

PERFORMANCE & AUDIT SUB COMMITTEE



Date: 15 August 2023

Location: Reception Room, Grand Hall

Start time: 4pm

AGENDA			
AGENDA ITEM	FOR NOTING	FOR DISCUSSION	FOR APPROVAL/ DECISION
1. Apologies for Absence	✓		
2. Declarations of Interest	✓		
3. Notes of Previous Meeting – 16 May 2023			✓
4. Performance Report April - June 2023			✓
5. Annual Report & Accounts 2022/23			✓
6. AOCB			
7. Dates of Next Meetings: AGM/Trust Board: 28 September 2023 Performance & Audit Sub-Committee: 14 November 2023			

For further information please contact: Anneke Freel, Chief Officer
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PERFORMANCE REPORT APRIL TO JUNE 2023

Date: 15 August 2023

Agenda Item: 4

Report by: Anneke Freel, Chief Officer

I PURPOSE OF REPORT

- 1.1 This report provides details of the Trust's performance for the first quarter of 2023/24.
- 1.2 In line with the organisational review, Strategic Vision and Corporate Delivery Plan, the performance report has been separated into 3 documents:
 - East Ayrshire Leisure Performs – providing an update on attendance figures, organisational learning, the risk register and other organisational wide items
 - Corporate Delivery Plan Record of Progress – providing an update on the priority outcomes
 - Financial Performance – providing an update on our financial position at the end of the quarter and projections to the end of the financial year

2 EAST AYRSHIRE LEISURE PERFORMS

- 2.1 The overall attendance at our venues for the period April to June 2023 was 560,022, which is an increase of 25% compared to the same period in 2022/23.
- 2.2 The Lifestyle and Sports Hubs have performed particularly well in this period with Hunter Fitness Centre, Barony Sports Village and Doon Valley Leisure demonstrating increases of 26%, 39.5% and 27.8% retrospectively.
- 2.3 With a focus on programming and engagement, libraries are also doing very well. Auchinleck, Cumnock, Galston and Stewarton libraries have shown an average increase of 26.8%. Housebound and mobile services have also shown a significant increase during the quarter.
- 2.4 The Dick Institute main gallery played host to our very first Open Exhibition to support artists from across Ayrshire. Along with a creative engagement programme and the Agora exhibition within the Young People's Gallery, the activities on offer within the Dick Institute are proving very popular with schools, visitors and the community.
- 2.5 The opening of Dean Castle in April 2023 has attracted over 35k visitors in the first 3 months. A detailed survey of visitor profile has been undertaken providing us with valuable feedback for future development of the Castle experience.
- 2.6 The risk register has been reviewed with no amendments from quarter 3.

3 CORPORATE DELIVERY PLAN RECORD OF PROGRESS

- 3.1 By the end of March 2023, the first year of the Corporate Delivery Plan 2022-24, we had completed 43 outputs. A further 19 have been completed in quarter 1 of 2023/24. Some of the actions within Protecting our Environment are marked as underway or not started. However, several of them are incorporated into the East Ayrshire Leisure Climate Change Strategy. This is scheduled to be presented to Trustees before the end of 2024. Several outputs have been taken as far as possible at

this time and will be carried forward to the next Corporate Delivery Plan. These have been noted within the progress report.

4 FINANCIAL PERFORMANCE

- 4.1 The financial performance quarter 1 report provides detail of the Trust's financial performance for the period January - March 2023. The projected outturn for East Ayrshire Leisure at 30th June 2023 is a breakeven position.

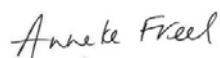
5 RECOMMENDATIONS FOR APPROVAL

- 5.1 The 'Investing in our People and embracing our Values' team has a number of vacancies and so have taken the opportunity to review their current structure to ensure that they meet the increasing demands of the service. The proposal is to create a new Development Officer post to focus on financial systems including procurement, accounts payable and accounts receivable. It also includes the creation of a permanent part time Corporate Service Assistant to provide additional support. There are no financial implications arising from this review, associated costs will be funded from existing service resources. There are no human resource implications as it involves the deletion of one post which is currently vacant.
- 5.2 Significant work has been undertaken in the last few years, in partnership with East Ayrshire Council's internal audit team, to implement new strategies and procedures for the management of the East Ayrshire Museum Collection. The next stage of this work is to update the Collection Management System with more detailed and digitised information about every museum object. In line with Spectrum Standards, we would also like to upgrade the object labelling and storage. In order to do this, the proposal is to second the existing Development Co-ordinator (Museums) post to focus on these activities and advertise for a temporary post to cover the existing tasks of that post. The recommendation is that £38k is allocated from reserves to facilitate this work.

Recommendation/s:

It is recommended that Trustees:

- i. Consider and approve the East Ayrshire Leisure Performs Report for the period April - June 2023;
- ii. Consider and approve the changes to the Investing in our People and embracing our Values team and the temporary secondment and recruitment of the Development Co-ordinator (Museums); and
- iii. Otherwise note the content of this report.



Signature:

Designation: Chief Officer

Date: 4 August 2023



EAST AYRSHIRE LEISURE PERFORMS

QUARTER I

APRIL - JUNE

2023/24



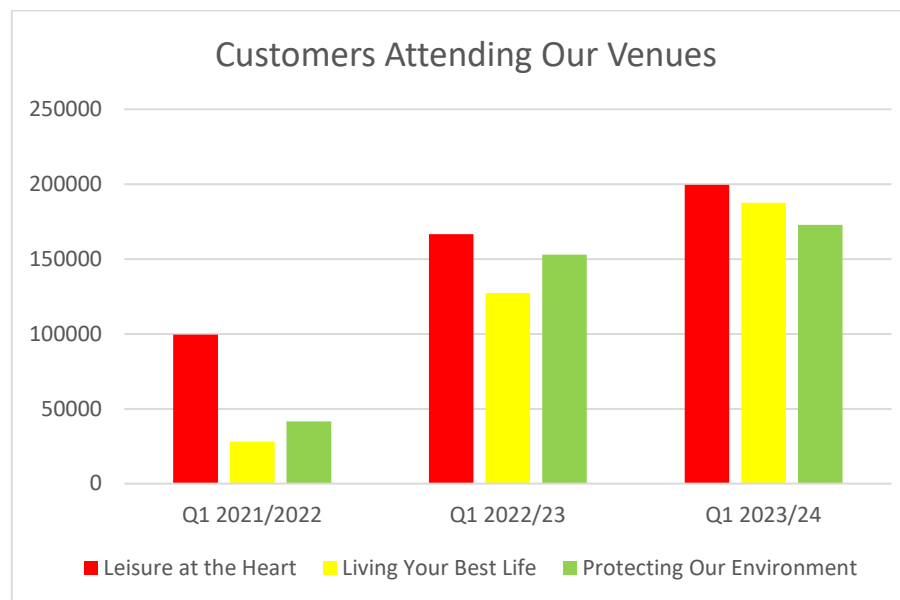
Contents

PERFORMANCE INDICATORS	3
Attendance Figures	3
Strategic Vision Performance Monitoring	5
KEY UPDATES.....	6
Insurance Claims	6
Gifts & Hospitality.....	6
ORGANISATIONAL LEARNING.....	7
RISK REGISTER.....	9

PERFORMANCE INDICATORS

Attendance Figures

The following chart summarises our attendance figures across 3 of our strategic themes and the table provides a detailed breakdown of which venues are included within each theme.



- * During Q1, our 3 school libraries with **Leisure at the Heart** transferred to either school or community operation. However, the majority of our other libraries have shown a significant increase compared to the same period in 2022/23. Auchinleck Library has increased by 36%, Cumnock Library by 20%, Galston Library by 20% and Stewarton Library by 32%. The changing attitude and approach to libraries being more than just a space to borrow books is having a significant impact on this community resource and the team is dedicated to introducing innovative ways to ensure that they respond to the community's needs. With the transfer of the 3 school libraries, the mobile routes have been altered to continue to provide a library service for those communities. This is clearly being reflected in the figures with an overall increase of 538% to both mobiles. It should be noted that we had a lot of technical issues with the mobile libraries last year that affected their use. However, this is still a positive trend. There is also continued growth in our lifestyle hubs and sports centres. Barony Sports Village continues to perform exceptionally well with a further increase of nearly 40% compared to the same period in 2022/23.
- * Many of the venues within the **Living Your Best Life** portfolio are performing very well compared to the same period in 2022/23. The Dick Institute continues to perform exceptionally well with an increase of 21% and Dean Castle is now open and showing a very positive start with over 35k visitors between April and June 2023. The Palace Theatre and Grand Hall demonstrated an increase of 39% with a full programme of dance, amateur operatics and theatre productions.

- * **Protecting our Environment** is currently only recording figures for Dean Castle Country Park until new people counters are installed along the River Ayr Way. The new recording system has now been in place at the Country Park for over a year, allowing us to carry out year on year comparisons. The figures for quarter 1 of 23/24 are showing an increase of nearly 12% against the same period in 22/23.

Leisure at the Heart	Living Your Best Life	Protecting our Environment
Auchinleck Library Cumnock Library Darvel Library Newmilns Library Galston Library Dick Institute Library Patna Library Drongan Library Whatriggs Library Stewarton Library Crosshouse Library Stewarton Area Centre Boswell Centre Galston Community Centre Darvel Town Hall Morton Hall Cumnock Town Hall Auchinleck Leisure Centre Barony Sports Village Doon Valley Leisure Centre Rose reilly Sports Centre Loudoun Lesiure Centre Hunter Fitness Suite St Joseph's Leisure Centre Grange Leisure Centre William McIlvanney Leisure Centre E-books Mobile Services Football Pavilions	Dick Institute Museum Dean Castle Burns House Museum Burns Monument Centre Baird Institute Doon Valley Museum Ayrshire Athletics Arena Annanhill Golf Course	Dean Castle Country Park River Ayr Way

Strategic Vision Performance Monitoring

The following performance indicators are aligned to our 10 year Strategic Vision

Performance Indicator	Quarter 1 Performance	Quarter 2 Performance	Quarter 3 Performance	Quarter 4 Performance	2023/24 Performance	2030 Strategic Aspirations
People attending our Venues	501,560					2.9 million
People engaging in our programmes	Will be recorded after the introduction of the new booking systems					0.99 million
Our eastyrshireleisure.com online visitors	102,128					0.38 million
Online visitors to futuremuseums.com	56,448					0.25 million
Number of programmes for 12-25 year olds	19					30
Number of programmes for 65+	6					15
Number of local and regional events and exhibitions	26					40
Number of children engaged in our education programme	3794					20,000
Opportunities that we offer for volunteers and work placements	4					50
Our absence Levels	2.20 days					8 days / annum
Our staff turnover rates	3.1%					7-10%
Number of community initiatives that we support	14					30
Number of partnership projects we engage in	32					40
Carbon Footprint						990tCO ₂ e

KEY UPDATES

Insurance Claims

The following information provides an update on the number of live claims in progress during the period April - June 2023:-

Public Liability	1 x ongoing
Employers' Liability	1 x ongoing 1 x new
Motor Claim	n/a

Gifts & Hospitality

1 hospitality record was received during this period.

ORGANISATIONAL LEARNING

Organisational Learning is our new framework which analyses feedback from events and activities, staff and customer comments and complaints, venue visits, audits and external accreditation schemes. This process demonstrates our commitment for continuous improvement through collectively sharing and reviewing processes and procedures whilst also celebrating good practice and acknowledging where there are opportunities to learn.

