

---

---

**NORTH AYRSHIRE VENTURES TRUST**

---

---

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

---

**NORTH AYRSHIRE VENTURES TRUST**

---

---

**CONTENTS**

---

---

	Page
<b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 5
<b>Independent Auditors' Report</b>	6 - 7
<b>Statement of Financial Activities</b>	8
<b>Balance Sheet</b>	9
<b>Notes to the Financial Statements</b>	11 - 15

---

---

**NORTH AYRSHIRE VENTURES TRUST**

---

---

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2016**

---

---

**Trustees**

Craig Crosthwaite, Trustee (appointed 17 June 2015)  
William John Kirkwood, Trustee (appointed 17 June 2015)  
Elma Murray  
Marie Agnes Burns  
Audrey Sutton  
John Hunter

Company registered number

SC200851

**Charity registered number**

SC029608

**Registered office**

Cunninghame House, Legal Services, Irvine, Ayrshire, KA12 8EE

**Secretary**

Elma Murray

**Independent auditors**

French Duncan LLP, 133 Finnieston Street, Glasgow, G3 8HB

**Bankers**

North Ayrshire Municipal Bank, Cunninghame House, Irvine, KA11 2AL

**Solicitors**

Legal Services, Cunninghame House, Irvine, KA12 8EE

---

---

## NORTH AYRSHIRE VENTURES TRUST

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2016

---

The Trustees present their annual report together with the audited financial statements of North Ayrshire Ventures Trust for the year to 31 March 2016.

#### **Objectives and Activities**

##### **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 the residents of North Ayrshire, particularly among the unemployed.
- 3) To promote other schemes of a charitable nature for the 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 civic 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.

##### **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 fund focuses on projects and ideas which have the potential to make a difference to the lives of North Ayrshire residents. The fund 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.

##### **Activities for achieving objectives**

Success is measured through the outcomes delivered by the projects supported by the Fund. 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.

---

## NORTH AYRSHIRE VENTURES TRUST

---

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

---

#### Grant making policy

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 £200,000 or less.

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

<http://www.north-ayrshire.gov.uk/resident/your-community/community-funding.aspx#navt>

#### Financial review

##### Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Trust 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.

##### Review of activities

This has been an exciting year for the Trust with the development and launch of a new grants programme in January 2016. Applications are currently being submitted and the Board will be in a position to consider the first tranche of applications early in the new financial year.

#### Structure, governance and management

##### Governing Document

The Trust 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 Trust 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. 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 Trust by the Chairperson.

---

## NORTH AYRSHIRE VENTURES TRUST

---

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

---

#### Organisational structure and decision making

The Trust has no employees and 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.

Finance and Corporate Support: provide the board with financial advice as well as recording and monitoring all income and expenditure.

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

Estates Services: manage the properties owned by the Trust.

#### Risk management

The principle 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 fund
- 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 is keen to build on the launch of the new grants programme by considering and approving grant applications in the first year of the programme. The Trust is committed to distributing funds on an annual basis in support of its objectives and looks forward to receiving applications in support of this.

---

## NORTH AYRSHIRE VENTURES TRUST

---

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

---

#### Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charitable company's transactions and 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, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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.

#### Disclosure of information to 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.

#### Auditors

A resolution to reappoint French Duncan as auditors will be proposed to the members.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 20/10/16 and signed on their behalf by:

  
**Elma Murray**  
Trustee

---

## NORTH AYRSHIRE VENTURES TRUST

---

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF NORTH AYRSHIRE VENTURES TRUST

---

We have audited the financial statements of North Ayrshire Ventures Trust for the year ended 31 March 2016 set out on pages 8 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 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, the charitable company's members as a body and the charitable company's Trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements which give a true and fair view.

The Trustees have elected for the financial statements to be audited in accordance with the Charities and Trustee Investment (Scotland) Act 2005 rather than also with the Companies Act 2006. Accordingly we have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with regulations made under that Act. 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 charity'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' 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.



---

## NORTH AYRSHIRE VENTURES TRUST

---

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF NORTH AYRSHIRE VENTURES TRUST

---

#### Opinion on financial statements

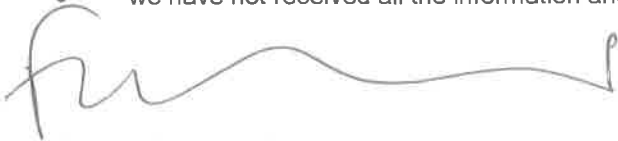
In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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 applicable to Smaller Entities; 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.

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

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 and returns; or
- we have not received all the information and explanations we require for our audit.



#### French Duncan LLP

Chartered Accountants  
Statutory Auditors

133 Finnieston Street  
Glasgow  
G3 8HB

Date: 28/11/2016

French Duncan LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

NORTH AYRSHIRE VENTURES TRUST

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>Income from:</b>				
Investments	2	433,614	433,614	420,690
Other income	3	2,616	2,616	125,856
<b>Total income</b>		<b>436,230</b>	<b>436,230</b>	<b>546,546</b>
<b>Expenditure on:</b>				
Charitable activities:				
Other charitable activities	4	28,597	28,597	31,815
Governance costs	5	8,706	8,706	8,296
<b>Total expenditure</b>		<b>37,303</b>	<b>37,303</b>	<b>40,111</b>
<b>Net income before other gains and losses</b>		<b>398,927</b>	<b>398,927</b>	<b>506,435</b>
Losses on investment assets		-	-	(500,000)
<b>Net movement in funds</b>		<b>398,927</b>	<b>398,927</b>	<b>6,435</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,766,288	1,766,288	1,759,853
<b>Total funds carried forward</b>		<b>2,165,215</b>	<b>2,165,215</b>	<b>1,766,288</b>

The notes on pages 11 to 15 form part of these financial statements.

