

Registered Company No: SC200851

Registered Charity No: SC029608

**NORTH AYRSHIRE VENTURES TRUST**

**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2015**

**NORTH AYRSHIRE VENTURES TRUST**  
**(A company limited by guarantee)**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2015**

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**NORTH AYRSHIRE VENTURES TRUST**

**(A company limited by guarantee)**

**LEGAL AND ADMINISTRATIVE INFORMATION**

**Charity Name:** North Ayrshire Ventures Trust

**Registered Office and  
Operational Address:** Cunninghame House  
Legal Services  
Irvine  
Ayrshire  
KA12 8EE

**Charity Registration Number:** SC029608

**Company Registration Number:** SC200851

**Trustees:** Marie Burns  
John Hunter  
Elma Murray  
Audrey Sutton  
Craig Crosthwaite  
William Kirkwood

**Secretary:** Christine Andrew

**Independent Auditors:** Wylie & Bisset LLP  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers:** North Ayrshire Municipal Bank  
Cunninghame House  
Irvine  
KA11 2AL

**Solicitors:** Legal Services  
Cunninghame House  
Irvine  
KA12 8EE

## **NORTH AYRSHIRE VENTURES TRUST**

**(A company limited by guarantee)**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED**

**31 MARCH 2015**

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2015 and administrative information on page one forms part of this report.

#### **Directors and Trustees**

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

The Trustees who served during the year and since the year end, unless otherwise shown, were as follows:

Marie Burns  
Laura Friel (resigned 24 March 2015)  
Elma Murray  
John Hunter  
Audrey Sutton (from 24 March 2015)  
Craig Crosthwaite (from 22 October 2015)  
William Kirkwood (from 22 October 2015)

#### **Structure, Governance and Management**

- Governing Document

The charity was incorporated as a company limited by guarantee on 14 October 1999 and is governed by its Memorandum and Articles of Association.

- Recruitment and Appointment of Trustees

The company can have a maximum of 6 directors at any given time, four appointed directors and two 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.

Co-opted directors must retire at each Annual General Meeting and may seek re-election.

In considering potential Trustees consideration is given to the skills of existing Board members.

- Trustee Induction and Training

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

- Risk Management

The Trustees have considered the major risks faced by the charity and have put appropriate procedures in place to minimise any impact of these.

- Organisational Structure

The charity is managed by its Trustees.

## **NORTH AYRSHIRE VENTURES TRUST**

**(A company limited by guarantee)**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED**

**31 MARCH 2015**

#### **Objectives and Activities, Achievements and Performance and Plans for Future Periods**

The principal objective of the charity is the advancement of citizenship or community development in North Ayrshire.

#### **Financial Review**

During the year the charity received rental income of £418,136 and interest of £2,554. This was offset against a reduction in the value of the properties owned of £500,000. The Charity reported a surplus of £6,435 which was consolidated into reserves.

Costs in relation to administration of the charity were met by North Ayrshire Council.

North Ayrshire Council has carried out a review of North Ayrshire Ventures Trust to maximise opportunities to deliver the Trust's core objectives. In the early part of 2015 North Ayrshire Council have put in place the application and monitoring procedures and the Trust will be promoted from December 2015 onward.

#### **Reserves**

At 31st March 2015 the charity held unrestricted funds of £1,766,288. The charity is currently developing the launch of a new fund for the benefit of North Ayrshire residents and will consider its Reserve Policy as part of this development to ensure that the appropriate level of funds are allocated to this fund.

#### **Trustees' Responsibilities**

The trustees (who are also directors of North Ayrshire Ventures Trust for the purposes of company law) 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).

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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

**NORTH AYRSHIRE VENTURES TRUST**

**(A company limited by guarantee)**

**REPORT OF THE TRUSTEES FOR THE YEAR ENDED**

**31 MARCH 2015**

**Statement of Disclosure to the Auditor**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Approved by the Trustees and signed on their behalf by:

  
.....

Elma Murray

Date: 20 November 2015

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF NORTH AYRSHIRE VENTURES TRUST FOR THE YEAR ENDED 31 MARCH 2015**

We have audited the financial statements of North Ayrshire Ventures Trust for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF NORTH AYRSHRIE VENTURES TRUST FOR THE YEAR ENDED 31 MARCH 2015**

**Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

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



Jenny Simpson (Senior statutory auditor)  
For and on behalf of Wylie & Bisset LLP, Statutory Auditor

168 Bath Street  
Glasgow  
G2 4TP

Wylie & Bisset LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date: 24 November 2015