Learning Theme	Recommendation/Notes	Action Required
Customer Care/Services	<ul style="list-style-type: none"> • Service and Staff praised for levels of customer care: <ul style="list-style-type: none"> - Rose Reilly Centre – great facility and service provided by team. Great addition to Stewarton. - Dean Castle Country Park – very impressed with park and staff. Well maintained and clean. 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Staff newsletter and Intranet - staff to be notified.
	<ul style="list-style-type: none"> • Complaints re. customers having issues with Leisure Management System, not resolved while visiting facility. 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Training required for any new staff.
	<ul style="list-style-type: none"> • Number of people jumping on Annanhill Golf Course • Dog walkers on course and dogs off lead 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Create informative marketing campaign to encourage change of behaviour - Volunteer role to be promoted again - Further discussion with Annanhill Golf Club
Health & Safety	<ul style="list-style-type: none"> • Accidents/injuries occurring while moving equipment. (Previously reported) 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Manual Handling H&S Standard - Manual Handling Training - Review Risk Assessment
	<ul style="list-style-type: none"> • Staff being subjected to verbal abuse, concerned for their own safety, feeling intimidated and/or threatened, public refusing to leave premises (Ongoing issue) 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Violence & Aggression H&S Standard - Violence & Aggression Risk Assessment - Staff awareness – do's & dont's - Conflict Handling Training

		- Scenario Based Exercise
	<ul style="list-style-type: none">• Drugs being taken or found in (or near) our venues (Previously reported)	<ul style="list-style-type: none">• Policy/Protocol Awareness - Team Meeting:<ul style="list-style-type: none">- Sharps Policy- Drugs & Alcohol

RISK REGISTER

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
1	There will be a reduction in funding received from East Ayrshire Council, resulting in a reduction in service provision and a requirement to generate more income from services.	Chief Officer	4	4	16 RISK APPETITE: CAUTIOUS (Compliance)	HIGH	<ul style="list-style-type: none"> Financial Strategy Communication with East Ayrshire Council allowing forward planning to ensure that service provision meets the requirements of the main funding provider. PR; communications with staff and customers
2	There is a risk of not being able to maintain high quality services because of a lack of funding, resulting in a failure to invest, loss of staff, a reduction in staff commitment and damage to East Ayrshire Leisure's reputation.	Executive Managers & Development Managers	4	3	12 RISK APPETITE: OPEN (Reputation)	MEDIUM	<ul style="list-style-type: none"> Strategic Vision Corporate Delivery Plan 2022-24 Financial Strategy Continual monitoring of current economic conditions (post pandemic & cost of living) Positive Public Relations Equipment Replacement Programme Continued dialogue with Council Review of B.E.S.T. practise - ongoing training and development of staff
3	There is a risk partners and external stakeholders do not see East Ayrshire Leisure as a partner of choice because of a lack of resources invested in partnership activity, resulting in a failure to deliver Delivery Plan targets and the loss of external funding.	Executive Managers & Development Managers	3	3	9 RISK APPETITE: OPEN (Reputation)	LOW	<ul style="list-style-type: none"> Strategic Vision Positive Public Relations Service Level Agreements/Contracts

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
4	There is a risk that buildings are not at the standard required or operating efficiently in terms of environmental sustainability due to a lack of capital investment or maintenance, resulting in a reduction in facilities, loss of income, the inability to market services, inability to respond to impacts of climate change or weather and the loss of services.	Executive Managers & Development Managers	3	4	12 RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> • Dedicated Property & Estates Team • Regular communication with the Council • Business Continuity Plan • Regular Workplace inspections and reviews • Fire Risk Assessments • Established repairs reporting system • Proposed Asset Management Plan (EAC) ? • Capital Improvement Plan (EAC) ? • Environmental Management, Monitoring and reporting • Leisure Facility Strategy
5	There is a risk that East Ayrshire Leisure does not take commercial opportunities because staff are not able to identify and take these opportunities, resulting in lost revenue streams, perceptions of poor service and the failure to be aligned with market demands.	Executive Managers & Development Managers	4	3	12 RISK APPETITE: OPEN (Financial)	MEDIUM	<ul style="list-style-type: none"> • Dedicated Commercial Development Officer posts within organisational review 2023-24 • Attendance at Events • Recruitment and Selection procedure • Review of Best Practise • Training and development programme
6	There is a risk that East Ayrshire Leisure does not have the right people with the right skills in the right	Executive Managers &	3	2	6	LOW	<ul style="list-style-type: none"> • Dedicated Training & Engagement Officer • Training and Development Plan • Ongoing review of Training matrices • Induction Process

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
	places because of the failure to adapt/train existing staff, not recruiting the right people and not motivating its workforce. This would result in poor services, lack of customer engagement, failure to cross-sell and a loss of income.	Development Managers			RISK APPETITE: OPEN (Operation)		<ul style="list-style-type: none"> Review of B.E.S.T. Practise Recruitment and selection incl recruit to train for key roles Effective communication with staff
7	There is a risk that East Ayrshire Leisure will not comply with legislation standards and fail to meet the requirements of Health & Safety, GDPR, OSCR, VAT etc.	Executive Managers & Development Managers	1	4	4 RISK APPETITE: CAUTIOUS (Compliance)	LOW	<ul style="list-style-type: none"> Training & Development Plan Employee Information Awareness Sessions Partnerships Working Groups Service Level Agreement Support from East Ayrshire Council
8	There is a risk that East Ayrshire Leisure will not be able to operate services due to a failure in IT systems including the Box Office and Booking System. This would result in a loss of income, not being able to meet community demand and reputational damage.	Executive Managers & Development Managers	2	4	8 RISK APPETITE: OPEN (Operation)	LOW	<ul style="list-style-type: none"> Dedicated Systems Development Officer and IT Co-ordinator Regular communication with Council's IT dept Ongoing review of systems



CORPORATE DELIVERY PLAN
RECORD OF PROGRESS
QUARTER I
APRIL - JUNE
2023/24





KEY:

Chief Officer	AF	Strategic Lead: Leisure at the Heart of Every Community	GR	Strategic Lead: Sharing Our Vision	DR
Executive Lead: People, Policy and Performance	JB	Strategic Lead: Living Your Best Life	MC	Strategic Lead: Creating a Solid Foundation for Growth	LR
Executive Lead: Place, Projects and Programmes	PM	Strategic Lead: Protecting our Environment	CK	Strategic Lead: Investing in our People and Embracing our Values	IP

 - No Progress  - Some Progress  - Complete



SHARING OUR VISION




Strategic Objective 1: To create a programme of community engagement activities which includes consultation with our customers and potential customers about existing and future facilities and services and to adopt a positive approach to feedback

Output	Lead	Progress	Comments
3	DR		Initial meeting has taken place with Internal Audit; closure meeting took place on the 24 th April to discuss findings and where required recommendations will be implemented.
5	LR		

SHARING OUR VISION


Strategic Objective 2: To ensure our use of creative marketing-led activities effectively promote our high quality services, maximise customer engagement and make a real difference to how people view East Ayrshire Leisure Trust





Output	Lead	Progress	Comments
6	DR		Marketing Officer has become part of EAC's Gaelic Language Plan working group, representing the Trust.
7	MC		Web design team has now been appointed and will work with local stakeholders on the new Future Museum website. Marketing Officer on working group. Weekly meetings with developers take place and are now at proofing stage.

9	Film and digital content created to promote all venues, service areas and opportunities	DR		Content has been produced for recruitment etc. which can be used as promotional material. Brief and tender for work will be issued Summer 23
10	Film and digital content created to tie in with hospitality/commercial lets, 'Community Spaces for hire'	DR		Work on this has started and will be divided into separate campaigns, for example, lets/parties/functions. Revamp 'Venues' area within the website to ensure maximum coverage and explanations/specifics provided for each area Brief and tender for work will be issued Summer 23
11	Create programme of tourism engagement and promotion whilst maintaining or improving accreditation ratings	DR		Following advisory visits from VisitScotland to Dean Castle Country Park and Dick Institute feedback/action points have been pulled together into action plan – points currently being addressed Plans in place with Ayrshire Food Network/Tourism Team to host quarterly food/Taste of Ayrshire market at the Dean. Opportunity for local suppliers to be used in VC shop/cafe Ayrshire & Arran Destination Alliance conference was attended

SHARING OUR VISION






Strategic Objective 3: To work collaboratively with key partners and stakeholders in the development of programmes and activities whilst exploring innovative delivery models which ensure best value for our customers





Output		Lead	Progress	Comments
12	Implement and promote the East Ayrshire Recreation Plan	CK		Before final publishing of the online maps, we will undertake a further 12 week public consultation. This will allow us to raise the profile of the recreation plan and ensure that we reach members of the community who might have been restricted




				due to covid. Date amended to August 23 to go out for consultation.
13	Develop regional wide Cultural Strategy	AF		<p>Work has begun to identify all potential partners who will be involved in the development of the strategy. A tender exercise has also been carried out to appoint a consultant to prepare an economic impact assessment of cultural activities in East Ayrshire that will inform the strategy priorities.</p> <p>Work on the strategy will be carried forward to the 2024-26 Corporate Delivery Plan</p>
14	Engage with and support Community Leisure UK in the implementation of the Community UK Business Plan	AF		Regular meetings have taken place with colleagues from Community Leisure UK and other leisure trusts
SHARING OUR VISION				
Strategic Objective 4: To introduce customer service related performance targets				
Output		Lead	Progress	Comments
15	Benchmark customer service performance targets, identifying appropriate targets and mechanisms for capturing data.	DR		<p>Review of Customer Protocols etc currently taking place to produce new comprehensive Customer Charter</p> <p>LGBF identifies family of similar Trust/Local Government group who we are benchmarked beside</p> <p>Customer Service Training has been completed through Visit Scotland and will now be rolled out across Organisation</p>
17	Ensure service delivery meets standards required to secure quality marks.	PM		Doon Valley Leisure Centre has been externally verified by RLSS with us maintaining our Approved Training Centre Status.






LEISURE AT THE HEART OF EVERY COMMUNITY






Strategic Objective 1: To work with community, local authority and private providers to develop a Leisure Facility Strategy that identifies all leisure provision throughout East Ayrshire and maximises the opportunities for our communities to participate in leisure activity

Output		Lead	Progress	Comments
18	Develop a Plan for our Outdoor Spaces which supports priority sports, community activities, events and programmes	GR		An outdoor spaces action plan has been produced, aligned to the Leisure Facility Strategy. Funding proposals are being develop for the outdoor spaces at Rose Reilly Sports Centre, the Ayrshire Athletics Arena, including Scott Ellis, Merlin Park and Auchinleck Leisure Centre.
19	Develop and implement rolling 5 year management plans for Annanhill Golf Course and the River Ayr Way	CK		<p>Working with Sports Architect for course alterations at Annanhill Golf Course. 5 year management plan has been drafted for the golf course and will be the focus of a team training event in August.</p> <p>Initial work plan is in place for the River Ayr Way and the team is working to complete all actions identified as priorities for year 1. Completion date for full 5 year management plan December 2023.</p>
20	Work with key community partners to develop Business Plan for AM Brown Institute and Catrine Heritage Masterplan	AF		The lease for the AM Brown has been extended to allow the community groups in Catrine to develop the proposals.
21	Oversee implementation of the Doon Valley Way and the Lugar Water Trail as part of the Coalfield Communities Landscape Partnership	CK		Lugar Water trail is progressing very well. Ayrshire Roads Alliance are the lead for the Doon Valley Trail as it has been developed from a walking trail to an active travel route from South Ayrshire to Loch Doon.
22	Work with East Ayrshire Council to expand access arrangements at the Barony Sports Village to provide	GR		CCTV has been install at the grass and 5 a side pitch and there is lighting in the car park.

	access to other community leisure facilities outwith core school hours.			Bookings for areas of the campus out with the sports facilities will continue to be requested through the bookings team and EAC FM team to manage.
LEISURE AT THE HEART OF EVERY COMMUNITY				
Strategic Objective 2: To work with partners to explore funding opportunities for refurbishment and development of leisure facilities				
Output		Lead	Progress	Comments
23	Develop a Studio at the Rose Reilly Sports Centre which enables power assisted, fully inclusive exercise	GR		Plans have been developed and will move to building warrant and tender. This output will be carried forward to the 2024-26 Corporate Delivery Plan
24	Develop Business and Redevelopment Plan for Darvel Town Hall	GR		Wylie Shanks were commissioned to develop architectural drawings and proposals for the modernisation of Darvel Town Hall. These plans are complete. The next stage is to widen discussions with community stakeholders and develop the business case and funding strategy. This output will be carried forward to the 2024-26 Corporate Delivery Plan
25	Install community cinema facilities at Stewarton Area Centre to expand the programme	GR		Will be complete by Mar 24
26	Implement restoration and development plans for Galston Town Hall	GR		Library open for CAT – 4 business cases submitted, community invited to comment. Opening of Galston Town Hall will be carried forward to the 2024-26 Corporate Delivery Plan




27	Explore the potential for the repatriation of collections to specific Flexible Cultural Hub venues across the region	MC		Early discussions have taken place with Stewarton and District History Group regarding the development of a local museum and heritage centre within Stewarton Area Centre. This will allow access to collections and archives associated with the Annick Valley. The new heritage centre will open in June 2023.
LEISURE AT THE HEART OF EVERY COMMUNITY				
Strategic Objective 3: To work with East Ayrshire Council in reviewing and refining repair and maintenance plans and schedules for all facilities within our remit which include an annual programme of planned maintenance and decoration				
Outputs complete				
LIVING YOUR BEST LIFE				
Strategic Objective 1: To support the development of sustainable pathways that encourage lifelong participation in leisure activities				
Output		Lead	Progress	Comments
34	Produce an Outdoor Learning Plan, which supports the school curriculum	CK		Outdoor Learning Plan is complete and a new page dedicated to educational resources is being created on the website
LIVING YOUR BEST LIFE				
Strategic Objective 2: To contribute to a programme of high profile regional and national events, exhibitions, programmes and projects, that are ambitious and outward facing, whilst maximising the impact on our customers and visitors				
Output		Lead	Progress	Comments
35	Establish Strategic Programming Group which will implement and support a community, regional and national programme of events each year	MC		The Programme Development Strategy was approved by the Board of Trustees on the 28 th June. The strategic programming group will be led by the SL: Living Your Best Life and will include the Development Officers from the team with wider team members as and when required.