NORTH AYRSHIRE VENTURES TRUST

**BALANCE SHEET  
AS AT 31 MARCH 2016**

	Note	£	2016 £	£	2015 £
<b>Fixed assets</b>					
Investment property	8		2,550,000		2,550,000
<b>Current assets</b>					
Debtors	9	37,500		521,927	
Cash at bank and in hand		1,112,396		511,880	
		<u>1,149,896</u>		<u>1,033,807</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(285,224)</u>		<u>(360,488)</u>	
<b>Net current assets</b>			<u>864,672</u>		<u>673,319</u>
<b>Total assets less current liabilities</b>			<u>3,414,672</u>		<u>3,223,319</u>
<b>Creditors: amounts falling due after more than one year</b>	11	<u>(1,249,457)</u>		<u>(1,457,031)</u>	
<b>Net assets</b>			<u>2,165,215</u>		<u>1,766,288</u>
<b>Charity Funds</b>					
Unrestricted funds	12		<u>2,165,215</u>		<u>1,766,288</u>
<b>Total funds</b>			<u>2,165,215</u>		<u>1,766,288</u>

The Trustees consider that the Trust is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Trust to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the Trust as at 31 March 2016 and of its net resources expended for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the Trust.

The financial statements have been prepared in accordance with the provisions applicable to small entities within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015)

---

NORTH AYRSHIRE VENTURES TRUST


---

BALANCE SHEET (continued)  
AS AT 31 MARCH 2016

---

The financial statements have been prepared in accordance with the provisions applicable to small entities within the Charities Act 2011, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Trustees on 20/10/16 and signed on their behalf, by:

  
Elma Murray  
Trustee

The notes on pages 11 to 15 form part of these financial statements.

---

## NORTH AYRSHIRE VENTURES TRUST

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

---

#### 1. Accounting Policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

##### 1.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

##### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

##### 1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the Bank.

---

---

## NORTH AYRSHIRE VENTURES TRUST

---

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

---

---

#### 1. Accounting Policies (continued)

##### 1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.7 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### 1.9 Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from any revaluation is shown in the heading 'Gains/(losses) on investment assets' in the Statement of financial activities.

##### 1.10 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.

##### 1.11 Legal Status

The Trust 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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

2. Investment income

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest receivable	4,994	4,994	2,554
Rental income	428,620	428,620	418,136
	<u>433,614</u>	<u>433,614</u>	<u>420,690</u>

3. Other incoming resources

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Recovery of insurance	2,616	2,616	2,152
Banking compensation	-	-	123,704
	<u>2,616</u>	<u>2,616</u>	<u>125,856</u>

4. Analysis of expenditure on charitable activities

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest payable	28,229	28,229	31,815
Other expenditure	368	368	-
	<u>28,597</u>	<u>28,597</u>	<u>31,815</u>

5. Governance costs

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Governance costs	8,706	8,706	8,296

---

---

**NORTH AYRSHIRE VENTURES TRUST**

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

---

---

**6. Net incoming resources/(resources expended)**

During the year, no Trustees received any remuneration (2015 - £NIL).  
During the year, no Trustees received any benefits in kind (2015 - £NIL).  
During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

**7. Auditors' remuneration**

	2016 £	2015 £
Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts	4,500	4,995

**8. Investment property**

	Freehold investment property £
<b>Valuation</b>	
At 1 April 2015 and 31 March 2016	2,550,000

Investment properties are included at open market value. The Trustees revalue these properties annually under FRSSE 2015. The historic cost of the investment properties as at 31 March 2016 amounted to £3,050,000 (2015: £3,050,000). A formal valuation was carried out in March 2016 by North Ayrshire Council Asset Management and Estates team.

**9. Debtors**

	2016 £	2015 £
Other debtors	37,500	521,927

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

	2016 £	2015 £
Loan from North Ayrshire Council	207,574	203,874
Accruals and deferred income	77,650	156,614
	285,224	360,488



NORTH AYRSHIRE VENTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

**11. Creditors:**

Amounts falling due after more than one year

	2016 £	2015 £
Loan from North Ayrshire Council	1,249,457	1,457,031

**12. Statement of funds**

	Brought Forward £	Income £	Expenditure £	Carried Forward £
<b>Unrestricted funds</b>				
General Funds	1,766,288	436,230	(37,303)	2,165,215

**Summary of funds**

	Brought Forward £	Income £	Expenditure £	Carried Forward £
General funds	1,766,288	436,230	(37,303)	2,165,215

**13. Analysis of net assets between funds**

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment property	2,550,000	2,550,000	2,550,000
Current assets	1,149,896	1,149,896	1,033,807
Creditors due within one year	(285,224)	(285,224)	(360,488)
Creditors due in more than one year	(1,249,457)	(1,249,457)	(1,457,031)
	2,165,215	2,165,215	1,766,288

**14. Related party transactions**

At the year end North Ayrshire Ventures Trust has a loan balance with North Ayrshire Council of £1,457,031 (2015: £1,660,905). There was no outstanding debtor owed by North Ayrshire Council to NAVT at the year end (2015: £69,373)