**NORTH AYRSHIRE VENTURES TRUST**  
**(A company limited by guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including Income and Expenditure Account)**  
**FOR THE YEAR ENDING 31 MARCH 2015**

|   | <b>2015</b>                   | <b>2014</b>      |
|---|-------------------------------|------------------|
|   | <b>Total</b>                  | <b>Total</b>     |
|   | <b>£</b>                      | <b>£</b>         |
| <b>Incoming Resources</b>                       |                               |                  |
| Incoming resources from generated funds         |                               |                  |
| Voluntary Income - Income from Joint Venture    | -                             | 22,500           |
| Activities for generating funds – Rental Income | 418,136                       | 134,213          |
| Investment income – Bank Interest Received      | 2,554                         | 3,740            |
| Other income – Gain on Acquisition              | -                             | 679,439          |
| Other income – Recovery of insurance            | 2,152                         | -                |
| Other Income – Banking compensation             | 123,704                       | -                |
| <b>Total Incoming Resources</b>                 | <u>546,546</u>                | <u>839,892</u>   |
| <b>Resources expended</b>                       |                               |                  |
| Impairment losses                               | 500,000                       | 100              |
| Interest Payable                                | 31,815                        | 11,453           |
| Governance costs                                | 8,296                         | 7,014            |
| <b>Total Resources Expended</b>                 | <u>540,111</u>                | <u>18,567</u>    |
| <b>Net income for the year</b>                  | 6,435                         | 821,325          |
| <b>Reconciliation of Funds</b>                  |                               |                  |
| Balance at 1 April 2014                         | 1,759,853                     | 501,028          |
| Prior Year Adjustment                           | -                             | 437,500          |
| Balance at 1 April 2014                         | <u>1,759,853</u>              | <u>938,528</u>   |
| Total funds carried forward                     | <u>12</u><br><u>1,766,288</u> | <u>1,759,853</u> |

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

All incoming resources and resources expended derive from continuing activities.

All funds are unrestricted.

**NORTH AYRSHIRE VENTURES TRUST**  
**(A company limited by guarantee)**  
**BALANCE SHEET AT 31 MARCH 2015**

|   |       |                  | 2015             | 2014             |
|---|-------|------------------|------------------|------------------|
|   | Notes | £                | £                | £                |
| <b>FIXED ASSETS</b>                                     |       |                  |                  |                  |
| Tangible Fixed Assets                                   | 5     |                  | 2,550,000        | 3,050,000        |
| <b>CURRENT ASSETS</b>                                   |       |                  |                  |                  |
| Debtors   | 6     | 521,927          |                  | 283,589          |
| Cash at bank and in hand                                |       | 511,880          |                  | 509,115          |
|   |       | <u>1,033,807</u> |                  | <u>792,704</u>   |
| Creditors: amounts falling due within one year          | 7     | <u>(360,488)</u> |                  | <u>(422,849)</u> |
| <b>NET CURRENT ASSETS</b>                               |       |                  | 673,319          | 369,855          |
| Creditors: amounts falling due After more than one year | 8     |                  | (1,457,031)      | (1,660,002)      |
| <b>NET ASSETS</b>                                       |       |                  | <u>1,766,288</u> | <u>1,759,853</u> |
| <b>Unrestricted Funds</b>                               |       |                  |                  |                  |
| General Funds   | 12    |                  | 1,766,288        | 1,759,853        |
| <b>TOTAL FUNDS</b>                                      |       |                  | <u>1,766,288</u> | <u>1,759,853</u> |

These Accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

Approved by the Trustees and signed on their behalf.

  
 .....  
 Elma Murray

  
 .....  
 Marie Burns

Date: 20 November 2015

Registered Company No: SC200851

## **NORTH AYRSHIRE VENTURES TRUST**

**(A company limited by guarantee)**

### **NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2015**

#### **1. Accounting Policies**

##### **a) Basis of preparation**

The financial statements have been prepared under the historic cost convention, as modified by the revaluation of investment properties, and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

##### **b) Fund accounting**

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

##### **c) Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

## **NORTH AYRSHIRE VENTURES TRUST**

**(A company limited by guarantee)**

### **NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2015**

#### **1. Accounting Policies (continued)**

**d) Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage.

**e) Tangible fixed assets and depreciation**

Tangible fixed assets costing more than £500 are capitalised, including any incidental expenses of acquisition.

**f) Investment Properties**

Investment properties are shown at their open market value. The surplus or deficit arising from any revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the FRSSE which, unlike The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 made under the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

**g) Taxation**

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II of the Corporation Tax Act 2010 and Section 256 of Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

#### **2. Legal Status**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**NORTH AYRSHIRE VENTURES TRUST**

**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2015**

**3. Net Income for the Year**

This is stated after charging:

|                        | <b>2015</b> | <b>2014</b> |
|------------------------|-------------|-------------|
|                        | <b>£</b>    | <b>£</b>    |
| Auditor's remuneration | 4,995       | 4,495       |

The charity had no employees during the year (2014: None).