36	Implement an annual programme of outdoor festivals and events	MC		This will be incorporated into the work of the Strategic Programming Group as part of output 35
37	Produce a Business Case for building 500-1000 seater Stadium to attract national athletics programmes	MC		Initial discussions have taken place with SportScotland and Scottish Athletics Federation. It is also proposed to work with all sporting stakeholder groups to develop the concept of a Regional Sports Park around Ayrshire Athletics Arena and the Scott Ellis
LIVING YOUR BEST LIFE				
Strategic Objective 3: To develop activities and services that contribute to the Scottish Government's aspirations for 'A Healthy and Active Nation' and 'A Creative, Open and Connected Nation' and to ensure that East Ayrshire Leisure is at the heart of future trends and initiatives				
Output		Lead	Progress	Comments
44	Upgrade facilities at Annanhill Golf Course for expansion of female and youth golf	MC		A new golf management system is currently being sourced. The development of a business case for new clubhouse facilities will be included in the 2024-26 Corporate Delivery plan.
INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES				
Strategic Objective 1: To develop and embed our People Strategy so that employees at all levels, alongside our customers, partners and communities, are engaged and can contribute to the business.				
Output		Lead	Progress	Comments
45	Develop the staff intranet to enable a streamlined and digital approach to staff management	DR		Access to HR21, policies, protocols etc. have been added to intranet allowing staff access.
46	Develop IT and Telephony Infrastructure to support new ways of working	IP		The procurement of both a Leisure Management & Ticketing System is well underway. A communication and engagement plan has been developed that will ensure employees and Trustee Ambassadors are kept updated.

				Working from home strategies are in place, 'one device' approach implemented, smart phones been issued to relevant staff
47	Implement digitisation of Systems & Processes	IP		On-line recruitment, via myjobscotland, was introduced to secure volunteers to support the opening of the Castle. This was a great success with 9 volunteers being secured for Castle Experience Assistant and 2 Kitchen Garden volunteers.
48	Produce a programme of engagement activities for employees and Trustee Ambassadors	DR		Initial engagement activities have taken place including tours of Dean Castle, Barony Campus, Cumnock Town Hall and Baird Institute. Recruitment and re-alignment of Ambassadors currently taking place. 'Meet The Teams' sessions being scheduled.
INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES				
Strategic Objective 2: To offer work placements, volunteering and apprenticeships				
Output		Lead	Progress	Comments
51	Support the pathway to higher and further education and employment by establishing a programme of work experience at key venues	IP		Work Experience opportunities are currently being explored across the Trust. Placement opportunities will be co-ordinated centrally and discussed with EAC.
52	Identify and implement opportunities for internships or modern apprenticeships across Trust services	IP		Research into Foundation/Modern/Graduate Apprenticeships is underway. Conversations with key members of staff are taking place to determine the suitability for service areas and opportunities for individuals.
54	Ensure that monitoring and evaluation demonstrates the impact of our volunteering programme, taking a threefold approach: On the volunteer; on East Ayrshire Leisure; and on the services' users.	IP		A process had been developed which is currently being reviewed by Internal Audit. Recommendations will be considered and introduced where appropriate.





INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES

Strategic Objective 3: To integrate our values into all aspects of our business including Review and Development programme, recruitment, training and meetings. To focus on skills, knowledge and experience in the development of our business and to ensure we invest in industry specialist training which is tailored to meet the needs of our programmes

Output		Lead	Progress	Comments
55	Establish an annual calendar of Open Days and development opportunities for staff, volunteers and members of our communities.	DR		Work has started, however a calendar won't be implemented until the organisational review is complete and all new service areas are fully operational.
56	Design an annual Training and Development programme to suit the needs of the service	DR		Monthly reports will be available detailing bank staff training Collate 'Reviewing BEST Practice' results – this has been delayed due to implementation of Organisational Review
58	Develop a proactive Recruitment Process	JB		Development of the recruitment process has been ongoing with a number of permanent employees being appointed following the organisational review. Changes have been made to the format of adverts and publication within myjobscotland. Attendance at recruitment fairs and schools has taken place. A recruitment mailing list and helpful guidelines on how to complete an application form has been published on our website.



INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES




Strategic Objective 4: To ensure that our Board of Trustees reflects the community we serve and the need to be both a charitable and commercial organisation







Output	Lead	Progress	Comments
61 Design and annually review Training and Development Plan to support all Trustees	DR		Trustee Training Record have been produced Training & Engagement Officer will meet Trustees individually on an annual basis to identify their training needs and requirements – November.
63 Create and Implement a Youth Board	DR		This will be implemented as part of our 10 th Anniversary programme of events/initiatives.
64 Create and Implement a programme of Trustee Coffee Chats to engage with communities and customers	DR		These will be programmed following the implementation of Organisational Review in April 2023
65 Develop a programme of Trustee Ambassador site visits to engage with staff who act as community/customer spokespersons	DR		These will be programmed following the implementation of Organisational Review in April 2023

CREATING A SOLID FOUNDATION FOR GROWTH

Strategic Objective 1: To review and continually improve and enhance our systems and processes to ensure that they are effective and appropriate in the transformation of our business




Output	Lead	Progress	Comments
66 Review wifi across all our venues	IP		The expansion of the wifi provision within the Trust is imminent. A work plan from third party providers is being developed and will be rolled out thereafter.
68 Develop website to include more online and interactive resources	DR		Development work has started looking at the online education resources. A Working Group has been established consisting of key members of staff from across the organisation.

				<p>Factory 73 have been instructed to carry out development of the website, creating a new, dedicated education area and calendar</p> <p>Deancastlecountrypark.com has been developed and is now live</p>
CREATING A SOLID FOUNDATION FOR GROWTH				
Strategic Objective 2: To develop a collaborative approach with relevant partners to explore wider opportunities that fit within the Trust's vision and values and to explore opportunities to share resources across all our services internally and with key stakeholders				
Output		Lead	Progress	Comments
71	Develop Business Plan for the Civic Centre South	AF		East Ayrshire Council has appointed an architect to begin work on some concept drawings for Civic Centre South. The proposals have been submitted to East Ayrshire Council's Facility and Property Management Service and will be presented to East Ayrshire Council as part of their asset management programme
CREATING A SOLID FOUNDATION FOR GROWTH				
Strategic Objective 3: To maximise the return from commercial opportunities, especially around retail, hospitality and membership packages, so that we are in a position to fulfil our charitable obligations and become a sustainable organisation				
Output		Lead	Progress	Comments
72	Produce Retail Plan to identify opportunities across venues and organisational areas	LR		Retail has been reinstated within the Visitor Centre and appropriate items are being sourced to support the opening of the Dean Castle.
73	Develop a range of Membership Packages	LR		Direct Debit Membership for our Athletics Run, Jump and Throw programme has been launched with 80 members signing up.

75	Carry out the feasibility of developing the Dower House as a conference centre and event space	AF		The business case for the Dower House is intrinsically linked to the development of the Castle and the proposals for Civic Centre South and is being developed in parallel.
76	Produce Commercialisation Plan to identify opportunities across venues	LR		Commercial Development Officer has been appointed and was in post in March 23.
77	Produce Advertising Plan	DR		
CREATING A SOLID FOUNDATION FOR GROWTH				
Strategic Objective 4: To develop an effective performance management framework				
Outputs complete				
PROTECTING OUR ENVIRONMENT				
Strategic Objective 1: To prepare and adopt a Climate Change Declaration on an annual basis which audits our carbon footprint and outlines priorities for carbon reduction				
Output		Lead	Progress	Comments
82	Produce an annual action plan to identify measures to reduce carbon use and improve environmental efficiency.	CK		Draft document ready for stakeholder feedback April 23.
83	Establish a carbon offset strategy through woodland creation	CK		
85	Develop Climate Change Strategy to achieving Net Zero	CK		



PROTECTING OUR ENVIRONMENT

Strategic Objective 2: To adopt the principles of Visit Scotland's Green Tourism Business Scheme to reduce the environment impact of our business

Output	Lead	Progress	Comments	
86	Develop an action plan to adopt the principles of the Green Business Scheme	CK		
87	Introduce waste recycling across Trust venues	CK		Food waste recycling in place for Visitor Centre at Dean Park. Two venues fully transferred to recycling.
88	Introduce a hospitality deposit return scheme to address new guidelines	LR		Scheme has been delayed until March 2024 – Hospitality DO and Sustainability DO are working together to ensure the Trust meets all the requirements of the scheme. Delayed Nationally

PROTECTING OUR ENVIRONMENT

Strategic Objective 3: To implement a Sustainable Transport Strategy which encourages active travel in all our operations and with our staff and customers

Output	Lead	Progress	Comments	
89	Develop an organisational wide Sustainable Transport Plan and embed the principles of Active and Sustainable Travel throughout our organisation, projects and programmes	CK		Incorporated into Climate Change Strategy.
90	Carry out a programme of staff and customer awareness sessions	CK		Incorporated into Climate Change Strategy.



FINANCIAL PERFORMANCE
QUARTER I
APRIL - JUNE
2023/24



CONTENTS

SUMMARY STATEMENT	4
ANNUAL BUDGET	5
OVERALL NET POSITION	6
EXECUTIVE MANAGEMENT SERVICE ANALYSIS	11
SHARING OUR VISION ANALYSIS	13
INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES ANALYSIS	15
CREATING A SOLID FOUNDATION FOR GROWTH ANALYSIS	17
LEISURE AT THE HEART OF EVERY COMMUNITY ANALYSIS.....	19
LIVING YOUR BEST LIFE ANALYSIS.....	21
PROTECTING OUR ENVIRONMENT ANALYSIS.....	23
RESERVES AS AT 30 JUNE 2023.....	25
GENERAL PROJECTS	29
EXTERNAL FUNDING	35



Notes:

All financial figures are cumulative to the current quarter and projected to the end of the financial year, i.e Qtr I shows the actual amounts for Qtr I, combined with projections up to the end of March 2024.

The 1st paragraph is a brief statement which summarises the current financial position.

The 'Annual Budget Table' reconciles the annual budget for the Trust. The budget is initially reported to the Board in February for the upcoming financial year, but there are often adjustments throughout the year. This table provides a reconciliation from initial February report to the current report.

FINANCIAL PERFORMANCE KEY

ADVERSE:		FAVOURABLE:	
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SUMMARY STATEMENT

The current projected outturn for East Ayrshire Leisure at 30th June 2023 is a breakeven position. Management will continue to monitor and implement action to ensure the projected position is achieved.

Detailed explanation of variances can be found within individual Service Analysis.

There are further variances within Income and Expenditure, these will be closely monitored and managed within the Service during the year where possible - detailed analysis is provided below.

TABLE A – Overall Net Position (including Income/Expenditure) for East Ayrshire Leisure analysed by Service Area

TABLE B – Overall Net Position (including Income/Expenditure) for East Ayrshire Leisure analysed by Subjective Level

TABLE C – Income Position for East Ayrshire Leisure analysed by Service Area

TABLE D – Expenditure Position for East Ayrshire Leisure analysed by Service Area

ANNUAL BUDGET

Table below provides detail of Annual Budget showing the impact of 2023/24 savings approved at 21st February 2023 Board meeting.

