf of the charity totalled £10,130 (2021 - £22,084). These have been fully settled by the year end.

During the year, North Ayrshire Council paid VAT liabilities to HMRC on behalf of North Ayrshire Ventures Trust. The amount of these payments were £270 (2021 - £13,924). During the year North Ayrshire Council also received VAT refunds totalling £234 (2021 - £2,099) which were due to North Ayrshire Ventures Trust.

21. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

NORTH AYRSHIRE VENTURES TRUST

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	31/3/22 £	31/3/21 £
INCOME AND ENDOWMENTS		
Investment income		
Rents received	303,750	401,282
Other income	27,393	8,280
Deposit account interest	3,322	3,404
	<u>334,465</u>	<u>412,966</u>
Total incoming resources	334,465	412,966
EXPENDITURE		
Charitable activities		
Employee costs	10,130	22,084
Rates and water	-	1,613
Property insurance	6,248	6,903
Light and heat	-	184
Computer equipment	(502)	1,613
Property repairs	-	2,381
Loan interest	5,004	15,599
Grants to institutions	434,475	350,635
	<u>455,355</u>	<u>401,012</u>
Support costs		
Governance costs		
Auditors' remuneration	4,000	4,000
Auditors' remuneration for non audit work	1,900	1,900
Legal fees	11	1,182
Accountancy fees (previous auditor)	-	950
	<u>5,911</u>	<u>8,032</u>
Total resources expended	461,266	409,044
Net (expenditure)/income	<u>(126,801)</u>	<u>3,922</u>

This page does not form part of the statutory financial statements