**4. Trustees' Remuneration and Related Party Transactions**

No Trustees received any remuneration during the year (2014; Nil). No expenses were reimbursed to Trustees (2014; Nil).

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2014; Nil).

**5. Tangible Fixed Assets**

|                          | <b>Investment properties</b> |
|--------------------------|------------------------------|
|                          | <b>£</b>                     |
| <b>Cost or valuation</b> |                              |
| At 1 April 2014          | 3,050,000                    |
| Impairment               | 500,000                      |
|                          | <hr/>                        |
| At 31 March 2015         | 2,550,000                    |
|                          | <hr/> <hr/>                  |

Investment properties are included at open market value. The Directors revalue these properties annually under FRSSE 2008. The historic cost of the investment properties as at 31 March 2015 amounted to £3,050,000 (2014: £3,050,000). A formal valuation was carried out in March 2015 by North Ayrshire Council Asset Management and Estates team.

**NORTH AYRSHIRE VENTURES TRUST****(A company limited by guarantee)****NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2015****6. Debtors**

|                                 | <b>2015</b>    | <b>2014</b>    |
|---------------------------------|----------------|----------------|
|                                 | <b>£</b>       | <b>£</b>       |
| Rental Income                   | -              | 26,250         |
| North Ayrshire Ventures Limited | 448,551        | 244,376        |
| Interest Due                    | 1,087          | 1,297          |
| Other Debtor                    | 2,916          | 11,666         |
| North Ayrshire Council          | 69,373         | -              |
|                                 | <u>521,927</u> | <u>283,589</u> |

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

|  | <b>2015</b>    | <b>2014</b>    |
|--|----------------|----------------|
|  | <b>£</b>       | <b>£</b>       |
| Corporation Tax Creditor                 | -              | 61,773         |
| Loan repayment to North Ayrshire Council | 203,874        | 267,093        |
| Deferred Income                          | 71,148         | 71,148         |
| Accruals                                 | 85,466         | 22,835         |
|  | <u>360,488</u> | <u>422,849</u> |

Deferred income relates to rental income in advance

**8. Creditors: Amounts falling due after more than one year**

|                                  | <b>2015</b>      | <b>2014</b>      |
|----------------------------------|------------------|------------------|
|                                  | <b>£</b>         | <b>£</b>         |
| Loan from North Ayrshire Council | 1,457,031        | 1,660,002        |
|                                  | <u>1,457,031</u> | <u>1,660,002</u> |

**9. Analysis of Maturity of debt**

|                      | <b>2015</b>      | <b>2014</b>      |
|----------------------|------------------|------------------|
|                      | <b>£</b>         | <b>£</b>         |
| Amounts falling due: |                  |                  |
| Within one year      | 203,874          | 267,093          |
| In one to two years  | 207,574          | 204,565          |
| In two to five years | 645,601          | 636,243          |
| After five years     | 603,856          | 819,194          |
|                      | <u>1,660,905</u> | <u>1,927,095</u> |

## NORTH AYRSHIRE VENTURES TRUST

(A company limited by guarantee)

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2015

#### 10. Security

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 £1,660,905.

#### 11. Related party transactions

##### North Ayrshire Ventures Limited

From 5 December 2013 North Ayrshire Ventures Trust, became the ultimate controlling party of the North Ayrshire Ventures limited.

The company's trade and assets were transferred to the charity, for £nil consideration. At the year-end £448,551 (2014: £244,376) was due to North Ayrshire Ventures Trust, representing the bank account balance that was yet to be transferred as part of the sale agreement.

##### North Ayrshire Council

North Ayrshire Council is a member of North Ayrshire Ventures Trust. At the year end North Ayrshire Ventures Trust has a loan balance due to North Ayrshire Council of £1,660,905 (2014; £1,927,095).

At the 31 March 2015 the outstanding debtor owed by North Ayrshire Council to North Ayrshire Ventures Trust was £69,373.

#### 12. Unrestricted Funds

|                          | Movement in funds          |                       |                               |           |                             |
|--------------------------|----------------------------|-----------------------|-------------------------------|-----------|-----------------------------|
|                          | Balance at<br>1 April 2014 | Incoming<br>resources | Expenditure<br>(gains)/losses | Transfers | Balance at<br>31 March 2015 |
|                          | £                          | £                     | £                             | £         | £                           |
| General charitable funds | 1,759,853                  | 546,546               | 540,111                       | -         | 1,766,288                   |
|                          | <u>1,759,853</u>           | <u>545,546</u>        | <u>540,111</u>                | <u>-</u>  | <u>1,766,288</u>            |