Service Division	Annual Budget 2023/24	Annual Budget 2023/24 Qtr 1	Annual Budget 2023/24 Qtr 2	Annual Budget 2023/24 Qtr 3	Annual Budget 2023/24 Qtr 4	Comments
EXECUTIVE MANAGEMENT		493,080				
SHARING OUR VISION		419,690				
INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES		536,630				
CREATING A SOLID FOUNDATION FOR GROWTH		191,990				
LEISURE AT THE HEART OF EVERY COMMUNITY		1,859,040				
LIVING YOUR BEST LIFE		1,177,310				
PROTECTING ENVIRONMENT		655,730				
TOTAL	5,210,550					
SAVINGS TO BE ALLOCATED	(198,000)					
TOTAL	5,012,550	5,333,470	0	0	0	
Management Fee	(5,012,550)	(5,272,610)				
Reserves	0	(60,860)				
TOTAL	0	0	0	0	0	

OVERALL NET POSITION

Notes:

Tables A and B present financial information in different formats:

TABLE A: Overall Net Position (including Income/Expenditure) for Trust analysed by Service Area

TABLE B: Overall Net Position (including Income/Expenditure) for Trust analysed by Subjective Level

For all tables

Columns 1 and 2 refer to information for prior year; 1st column provides prior year information for same period and the 2nd column provides final position for full prior year

Column 3 refers to the Service Areas

Column 4 provides the Annual Budget – this reconciles to the Annual Budget table above

Column 5 provides the Actuals to date (including commitments)

Column 6 provides Actual Expenditure as a % of Annual Budget

Column 7 provides anticipated projected position for end of financial year

Column 8 provides anticipated projected variance for current financial year – (Favourable)/Adverse)

Final column provides quick review of favourable/adverse position

TABLE A – OVERALL NET POSITION

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	Service Division	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse	
(5,079)	242,631	EXECUTIVE MANAGEMENT	493,080	72,916	15%	474,380	(18,700)	
91,215	396,262	SHARING OUR VISION	419,690	84,890	20%	419,690	0	
0	0	Vision Management Team	70,660	14,077	20%	70,660	0	
0	968	Visual Communications	40,440	10,625	26%	40,440	0	
90,299	387,224	Marketing & Tourism	192,950	38,982	20%	192,950	0	
0	0	Organisational Administration	38,250	8,308	22%	38,250	0	
916	8,069	Training & Engagement	77,390	12,898	17%	77,390	0	
94,328	612,878	INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES	536,630	137,129	26%	536,630	0	
0	0	People Management Team	62,210	15,230	24%	62,210	0	
0	0	Volunteer & Placement	43,440	10,515	24%	43,440	0	
14,032	17,177	Systems & Data	222,630	60,924	27%	222,630	0	
83,846	616,484	Corporate	246,000	56,400	23%	246,000		
(3,550)	(20,783)	Community Lettings Co Managed Centres	(37,650)	(5,940)	16%	(37,650)	0	
45,267	134,835	CREATING A SOLID FOUNDATION FOR GROWTH	191,990	63,778	33%	191,990	0	
0	0	Growth Management Team	68,010	14,175	21%	68,010	0	
29,809	118,156	Finance	64,710	14,274	22%	64,710	0	
15,458	16,678	Commercial (Hospitality & Retail)	17,360	25,363	146%	17,360	0	
0	0	Commercial (Business)	41,910	9,967	24%	41,910	0	
533,183	2,126,597	LEISURE AT THE HEART OF EVERY COMMUNITY	1,859,040	508,552	27%	1,860,540	1,500	
62,396	249,008	Community Management Team	93,000	16,268	17%	68,400	(24,600)	
35,870	227,967	Cultural Hubs	263,960	59,245	22%	272,510	8,550	
102,649	382,309	Lifestyle Hubs	376,520	71,369	19%	376,520	0	
275,148	1,009,685	Library Hubs	947,440	291,198	31%	964,840	17,400	
33,059	103,790	Sport Hubs	78,440	50,256	64%	78,590	150	
1,696	20,125	Sport Football	26,990	2,056	8%	26,990	0	
22,365	133,713	Management Arrangements	72,690	18,160	25%	72,690	0	
211,182	1,082,160	LIVING YOUR BEST LIFE	1,177,310	204,905	17%	1,179,360	2,050	
1,513	10,218	Best Life Management Team	62,210	374	1%	62,210	0	
(21,709)	231,337	Sports	238,750	(6,565)	-3%	240,800	2,050	
68,678	296,173	Museums	487,710	100,842	21%	487,660	(50)	
104,643	287,102	Performing Arts	234,810	85,152	36%	234,860	50	
58,057	257,329	Visual Arts	153,830	25,102	16%	153,830	0	
123,365	759,866	PROTECTING OUR ENVIRONMENT	655,730	159,455	24%	670,880	15,150	
22,411	127,490	Environment Management Team	73,350	17,371	24%	70,710	(2,640)	
13,876	63,420	Sustainability	76,910	18,169	24%	77,460	550	

8,917	42,732	Estates	86,570	21,043	24%	88,570	2,000	
78,161	526,223	Countryside	418,900	102,873	25%	434,140	15,240	
1,093,460	5,355,228	TOTAL	5,333,470	1,231,626	23%	5,333,470	0	
(1,184,415)	(5,531,855)	Management Fee	(5,272,610)	(1,313,234)	25%	(5,272,610)	0	
(90,955)	(176,627)	TOTAL	60,860	(81,607)		60,860	0	
(39,140)	(141,485)	Trs From Reserves	(60,860)	(60,860)	100%	(60,860)	0	
(130,095)	(318,112)	TOTAL (after transfer from reserves)	0	(142,467)		0	0	
(130,095)	(318,112)	TOTAL (after external funding)	0	(142,467)	0	0	0	

TABLE B – OVERALL NET POSITION

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	Service Division	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse	
(460,416)	(2,357,688)	Income From Charitable Activities	(2,245,860)	(494,092)	22%	(2,254,850)	(8,990)	
(1,184,415)	(5,531,855)	Management Fee	(5,272,610)	(1,313,234)	25%	(5,272,610)	0	
		External Funding						
(1,644,831)	(7,889,543)	TOTAL INCOME	(7,518,470)	(1,807,326)	24%	(7,527,460)	(8,990)	
1,125,157	5,328,720	Employee Costs	5,649,970	1,291,710	23%	5,666,720	16,750	
8,369	67,483	Transport Costs	40,370	12,199	30%	44,030	3,660	
110,710	846,879	Premises Costs	785,180	94,112	12%	781,830	(3,350)	
295,764	1,087,386	Supplies & Services	964,590	318,558	33%	952,520	(12,070)	
0	30,530	Financing Costs	0	0		0	0	
0	187,400	Support Costs	0	0		0	0	
13,877	164,518	Governance Costs	139,220	9,139	7%	143,220	4,000	
1,553,876	7,712,916	TOTAL RESOURCES EXPENDED	7,579,330	1,725,719	23%	7,588,320	8,990	
(90,955)	(176,627)	NET POSITION	60,860	(81,607)		60,860	0	
(39,140)	(141,485)	Trs From Reserves	(60,860)	(60,860)	100%	(60,860)	0	
(130,095)	(318,112)	TOTAL (after transfer from reserves)	0	(142,467)		0	0	

Notes

The following individual Service tables provide analysis in both formats; by sub-service and by subjective level, followed by a summarised comments section for each Service area.

EXECUTIVE MANAGEMENT SERVICE ANALYSIS

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	EXECUTIVE MANAGEMENT	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse
(1,189,494)	(5,289,224)	Executive Management	(4,779,530)	(1,240,317)	0	(4,798,230)	(18,700)
0	(39,900)	Trs From Reserves	(15,980)	(15,980)		(15,980)	0
(1,189,494)	(5,329,124)	TOTAL OBJECTIVE ANALYSIS	(4,795,510)	(1,256,297)	26%	(4,814,210)	(18,700)
(29,998)	(86,768)	Income From Charitable Activities	0	0		(18,700)	(18,700)
(1,184,415)	(5,531,855)	Management Fee	(5,272,610)	(1,313,234)	25%	(5,272,610)	0
		External funding	0	0		0	0
(1,214,413)	(5,618,623)	TOTAL INCOME	(5,272,610)	(1,313,234)	25%	(5,291,310)	(18,700)
49,369	285,131	Employee Costs	538,720	78,167	15%	538,720	0
	0	Transport Costs	0	0		0	0
(25,461)	(5,883)	Premises Costs	0	(13,303)		0	0
3,373	50,151	Supplies & Services	(46,400)	6,155	-13%	(46,400)	0
	0	Financing Costs	0	0		0	0
	0	Support Costs	0	0		0	0
(2,363)	0	Governance Costs	760	1,897	250%	760	0
24,919	329,399	TOTAL RESOURCES EXPENDED	493,080	72,916	15%	493,080	0
(1,189,494)	(5,289,224)	NET POSITION	(4,779,530)	(1,240,317)	26%	(4,798,230)	(18,700)
	(39,900)	Trs From Reserves	(15,980)	(15,980)		(15,980)	0
(1,189,494)	(5,329,124)	TOTAL (after transfer from reserves)	(4,795,510)	(1,256,297)	26%	(4,814,210)	(18,700)

Comments

Executive Management encompasses Trust Board, Chief Officer, Executive Leads and Trust-wide activities, events and funding.

Executive Management

Favourable variance relates to income from EAC relating to provision of Active Club membership. This membership is for young people aged 10-14 and covers activities across the Trust.

SHARING OUR VISION ANALYSIS

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	SHARING OUR VISION	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse
0	0	Vision Management Team	70,660	14,077	20%	70,660	0
0	968	Visual Communications	40,440	10,625	26%	40,440	0
90,299	387,224	Marketing & Tourism	192,950	38,982	20%	192,950	0
0	0	Organisational Administration	38,250	8,308	22%	38,250	0
916	8,069	Training & Engagement	77,390	12,898	17%	77,390	0
	(8,730)	Trs From Reserves	0	0		0	0
91,215	387,532	TOTAL OBJECTIVE ANALYSIS	419,690	84,890	20%	419,690	0
(4,058)	(16,232)	Income From Charitable Activities	(1,500)	(83)	6%	(1,500)	0
(4,058)	(16,232)	TOTAL INCOME	(1,500)	(83)	6%	(1,500)	0
71,264	311,483	Employee Costs	337,230	75,695	22%	337,230	0
	220	Transport Costs	0	0		0	0
	0	Premises Costs	0	0		0	0
23,453	98,353	Supplies & Services	81,240	9,278	11%	81,240	0
	0	Financing Costs	0	0		0	0
	0	Support Costs	0	0		0	0
555	2,437	Governance Costs	2,720	0	0%	2,720	0
95,273	412,494	TOTAL RESOURCES EXPENDED	421,190	84,973	20%	421,190	0
91,215	396,262	NET POSITION	419,690	84,890	20%	419,690	0
	(8,730)	Trs From Reserves	0	0		0	0
91,215	387,532	TOTAL (after transfer from reserves)	419,690	84,890	20%	419,690	0

Comments

Sharing Our Vision is responsible for Visual Communications; Marketing and Tourism; Organisational Administration; and Training and Engagement.

Sharing Our Vision

Currently a breakeven position is anticipated.

INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES ANALYSIS

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse
0	0	People Management Team	62,210	15,230	24%	62,210	0
0	0	Volunteer & Placement	43,440	10,515	24%	43,440	0
14,032	17,177	Systems & Data	222,630	60,924	27%	222,630	0
83,846	616,484	Corporate	246,000	56,400		246,000	
(3,550)	(20,783)	Community Lettings Co Managed Centres	(37,650)	(5,940)		(37,650)	
0	0	Trs From Reserves	(9,630)	(9,630)		(9,630)	0
94,328	612,878	TOTAL OBJECTIVE ANALYSIS	527,000	127,499	24%	527,000	0
(9,352)	(86,138)	Income From Charitable Activities	(56,130)	(13,064)	23%	(56,130)	0
(9,352)	(86,138)	TOTAL INCOME	(56,130)	(13,064)	23%	(56,130)	0
84,634	390,358	Employee Costs	450,830	106,610	24%	450,830	0
	0	Transport Costs	0	0		0	0
104	6,444	Premises Costs	1,460	841	58%	1,460	0
24,242	81,669	Supplies & Services	109,220	40,042	37%	109,220	0
	0	Financing Costs	0	0		0	0
	187,400	Support Costs	0	0		0	0
(5,300)	33,145	Governance Costs	31,250	2,700	9%	31,250	0
103,680	699,015	TOTAL RESOURCES EXPENDED	592,760	150,193	25%	592,760	0
94,328	612,878	NET POSITION	536,630	137,129	26%	536,630	0
	0	Trs From Reserves	(9,630)	(9,630)		(9,630)	0
94,328	612,878	TOTAL (after transfer from reserves)	527,000	127,499	24%	527,000	0

Comments

Investing in Our People and Embracing Our Values is responsible for Volunteer and Placement; Systems and Data; Corporate; and Community Lettings.

Investing in Our People and Embracing Our Values

Currently a breakeven position is anticipated.

CREATING A SOLID FOUNDATION FOR GROWTH ANALYSIS

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	CREATING A SOLID FOUNDATION FOR GROWTH	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse
0	0	Growth Management Team	68,010	14,175	21%	68,010	0
29,809	118,156	Finance	64,710	14,274	22%	64,710	0
15,458	16,678	Commercial (Hospitality & Retail)	17,360	25,363	146%	17,360	0
0	0	Commercial (Business)	41,910	9,967	24%	41,910	0
0	(13,560)	Trs From Reserves	0	0		0	0
45,267	121,275	TOTAL OBJECTIVE ANALYSIS	191,990	63,778	33%	191,990	0
(54,704)	(299,597)	Income From Charitable Activities	(339,540)	(79,631)	23%	(343,540)	(4,000)
(54,704)	(299,597)	TOTAL INCOME	(339,540)	(79,631)	23%	(343,540)	(4,000)
53228.83	256,018	Employee Costs	373,930	81,940	22%	373,930	0
	0	Transport Costs	0	0		0	0
5,104	20,728	Premises Costs	0	465		0	0
38,049	143,170	Supplies & Services	144,630	56,462	39%	144,630	0
	0	Financing Costs	0	0		0	0
	0	Support Costs	0	0		0	0
3589.68	14,516	Governance Costs	12,970	4,542	35%	16,970	4,000
99,971	434,432	TOTAL RESOURCES EXPENDED	531,530	143,409	27%	535,530	4,000
45,267	134,835	NET POSITION	191,990	63,778	33%	191,990	0
	(13,560)	Trs From Reserves	0	0		0	0

Comments

Creating A Solid Foundation For Growth is responsible for Financial Reporting, Commercial and Hospitality Services.

Creating A Solid Foundation For Growth

Currently a breakeven position is anticipated.

£4k income variance relates to Bank Interest received which is offset by projected £4k overspend in Bank and Card Charges.

LEISURE AT THE HEART OF EVERY COMMUNITY ANALYSIS

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	LEISURE AT THE HEART OF EVERY COMMUNITY	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse
62,396	249,008	Community Management Team	93,000	16,268	17%	68,400	(24,600)
35,870	227,967	Cultural Hubs	263,960	59,245	22%	272,510	8,550
102,649	382,309	Lifestyle Hubs	376,520	71,369	19%	376,520	0
275,148	1,009,685	Library Hubs	947,440	291,198	31%	964,840	17,400
33,059	103,790	Sport Hubs	78,440	50,256	64%	78,590	150
1,696	20,125	Sport Football	26,990	2,056	8%	26,990	0
22,365	133,713	Management Arrangements	72,690	18,160	25%	72,690	0
(39,140)	(57,390)	Trs From Reserves	(8,120)	(8,120)		(8,120)	0
494,043	2,069,207	TOTAL OBJECTIVE ANALYSIS	1,850,920	500,432	27%	1,852,420	1,500
(199,649)	(1,050,915)	Income From Charitable Activities	(1,096,390)	(222,431)	20%	(1,096,570)	(180)
(199,649)	(1,050,915)	TOTAL INCOME	(1,096,390)	(222,431)	20%	(1,096,570)	(180)
503,825	2,340,332	Employee Costs	2,231,500	549,513	25%	2,248,250	16,750
3,799	23,084	Transport Costs	11,630	5,583	48%	11,630	0
	459,878	Premises Costs	423,770	56,795	13%	423,770	0
	299,398	Supplies & Services	257,850	119,093	46%	242,780	(15,070)
72,037	9,100	Financing Costs	0	0		0	0
139,444	0	Support Costs	0	0		0	0
13,727	45,720	Governance Costs	30,680	0	0%	30,680	0
732,832	3,177,512	TOTAL RESOURCES EXPENDED	2,955,430	730,984	25%	2,957,110	1,680
533,183	2,126,597	NET POSITION	1,859,040	508,552	27%	1,860,540	1,500
(39,140)	(57,390)	Trs From Reserves	(8,120)	(8,120)		(8,120)	
494,043	2,069,207	TOTAL (after transfer from reserves)	1,850,920	500,432	27%	1,852,420	1,500

Comments

Leisure at the Heart of the Community has responsibility for the operations of our community based facilities, which are split into 4 categories; Lifestyle Hubs, Sports Hubs & Pavilions, Library Hubs and Cultural hubs. The team also has responsibility for developing the regular programming within these venues e.g. Aquatics, Fitness and Readership programmes and to work with local partners adopting a place based approach to maximum the use of our venues and ensure we meet the needs of the local communities.

Community Management Team

Favourable variance of £24.5k relates to management action to offset adverse variances in other parts of the service.

Cultural Hubs

Adverse variance relates to additional staffing costs relating to 2 sick leave cover and an associated ill health retirement,

Library Hubs

Adverse variance relates mainly to additional staffing costs relating to implementation of organisational review and relocation of staff following transfer of Whattriggs, Drongan and Patna Libraries to Education Services. These costs are non-recurring.

LIVING YOUR BEST LIFE ANALYSIS

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	LIVING YOUR BEST LIFE	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse
1,513	10,218	Best Life Management Team	62,210	374	1%	62,210	0
(21,709)	231,337	Sports	238,750	(6,565)	-3%	240,800	2,050
68,678	296,173	Museums	487,710	100,842	21%	487,660	(50)
104,643	287,102	Performing Arts	234,810	85,152	36%	234,860	50
58,057	257,329	Visual Arts	153,830	25,102	16%	153,830	0
0	(14,385)	Trs From Reserves	(17,450)	(17,450)		(17,450)	0
211,182	1,067,775	TOTAL OBJECTIVE ANALYSIS	1,159,860	187,455	16%	1,161,910	2,050
(147,076)	(787,291)	Income From Charitable Activities	(696,140)	(165,122)	24%	(695,240)	900
(147,076)	(787,291)	TOTAL INCOME	(696,140)	(165,122)		(695,240)	900
249,719	1,112,767	Employee Costs	1,150,330	256,468	22%	1,150,330	0
1,514	13,214	Transport Costs	6,060	1,123	19%	6,060	0
47,655	298,965	Premises Costs	302,070	42,209	14%	299,780	(2,290)
56,295	369,076	Supplies & Services	371,050	70,228	19%	374,490	3,440
	13,910	Financing Costs	0	0		0	0
	0	Support Costs	0	0		0	0
3,074	61,519	Governance Costs	43,940	0	0%	43,940	0
358,258	1,869,451	TOTAL RESOURCES EXPENDED	1,873,450	370,028	20%	1,874,600	1,150
211,182	1,082,160	NET POSITION	1,177,310	204,905	17%	1,179,360	2,050
	(14,385)	Trs From Reserves	(17,450)	(17,450)		(17,450)	0
211,182	1,067,775	TOTAL (after transfer from reserves)	1,159,860	187,455	16%	1,161,910	2,050

Comments

Living Your Best Life is responsible for Sports; Museums, Performing Arts and Visual Arts. Remit includes the following venues – Dean Castle, Dick Institute, Grand Hall & Palace Complex, Ayrshire Athletics Arena, Annanhill Golf Course, Baird Institute, Burns House Museum & Library.

Sports

Small adverse variance relates to additional equipment required at AAA. Management are optimistic that alternative funding will be identified.

PROTECTING OUR ENVIRONMENT ANALYSIS

Revised Actual Exp. to 30/06/22	Actual Out-turn to 31/03/23	PROTECTING OUR ENVIRONMENT	Annual Estimate 2023/24	Revised Actual Exp. to 30/6/23	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/24	Variance (Favourable) / Adverse
22,411	127,490	Environment Management Team	73,350	17,371	24%	70,710	(2,640)
13,876	63,420	Sustainability	76,910	18,169	24%	77,460	550
8,917	42,732	Estates	86,570	21,043	24%	88,570	2,000
78,161	526,223	Countryside	418,900	102,873	25%	434,140	15,240
0	(7,520)	Trs From Reserves	(9,680)	(9,680)		(9,680)	0
123,365	752,346	TOTAL OBJECTIVE ANALYSIS	646,050	149,775	23%	661,200	15,150
(15,578)	(30,748)	Income From Charitable Activities	(56,160)	(13,760)	25%	(43,170)	12,990
(15,578)	(30,748)	TOTAL INCOME	(56,160)	(13,760)		(43,170)	12,990
113,116	632,630	Employee Costs	567,430	143,317	25%	567,430	0
3,055	30,965	Transport Costs	22,680	5,494	24%	26,340	3,660
11,272	66,748	Premises Costs	57,880	7,105	12%	56,820	(1,060)
10,907	45,571	Supplies & Services	47,000	17,299	37%	46,560	(440)
	7,520	Financing Costs	0	0		0	0
	0	Support Costs	0	0		0	0
593	7,181	Governance Costs	16,900	0	0%	16,900	0
138,943	790,614	TOTAL RESOURCES EXPENDED	711,890	173,215	24%	714,050	2,160
123,365	759,866	NET POSITION	655,730	159,455	24%	670,880	15,150
	(7,520)	Trs From Reserves	(9,680)	(9,680)		(9,680)	0
123,365	752,346	TOTAL (after transfer from reserves)	646,050	149,775	23%	661,200	15,150

Comments

Protecting Our Environment is responsible for Sustainability; Estates and Countryside.

Countryside

Adverse variance of £15.2k predominately relates to Professional Services Income for a service which is no longer offered. Consideration being given to alternative income sources however, it is unlikely to be in this region.

RESERVES AS AT 30 JUNE 2023

Notes

The Reserves Table provides detail on the current Reserves position for the Trust

The 1st table is a summary report and the 2nd table provides analysis of the committed amounts from Reserves

Line 1 Retained Reserves refers to our Reserves Policy – currently set to “minimum 2% of Turnover”.

Line 2 refers to Unallocated Reserves – this amount will initially be allocated to fund any in-year deficit and then to any additional spend approved by The Board.

Line 3 Allocated Reserves refers to allocated amounts and the 2nd table provides further analysis of progress on these commitments

Line 4 MGTR refers to Museum and Galleries Tax Relief received and this must be used to help fund future exhibitions

Lines 5 & 6 refer to specific accounting entries required each financial year

Summary

UNRESTRICTED RESERVES	2022/23 b/f	2022/23 SURPLUS	BALANCE 31 March 2023	APPROVED ALLOCATIONS	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	NOTES
RETAINED RESERVES	270,000		270,000		270,000						270,000	
UNUSEABLE RESERVES	100,792	11,080	111,872	0	111,872					-	111,872	
UNALLOCATED RESERVES	365,703	201,232	566,935	-8,120	558,815						558,815	
ALLOCATED RESERVES	288,435	105,800	394,235	9,980	404,215		60,860	0	0	0	343,355	see Allocated Table
MGTR FUNDS	69,372		69,372		69,372		(20,675)				90,047	£5k allocated Board 21.02.23 - Open Exhibition
FIXED ASSET RESERVE	34,920		34,920		34,920						34,920	
HOLIDAY PAY PROVISION	(60,874)		(60,874)		(60,874)						(60,874)	
TOTAL UNRESTRICTED RESERVES	1,068,348	318,112	1,386,461	1,860	1,388,320	0	40,185	0	0	0	1,348,135	

Allocated Reserves Analysis

ALLOCATED RESERVES	2022/23 b/f	2022/23 SURPLUS	BALANCE 31 March 2023	APPROVED ALLOCATIONS	REVISED BALANCE	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
IT Equipment - Corporate Services	5,000		5,000		5,000					5,000	1 June 2021 Board	Ongoing	
Box Office/Booking System	13,775		13,775		13,775					13,775	1 June 2021 Board, 28 June 2022 Board	Ongoing	
Secure Portal Upgrade	4,880		4,880		4,880					4,880	28 June 2022 Board	Ongoing	
DCCP Canopy - additional works (incl replacement furniture)	940		940		940					940	28 June 2022 Board	Complete	Release as uncommitted
People Counters	3,000		3,000		3,000					3,000	28 June 2022 Board	Ongoing	
Venue Equipment	3,000		3,000		3,000					3,000	28 June 2022 Board	Ongoing	
Valuations	4,000		4,000		4,000					4,000	28 June 2022 Board	Ongoing	
Equipment Replacement Programme	147,740		147,740		147,740	11,100				136,640	28 June 2022 Board	Ongoing	Allocation approved by Executive Management; £45.8k transferred to Unuseable Reserves
Wellbeing Initiatives - EA Gift Cards to staff	16,800		16,800		16,800					16,800	4 October 2022 Board	Ongoing	
Event Management	31,800		31,800		31,800	6,300				25,500	22 November 2022 Board	Ongoing	
Facility Management Support (1 FTE)	27,500		27,500		27,500	6,410				21,090	21 February 2023 Board	Ongoing	
10th Anniversary Events and Initiatives	30,000		30,000		30,000	9,680				20,320	21 February 2023 Board	Ongoing	
Uniforms		35,000	35,000		35,000					35,000	30 May 2023 Board	Ongoing	

DCCP Equipment & Works	5,800	5,800		5,800	1,800				4,000	30 May 2023 Board	Ongoing
Security Costs - Palace & Grand Hall	60,000	60,000		60,000	17,450				42,550	30 May 2023 Board	Ongoing
Dean Castle - Visitor Safety Measures	5,000	5,000		5,000					5,000	30 May 2023 Board	Ongoing
Severance		0	9,980	9,980	8,120				1,860	30 May 2023 Board	Ongoing
TOTAL ALLOCATED RESERVES	288,435	105,800	394,235	9,980	404,215	60,860	0	0	0	343,355	

GENERAL PROJECTS

Notes:

General Projects are multi-annual projects involving funding from external partners. These projects are not included in the Financial Monitoring reports. The table gives an overview of the projects and the Additional Information gives a brief description of each of the projects.

Project	Partners	Balance b/f 01.04.23	Balance at 30.06.23	Expected Completion Date
Ayrshire Libraries Forum	North Ayrshire Council/South Ayrshire Council/East Ayrshire Council	(£3,819)	(£3,807)	Ongoing
Burns Birthday in Mauchline	Event Scotland	(£861)	(£861)	Ongoing
Kilmarnock Green Infrastructure	Sustrans	(£14,955)	(£14,955)	Ongoing
Digital Storyteller in Residence	Scottish Book Trust	(£2,372)	(£2,372)	Ongoing
Irvine Valley Trails 2019 onwards	LCTT, Transport Scotland, EAC Renewable Energy Fund	£163,987	£206,498	Oct 2023
East Ayrshire Cycling Tour	Event Scotland/Visit Scotland	(£6,800)	(£6,800)	Dec 2023
SHOUT	EAC	(£3,684)	(£3,684)	Ongoing
Morton Hall and Library	EAC	£18,719	£18,719	Ongoing
Dean Castle Restoration and Event	HLF/REF	£41,980	£80,060	Ongoing
Wifi Project	EAC	(£19,700)	(£19,100)	Ongoing
Foster Carer Service - Memberships	EAC	(£4,000)	(£4,000)	Ongoing
Youth Memberships	EAC	(£2,162)	(£2,162)	Ongoing
Annick Valley Leisure Facilities	EAC	(£199,029)	(£199,029)	Ongoing
Patna Leisure Facilities	EAC	(£810)	(£810)	Ongoing
FutureMuseum.co.uk Redevelopment	Museum Gallery Scotland	£2,509	£2,509	Nov 2023
Fruit and Nut Tree Woodland	EAC	£16,171	£16,171	Ongoing
Creative Scotland Recovery Fund	Creative Scotland	(£89,117)	(£80,832)	Ongoing
Cost of Living Crisis	EAC	£8,279	£8,279	Ongoing
On the Road to Digital Success	SLIC	(£17,128)	(£5,803)	Dec 2023
Nature Therapy Breaks	Shared Care Scotland	£0	(£34,200)	Mar 2024
Mayfest event at DCCP	EALT	£0	£7,486	May 2024

Additional Information

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

Burns Birthday in Mauchline – The project normally takes place on the last Saturday in January at Burns House Museum, Mauchline Parish Church Halls and Mauchline Kirkyard. The family event which is funded by EventScotland is free and includes lots of Burns related activity including visual art, puppet making, Kirkyard tours with our partners Mauchline Burns Club, curator talks and a very special performance by pupils of Mauchline Primary School. The event did not take place in 2021 due to EventScotland funding being withdrawn due to Covid 19 but it is hoped the event should be going ahead in the future.

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

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

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

East Ayrshire Cycling Tour – £8k was awarded to towards this project aimed at promoting cycling to everyone from all ages across East Ayrshire. The funding was secured from a larger fund which coincides with the UCI World Championships which are being held in Glasgow and is the first multi-disciplinary cycling championships to take place in the world. The funding is being used to have a roadshow of cycling activities at venues across East Ayrshire in July 2023. The activities at the event will include Dr Bike, E-bike trials, cycling competitions for children, a pump track to try, guest speakers, all ability bikes, balance bikes, guided cycles and other fun activities which families can participate in to allow all ages to engage with cycling based activities. The facilities which will be used to host these events are Barony Sports Village, Dean Castle Country Park and Doon Valley Sports Centre.

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

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

Dean Castle Restoration and Event - An HLF funded project led by EAC. Some expenditure is processed through East Ayrshire Leisure and subsequently recharged to EAC in relation to the restoration of the castle.

2 funding bids will be submitted for this event – the outcome for the first submission was approved June 2022 and we were awarded £47,500 and the second bid has still to be done. £5k has been identified as match funding. The event as a focal point for the reopening of the Castle will provide a celebratory, collaborative and high profile occasion through our confirmed partnerships with key Scottish cultural heavyweights including The Cumnock Tryst headed up by one of the world’s most important composers, Sir James MacMillan, Professor Alistair McDonald - Composer and Sound Artist (Royal Conservatoire of Scotland), Professor Kirsteen McCue - historian and musician (Glasgow University, Burns Scotland), and Colin Currie – world renowned percussionist. The project will take a wholly accessible, collaborative and engaging approach, working with local pupils to develop a newly commissioned work which will feature at the centre of the event, and welcoming on the spot participation for visitors through a unique series of percussion sculptures, an entirely new collection of musical instruments created by a local artist blacksmith for this event.

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

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

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

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

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

FutureMuseum.co.uk Redevelopment - A successful bid was submitted to Museums Galleries Scotland for £47,000 to support the redevelopment of the south west Scotland partnership project. The project is estimated to take two years to complete. FutureMuseum.co.uk is a partnership between East Ayrshire Leisure Trust, Dumfries and Galloway Council, North Ayrshire Council and South Ayrshire Council. The objectives of the project are to maximise access to the museum and gallery collections of the South-West of Scotland, to deepen people's understanding of the history of the region, and to drive footfall to the museums and galleries in the region. A redesign of the website will make it more accessible through improved design, site navigation and effective use of analytical tools to support content generation.

Fruit and Nut Tree Woodland – Funding has been secured through the Scottish Government Naturalisation Funding, to transform an area of unimproved grassland to a community woodland which focuses on the principles of 'food for free'. The woodland will be developed and planted by East Ayrshire Woodland's trainees as well as through community events organised by East Ayrshire Leisure's Countryside Ranger Service. The project also includes the establishment of a native hedgerow along the boundary of the site. To date, the native hedgerow has been planted through a number of volunteer sessions involving Ayrshire College, young people being looked after by EAC, the local community and corporate volunteers from Teleperformance Call Centre based at Rowallan Business Park.

Creative Scotland Recovery Fund - £149,566 was secured from funding made available to enable cultural organisations working primarily for public benefit, to rebuild and create opportunities to increase their financial resilience after the COVID-19 pandemic. Initial programme of spend has been developed and approved by the funder

Cost of Living Crisis - Funding of £172,000 was allocated by EAC as a response to the Cost of Living Crisis for a period of up to 24 months. EAL has been asked to provide “warm spaces” in conjunction with a variety of community groups across East Ayrshire. We have identified 10 of our venues that will be enhanced to provide an area specifically for members of our communities that may be affected by the COL crisis. In partnership with EAC we will offer safe, warm, comfortable spaces with charging stations, hot drinks, board games, etc in a sensitive and dignified way. Our team will capture how many people attend and will help signpost those in need to a wider range of services and support if needed.

On the Road to Digital Success – Funding of £38,000 was awarded towards this project which aims to reach communities and individuals across East Ayrshire with digital access and support. Due to the unique fabric of East Ayrshire’s urban rural landscape we recognise that access to our facilities can be difficult for some residents who live in more remote parts of the authority. A mobile service reduces the inequalities experienced by residents who don’t live near a static venue, or who do not have access to transport to travel to a facility. Covid-19 accelerated the necessity to be digitally enabled, but there are still members of the community for whom digital access is a luxury and not within reach. The project aims to bridge the digital divide and provide a safe place to work and study; or to relax and have fun in a space to unwind and take time-out from the pressures of daily life. One of the benefits to having a mobile service is that we can take our entire library offer into communities and to specific groups to enable us to deliver our services to people who are “hard to reach”. This type of service helps us to break down barriers as we are quite literally taking the service to them. Staff who will deliver this project will be equipped to support learning on the bus as well as provide a friendly and approachable service. We have existing connections with partners across East Ayrshire; this project would give us scope to build on these and create new connections opening up our library service to a new audience.

Nature Therapy Breaks – Funding of £34,200 was awarded to provide short breaks for unpaid carers and those they care for in the Treehouse Residential Centre within Dean Castle Country Park. Through consultation and focus groups, parents and carers of children with disabilities and additional support told us that they want whole-family support opportunities. They want activities and events which are tailored to the additional support needs of their families instead of breaks, where the child is away from their family for an overnight break. Our aim is to promote the mental wellbeing of the disabled and young people, giving them a break in the outdoors to recharge and learn mindfulness and coping techniques. The young people and families involved can meet with other families in the same situation allowing for new friendships to be made while having the time to enjoy the outdoors in a relaxing manner. The skills and confidence the participants will have after the project ends will allow them to go into green spaces with a new greener and nature therapy perspective.

Dean Castle Mayfest – A weekend of events were designed and programmed at the end of May 2023 to restart our live programme at the Dean Castle. Funding for Mayfest was secured through the Heritage Lottery Fund (Castle Restoration) , The Community Renewal Fund and other town centre partners. All events were well attended with the Sunday seeing approx. 10K visitors.

EXTERNAL FUNDING

Notes:

A robust monitoring process is now in place for all External Funding applications from initial submission to subsequent successful or unsuccessful award.

EXTERNAL FUNDING APPROVED APPLICATIONS

(*denotes funding not available to East Ayrshire Council)

Name of Funding Provider and Project	Value of Funding/Support	Received in 2023/24
Scottish Book Trust - Bookbug Week	£175	£175
Shared Care Scotland - Nature Therapy Breaks	£34,200	£34,200
	£34,375	£34,375

EXTERNAL FUNDING DECLINED APPLICATIONS

Name of Funding Provider and Project	Value of Funding/Support	Comments
Place Based Investment - Accessible River Ayr Way	£196,435	Programme was very significantly oversubscribed
Greenspace - Stane Havens	£33,000	Funding oversubscribed
Place Based Investment Programme (PBIP) - Stewarton Area Centre Redesign	£124,250	Funding significantly oversubscribed
Place Based Investment Programme (PBIP) - Rose Reilly Pump Track	£200,000	Applications been submitted to PBIF and SportScotland. £20k from EAC and further matchfunding applications still to be submitted (The match funder is SportScotland and per AF application is on portal but unsure how to download). Funding Application declined, funding significantly oversubscribed
	£553,685	

PERFORMANCE AND AUDIT SUB-COMMITTEE



2022/23 ANNUAL REPORT AND ACCOUNTS

Date: 15 August 2023

Agenda Item: 5

Report by: Anneke Freel, Chief Officer

1 PURPOSE OF THE REPORT

1.1 The purpose of this report is to present the 2022/23 Report and Accounts for approval.

2 CONSIDERATIONS

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

2.2 The 2022/23 Report and Accounts is attached as Appendix I. The format of the Report and Accounts meets the requirements of the Charities Financial Reporting Standard (FRS) 102 Statement of Recommended Practice (SORP). The Annual Accounts will be submitted to OSCR once approved by the Trust Board. The report will also be published via the East Ayrshire Leisure website.

2.3 Azets Audit Services Audit Management Report for 2022/23 is attached as Appendix 2 with the Management Representation Letter. Subject to Board approval this will be signed by the Chair of the Board.

3 IMPLICATIONS

3.1 The approval and publication of the 2022/23 Report and Accounts will satisfy the ongoing requirements of OSCR and the Charities FRS 102 SORP.

It is recommended that the Board:

- i. Approve the 2022/23 Report and Accounts;
- ii. Approve the Letter of Representation to accompany the accounts; and
- iii. Otherwise note the content of this report.

A handwritten signature in cursive script that reads 'Anneke Freel'.

Signature:

Designation: Chief Officer

Date: 4 August 2023

East Ayrshire Leisure Trust
A Scottish Charitable Incorporated Organisation

Annual Report and Accounts
For the year ended 31st March 2023

Charity Number SC043987

East Ayrshire Leisure Trust Contents

	Page
Message from the Chair	1
Message from the Chief Officer	3
Trustees' Report	5
Independent Auditor's Report	22
Statement of Financial Activities	26
Balance Sheet	27
Statement of Cash Flows	28
Notes to the Accounts	29

East Ayrshire Leisure Trust

Message from the Chief Officer

I am delighted to introduce our Annual Report and Accounts for East Ayrshire Leisure Trust, covering the financial year 2022-23.

As Chair of the Trust, it has given me enormous pleasure watching our services and programmes coming back to life following the pandemic. As an organisation, we adapted wonderfully to the challenges that Covid presented, but it is great to get back to doing what we do best – delivering exceptional leisure services directly to our communities and visitors. Our venues have been packed, programmes, events and activities have been booming and, as ever, it's extremely difficult to summarise the vast array of everything we offer. However, a few of my personal highlights are listed below.

This year we've seen a huge increase in face to face creative learning, engagement and educational activities in our cultural venues with our focus being on widening access, supporting learning and increasing participation as well as to create welcoming and inclusive places for everyone to experience culture.

We celebrated renowned illustrator Quentin Blake's 90th birthday this year with a double-venue exhibition programme at both the Dick Institute ('Illustrating Verse') and the Baird Institute in Cumnock ('Book Covers') alongside an extensive primary school creative learning programme of visits and illustration workshops.

'Memories of Drawings' was a Hayward Gallery Touring exhibition and presented a remarkable collection of work from the pioneering American artist Georgia O'Keeffe at the Dick Institute. This stunning exhibition showcased photogravures of drawings produced by the artist between 1915-1963, reflecting the period in which O'Keeffe established herself as a major figure in American Modernism.

We were also delighted to host an exhibition of work by French painter, sculptor and designer, Henri Matisse at the Baird Institute in Cumnock. *Matisse: Drawing with Scissors*, a Hayward Gallery Touring exhibition, was a major attraction, drawing visitors from far and wide.

Our book lovers were welcomed back in person too, with the return of IMPRINT. With a programme full of award-winning authors featuring songs, poetry, mindfulness, graphic novels, an entire education programme and a panel discussion about Scottish witch trials, the festival was a huge success. Graeme Macrae Burnet kicked off events in an interview session with our IMPRINT patron Dr Zoe Strachan; it was great to welcome two highly successful Kilmarnock-born authors who both have a great love of the Dick Institute to share their passion for reading and writing.

Sport and fitness enthusiasts were treated to a whole host of events this year....William McIlvanney Leisure Centre hosted round 3 of the Scotia Women's Road Race Series incorporating the Scottish National Veteran Women's Road Race Championship. The event was a great day for cycling and was enjoyed by competitors and spectators alike.

Ayrshire Athletics Arena was home to the first full-programmed athletics competition in Scotland for senior men, women and para athletes. Despite the typical Scottish weather there was a real sense of excitement and togetherness from all the athletes, officials, volunteers and staff who made the event possible. We also opened a new public gym at AAA offering with a full range of fitness classes, including spin, circuits and membership access to the running track.

Doon Valley Leisure Centre was a hive of excitement in February supporting the Hillbilly 10k cross country race at Craiggillan Estate, Dalmellington. Over 300 competitors took part, raising money for Cancer Research UK. The leisure centre also hosted a Swimming Gala for the children who currently attend group lessons, with over 100 kids showing off their swimming skills to their parents and carers.

Whilst Dean Castle remained closed to the public for major restoration and redevelopment work, our Spirit of Christmas event allowed us to showcase the stunning renovation of the castle exterior. Lighting up the Castle throughout December with a bespoke high quality festive projection and soundtrack, this free event was a massive

East Ayrshire Leisure Trust
Message from the Chief Officer

success. The Castle courtyard was also transformed to include a fairy light wall, a Santa's Letter Writing Station and a festive food and drink area, ensuring all visitors were well and truly in the festive spirit.

I'm sure 2023-24 will bring us even more exciting opportunities, projects and events and I look forward to welcoming them all throughout the coming year.

Councillor Clare Maitland
Chair, East Ayrshire Leisure Trust

East Ayrshire Leisure Trust

Message from the Chief Officer

I am delighted to present East Ayrshire Leisure Trust's Annual Report and Accounts for 2022-23; the Trust's 10th year of operation and my 4th year as Chief Officer.

Towards the end of 2021/22, our Board of Trustees approved the most significant review that the Trust has ever undergone; a review that would see our structures, corporate delivery plan and priorities wholly aligned to our 10 year strategic vision. The majority of this review was delivered throughout 2022/23 and required meticulous planning, co-ordination and cross-service working, which involved redesign of job outlines and specifications, the development of key tasks associated with each role and a virtual rebuild of our established structures and systems.

The organisational review has resulted in more permanent contracts and greater stability and focus within the staff teams, as well as allowing for an enormous recruitment drive. We look forward to embedding the new structure and the new opportunities it brings throughout the year.

We recognise that having an engaged, valued, enthusiastic, passionate, and professional workforce is key to our success and we have continued to invest in all of our staff teams. Our training and development programme has been a critical element of the organisational review and to our aspirations for growth and development. We offer tailored training programmes, opportunities for personal and team development, mentoring and job coaching.

The development of the 'Staff Exchange' programme remains of paramount importance and has continued to grow throughout the past year. Staff Exchange not only provides a platform for staff to gain up to date information about policies, processes and protocols, but also to engage in the development of our business and we look forward to more developments within the coming year.

In 2022, we introduced 'Organisational Learning' into our quarterly reporting to the Board of Trustees and also to our regular schedule of team meetings. Our 'Organisational Learning' process allows us to analyse complaints, comments and feedback from a range of sources including customer feedback, SHE incident reporting, unannounced visits, accreditation visits, workplace inspections and many other forms of review. Anything deemed relevant for the whole organisation is captured through an Organisational Learning Action Plan, which is discussed with the Strategic Leadership team and disseminated to staff, enabling us to celebrate good practice as well as acknowledge and action, areas for improvement and opportunities for learning.

'Investing in our People and Embracing our Values' is not just about supporting our paid members of staff. We rely on the benefit that volunteers bring and we aim to provide support to local people through volunteering opportunities, apprenticeships and placements. In 2022/23, we developed a Volunteer Handbook, along with a suite of volunteer roles including Event Volunteers, Cairn Table Hill Race and River Ayr Way Challenge Volunteers, Customer Experience Volunteers, Outdoor Conservation Group (Friends of the Dean), Kitchen Garden Volunteers and Castle Visitor Experience Volunteers. We are also extremely lucky to have the Textile Team, which was established in 2005 to work on the intricate collections of the Dean Castle. The team has grown and now provides support to a wide range of community projects across Ayrshire and has received national recognition for several initiatives.

Our dedicated staff and volunteers make an outstanding contribution to leisure services in the area and I want to take this opportunity to thank them all for everything they do in the delivery of their duties.

East Ayrshire Leisure Trust
Message from the Chief Officer

I would also like to thank all of our Ambassador Trustees for the support that they give to me and the invaluable contribution they make. I am also grateful to all of our funders, sponsors, volunteers, partners and supporters, in particular East Ayrshire Council, without whom, none of this would be possible.

Anneke Freel
Chief Officer

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

The Trustees are pleased to present their Annual Report and Accounts for the year ended 31st March 2023. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

East Ayrshire Leisure Trust – The Organisation

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

Governing Document

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

Our Strategic Vision document covers a ten year period from 2020-2030, outlining our Key Themes and Objectives for the organisation with the accompanying 2 year Delivery Plan detailing what actions will be taken to achieve the required outputs.

Our Vision

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

Our Mission

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

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

Our Values

Being honest and demonstrating integrity at all times

Engaging and inclusive with our people, partners and communities

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

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

EAST AYRSHIRE LEISURE TRUST SERVICES

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

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

CORPORATE SERVICES

Business Support

The Business Support team provides a range of functions to the operational teams and our employees. The human resources department provides recruitment, payroll, absence management, leave monitoring and recording services. IT support is crucial to the operation of the wider organisation, ensuring effective means of communication and accessibility, security and the integrity of the data we hold. The team are also responsible for the co-ordination and management of the box office and booking system, providing an effective and efficient customer buying experience. Our finance team demonstrates best practice for income control, credit control, accounts payable, accounts receivable and procurement to ensure compliance with statutory and audit requirements.

Finance & Business Development

The Accountancy Team provide the full financial services for East Ayrshire Leisure Trust including all statutory financial requirements, whilst also looking at improved commercialisation and new income streams. They challenge existing ways of working and identify approaches that are more efficient. They also support the development of business cases providing assistance and challenge prior to approval.

Hospitality Development

The Hospitality Officer, in conjunction with the operational teams, looks to enhance our programming and venue offer by exploring business opportunities that supports income generation providing bars, cafes, retail, vending solutions and catering options across all East Ayrshire Leisure Trust facilities.

Marketing & Development

Working closely with the Relationship & Business Development and the Operational Teams to identify key priorities, the Marketing & Development team focus on customer-centric marketing and promotional campaigns to increase visitor figures and participation from local, national and international audiences. The team are responsible for all promotional activity including press, PR, social media, website, intranet, branding and visual communications.

Relationship & Business Development

The Relationship & Business Development team maximise and develop systems and processes to improve internal and external communication to staff and customers and are also responsible for the development and implementation of the engagement strategy. They support benchmarking, performance monitoring and reporting, business planning across the Trust, and overall organisational development, whilst challenging the status quo.

OPERATIONAL SERVICES

Community & Performing Arts Development

The Community and Performing Arts Development team are responsible for Cumnock Town Hall, the Palace Theatre & Grand Hall and Community Venues across East Ayrshire. Working with a range of local, regional, national providers and commercial companies they deliver high profile events and opportunities through our full range of venues.

They ensure that our venues are at the heart of every community, supporting community development and introducing programming within every community venue. They deliver innovative and inspirational programmes across drama, music, and dance.

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

Cultural Development

The team, encompassing Collection Care Development, Library Development (Operations), Library Development (Engagement), Museum Development and Visual Arts Development are responsible for the operation of museums, the conservation and care of EAC collections, statutory library provision, and the creative programming across all venues with a particular focus on museums, libraries, visual arts and exhibitions. The team work closely with local, regional, national and international agencies/providers, East Ayrshire Creative Minds Team and local community groups to support the promotion of East Ayrshire's Cultural Heritage, whilst developing challenging, innovative, and inspiring programmes and contemporary exhibitions that attract visitors to the area.

Leisure Development

The Leisure Development team comprises Countryside, Green Infrastructure and Volunteer Development and focuses on recreation and outdoor pursuits that introduce people to physical activity, encouraging people to enjoy the outdoors and are responsible for biodiversity, outdoor learning, open space development, outdoor events and supporting community greenspace projects. This team delivers on the strategic functions and duties within the Land Reform Scotland Act, Countryside Scotland Act and the Wildlife and Natural Environment Act on behalf of East Ayrshire Council. They are also responsible for the development and management of the strategic route network, including the River Ayr Way. They also work with all operational teams and the Relationship and Business Development team in identifying, creating, supporting and managing a range of volunteering opportunities, placements and work experiences.

Property & Estates Development

Working closely with East Ayrshire Council, the team co-ordinate the management and development of our facilities, advising on premise management and health and safety. They develop facility management plans that outline routine maintenance, identify future investment needs that can be considered as part of East Ayrshire Council's capital programme, and explore opportunities for external funding. This team includes facility and estate management and sustainable development and lead on our environmental responsibilities through the submission of our annual Climate Change Declaration.

Sports Development

The team has key service areas including: Sport Operations, Community Sport Development, Fitness Development and Activity and Coaching Development. They are responsible for programming activities within our community leisure centres, the promotion of priority sports including gymnastics and swimming, as well as working with key local partners. The team manage our gyms and our fitness programme and work with EAC Vibrant Communities in encouraging physical activity through GP referral and school sport.

The team manage and develop Community Sports Hubs throughout East Ayrshire and support effective sporting pathways between schools, education and club sport and are also responsible for outdoor sports and activities including athletics, golf and the coaching programme; developing pathways from our coaching programmes to local clubs.

Agreements with East Ayrshire Council

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

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

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

Key venues and visitor attractions

We manage a wide range of facilities covering the full leisure remit and operate throughout all of East Ayrshire. Our key venues and tourist attractions are highlighted below:

- [Annanhill Golf Course](#)

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

- [Ayrshire Athletics Arena \(4 star Leisure Facility\)](#)

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

- [Baird Institute \(4 star Visitor Attraction\)](#)

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

- [Burns House Museum and Library \(4 star Visitor Attraction\)](#)

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

- [Cumnock Town Hall](#)

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

- [Dean Castle Country Park \(4 star Visitor Attraction\)](#)

The redeveloped Dean Castle Country Park is East Ayrshire's only Country Park and provides a great day out all year round with woodland walks, an urban farm, adventure playground, visitor centre with shop and tearoom and a fantastic 14th century castle housing world class collections.. The Country Park also hosts a number of large scale events every year as well as a programme of outdoor learning activities. The Country Park received HLF funding with major redevelopment taking place to turn it into a 5 star visitor attraction. The Castle was closed until April 2023 for major renovation work

- [Dick Institute \(4 star Visitor Attraction\)](#)

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

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

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

Our Leisure Centres offer a wide range of activities and facilities for all the family including fitness suites with a wide range of equipment, FIFA *1 synthetic grass pitches, swimming pools and a range of fitness classes and activities. Many of our venues also house a variety of versatile halls suitable for staging competitions and larger events as well as badminton, football, netball as well as seated events such as shows, presentations, conferences and events.

- Palace Theatre & Grand Hall Complex (4 star Arts Venue)

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

- River Ayr Way

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

EAST AYRSHIRE LEISURE'S STRUCTURE

THE BOARD OF TRUSTEES

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

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

Trustees	Appointment date / resignation date
Partner Trustees	
Clare Maitland (Chair from 24 June 2021)	18 th May 2017
Iain Linton	25 th June 2015 (resigned 18 th May 2017) and reappointed 2 nd November 2017
Joe McLachlan (ex officio)	27 th August 2015
Blair Millar (ex officio)	1 st April 2022
John McGhee	24 th June 2021 resigned 5 th May 2022
Jim Roberts	24 th June 2021 resigned 5 th May 2022
Tom Cook	25 th February 2022 resigned 5 th May 2022

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

James Adams	20 th July 2021 (resigned as Independent Trustee and reappointed as Partner Trustee 19 th May 2022)
Linda Holland	19 th May 2022
Graham Boyd	19 th May 2022
Independent Trustees	
Robin Hume	13 th June 2013 (Reappointed 27 th August 2015, 17 th September 2019, 6 th October 2020 and 4 th October 2022)
Jackie Livingston	1 st July 2015 (Reappointed 6 th October 2020 and 4 th October 2022)
Robbie Mann	8 th September 2016 (reappointed 17 th September 2019) resigned 4 th October 2022
David Ross	20 th July 2021
Andy Wilson	14 th September 2021
Melanie Swan	4 th October 2022

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

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

Management Arrangements

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

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

EXECUTIVE MANAGEMENT TEAM

Anneke Freel	Chief Officer
Jackie Biggart	Head of Corporate Services
Paul Mathieson	Head of Operational Services (appointed 15 th August 2022)

SENIOR MANAGEMENT TEAM

Janice Gilmour	Development Manager, Community & Performing Arts
Christine Keenan	Development Manager, Property & Estates
Vacant	Development Manager, Culture
Louise Murphy	Development Manager, Leisure (resigned 11 th July 2022)
Dianne Reid	Development Manager, Relationship & Business
Greig Russell	Development Manager, Sports
Lorraine Russell	Development Manager, Finance & Business

ADMINISTRATIVE INFORMATION

Registered Office

Dick Institute
14 Elmbank Avenue
Kilmarnock KA1
3BU
www.eastayrshireleisure.com
01563 554710

Auditor

Azets Audit Services
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Solicitors

East Ayrshire Council
London Road Headquarters
Kilmarnock
KA3 7BU

Bankers

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

Charity Number

SC043987

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

FINANCIAL REVIEW

The period to 31st March 2023 was the Trust's tenth year of activity. In the period, East Ayrshire Leisure Trust reported an unrestricted deficit of £742,312 (2022: £635,994).

Two restricted funds (Fruit and Nut Tree Woodland and Morton Hall and Library) were in deficit at the year end by £16,172 and £18,719 respectively. Funding has been awarded for these, however it can only be drawn down in retrospect from East Ayrshire Council when the project has been completed. Three other funds (Dean Castle Event, Woodland Future Museum and cost of Living Crisis) were also in deficit at the year end by £41,980, £2,509 and £8,278 respectively. Again funding has been awarded for these and funding will be received next year once the milestones have been met.

At 31st March 2023, the actuarial valuation of the pension scheme resulted in a net pension asset of £8,932,000, however under FRS102 the asset that can be recognised in the Balance Sheet is capped at £136,000. The valuation has resulted in an actuarial gain of £1,050,000 being recognised in the Statement of Financial Activities in the period. The balance on the pension fund will change annually according to economic conditions and the trustees will keep the position under review.

RESERVES POLICY

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

FINANCIAL PROFILE

East Ayrshire Leisure Trust receives funding from East Ayrshire Council to support the delivery of an agreed range of services. Significant savings have been generated since the inception of the Trust. East Ayrshire Council have confirmed a savings requirement of £198,000 to be achieved by the Trust in 2023/24. The Financial Strategy proposes "From 2023-26, annual savings targets will be reviewed and agreed with East Ayrshire Council, in conjunction with our annual profiling; and we envisage this will be approximately 3% of our Management Fee."

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

The agreed baseline budget for 2023/24 is set out below:

	2023/24
	£
Baseline Budget (excl Savings)	5,210,550
Savings Target	(198,000)
Baseline Budget (after Savings)	5,012,550

RISK MANAGEMENT

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

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

Key risks in 2022-23 included: significant reduction in funding received from East Ayrshire Council, partners and external stakeholders not seeing East Ayrshire Leisure Trust as a partner of choice, failure to deliver Business Plan targets and the loss of external funding, a lack of capital investment or maintenance, reduction in facilities and loss of income. A new Risk Register was devised late March 2020 to address risks associated with the impact of the COVID-19 pandemic. This was reviewed in 2022-23 and it was determined that a separate register was no longer required.

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

PROPERTIES

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

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

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

EQUIPMENT

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

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

MUSEUM COLLECTIONS

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

ACHIEVEMENT & PERFORMANCE

The Strategic Vision document covering the period of financial years 2020-2030 highlights our priorities, with the accompanying Delivery Plan outlining our two-year Action Plan. Progress towards the targets set in the Delivery Plan is reviewed on a quarterly basis by the Board and fully reported annually.

The Strategic Vision outlines 6 Key Themes with specific objectives to address them. Details of how we have achieved our objectives to date, or initiatives we are currently developing, are outlined below:

- I. SHARING OUR VISION: East Ayrshire Leisure Trust will be widely recognised and acclaimed as a leisure provider that is firmly committed to listening to our customers, local residents, visitors and partners and developing facilities and services that meet their needs. In order to achieve this theme, we have established the following Strategic Objectives:**

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

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

KEY POINTS & ACHIEVEMENTS:

- Our 'Customer Exchange' programme continues to grow with various events taking place, including tours of the redeveloped Dean Castle prior to re-opening and consultations taking place around opening hours, programming and joint/partnership working with community groups.
- Our 'Staff Exchange' programme has been further developed to include expansion of the Intranet, growth of staff newsletters, 'Coffee chats' programme and the development of the 'Working for Us' section on the intranet, providing key information about service areas, structures, job outlines and key activities.
- 'Organisational Learning', our comprehensive learning framework was devised and introduced across the organisation to further embed our ethos of continuous improvement.
- 'You Said, We Did...' sections created within Working For Us; showcasing our commitment to empowering staff and involving them within our business development.
- The development of social media use and production of video content for promotion and recruitment drives has been critical throughout this year and continues to grow steadily, attracting large engagement and positive results within sales, attendances and recruitment. Social media and web stats are detailed later within the report.
- We have also made use of Google Adwords based on our charitable status, allowing us to extend our reach even further and provided an equivalent value of almost £35,000 in adverts. All venues now have a Google My Business listing, which helps with searches and rankings.
- We have continued to expand our Training & Development programme including further roll-out of organisation-specific Leadership and Management programme, the production of role-specific training matrices and bespoke courses.

2. LEISURE AT THE HEART OF EVERY COMMUNITY: East Ayrshire Leisure will continue to provide high quality leisure facilities that are relevant and modern and will support other leisure providers in ensuring that leisure is truly at the heart of every community regardless of who the provider is. In order to achieve this theme, we have established the following Strategic Objectives:

Strategic Objectives:

- To work with community, local authority and private providers to develop a Leisure Facility Plan that identifies all leisure provision throughout East Ayrshire and maximises the opportunities for our communities to participate in leisure activity

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

- To work with partners to explore funding opportunities for refurbishment and development of leisure facilities
- To work with East Ayrshire Council in reviewing and refining repair and maintenance plans and schedules for all facilities within our remit which include an annual programme of planned maintenance and decoration

KEY POINTS & ACHIEVEMENTS:

- Morton Hall reopened following refurbishment to the external stonework, roof and stain glassed windows. As Newmilns Library was moved into the lesser hall, providing a venue for all community and cultural activities. Since opening in autumn of 2022, the library has seen an increase of 67% from the previous year.
- Grange Leisure Centre hosted The Scottish Secondary Schools Badminton Championships in March, the first time the event has been held outwith Edinburgh or Perth.
- All venues are showing strong signs of recovery with an average increase of attendance at our Leisure facilities of 29% compared to 2021/22; Barony Sports Village increased by 99%, Rose Reilly Sports Centre by 49% and Doon Valley Leisure Centre by 75% .
- Our e-book borrowing figure for 2022/23 was over 16,000 books - showing an increase of 71% on the previous year and 193% on pre-covid baseline figures.
- We supported East Ayrshire Council's cost of living campaign by providing 12 warm, welcome spaces as part of the overall network of 60 spaces across East Ayrshire. The focus was to give anyone living in the local area access to a welcoming venue to get a heat, enjoy some refreshments, participate in social activities, access the internet and have connections to other supports including the food larders, money and energy advice and wellbeing support.
- Doon Valley Leisure Centre ran a Swimming Gala for the children who currently attend group lessons. Over 100 children attended the sessions showing off their amazing swimming to their parents.
- We secured funding from Scottish Libraries Information Council to continue to operate and grow the Digital Bus service and have hosted a livestreamed tour of the bus to let online viewers see what an amazing resource it is.
- We relaunched our Imprint Schools programme, to accompany the main festival, with fantastic sessions from award-winning authors taking place across the authority.
- In February the Hillbilly 10k cross country race was held on Craigengillan Estate in Dalmellington to raise money for Cancer Research UK, with over 320 attending.
- Doon Valley Leisure centre was a hive of excitement and nerves on the build up to the event and afterwards a crowd of hungry runners and families returned for their famous buffet featuring award winning banana loaf!
- Our Sharing Stories project continues to grow with two regular ESOL groups visiting the Dick Institute on a weekly basis, and we have also been outreaching to local care homes in partnership with the NHS and Care Scotland to support residents to use the library service.
- We have extended our Partnership working with EAC Active Communities team to focus on and create a pathway from Active Communities GP referral scheme to East Ayrshire Leisure Trust services and venues.

3. LIVING YOUR BEST LIFE: East Ayrshire Leisure Trust will contribute to improving the enjoyment, quality of life, health and wellbeing of communities and visitors to East Ayrshire through an innovative, welcoming and ambitious programme of cultural, sport and outdoor activities. In order to achieve this theme, we have established the following Strategic Objectives:

- To support the development of sustainable pathways that encourage lifelong participation in leisure activities

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

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

KEY POINTS & ACHIEVEMENTS:

- In August 2022, Dean Castle was handed back into our care and contractors left the site after 4 years. The team concentrated on the task of moving and installing the substantial collection including musical instruments, textiles and arms and armour. We also installed new interpretation to bring the Castle story to life for our visitors, and created a gift shop to add to the visitor experience, all in preparation for the Castle reopening in Spring 2023.
- Confirmation of £20 million funding from the UK Government's Levelling Up Fund was announced in February 2023 for the development of Cultural Kilmarnock, which will see the refurbishment and modernisation of the Palace Theatre and Grand Hall.
- We supported the development of a mural for the brand new St Marnock's Square in Kilmarnock, commissioned through our Artists Work in Public Places framework team. The mural, by artist Tom Lightbody, depicts the story of Lady Ann Livingston Boyd, the Countess of Kilmarnock and the widow of the Earl of Kilmarnock and has received significant praise.
- We worked with nearly 4,000 young people, through our exhibition programmes including, 'Great and Small, Crafted Creatures' from the Crafts Council Collection; 'Quentin Blake, Illustrating Verse' a selection of Blake's illustrations for poetry from comic nonsense to poignant ballads; and 'Georgia O'Keeffe, Memories of Drawings'. At the Baird institute we had 'Ploughing Up our Past' in partnership with Cumnock History Group; 'Quentin Blake: Book Covers' a touring exhibition from the House of Illustration; and 'Billy Enigma' a National Gallery of Scotland outreach exhibition.
- Ayrshire Athletics Arena attracted nearly 102,000 people to participate in track and field events. This is an increase of 130% from last year and has now reached pre-covid figures, predominantly due to the expansion of our Run, Jump & Throw programme, school and regional competitions. New events included under 12s SUPERTeams national finals with athletics teams from all over Scotland competing in Ayrshire for the first time in 5 years.
- We were also hosted the Commonwealth Archery Championships of Europe, allowing us to foster a relationship with Scottish Archery for future programming and collaboration.

4. **INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES: East Ayrshire Leisure Trust will be an employer that encourages all employees and volunteers to be fully engaged in the operation and development of our business and where opportunities are provided for them to realise their potential. In order to achieve this theme, we have established the following Strategic Objectives:**

- To develop and embed our People Strategy so that employees at all levels are engaged and can contribute to the business
- To offer work placements, volunteering and apprenticeships

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

- To integrate our values into all aspects of our business including Review and Development programme, recruitment, training and meetings. To focus on skills, knowledge and experience in the development of our business and to ensure we invest in industry specialist training which is tailored to meet the needs of our programmes
- To ensure that our board of Trustees reflects the community we serve and the need to be both a charitable and commercial organisation

KEY POINTS & ACHIEVEMENTS

- Our IT, HR and Bookings teams ensured that all process and procedures were in place to fully support the Organisational Review, making this as smooth a transition as possible and to allow the organisation to continue to operate with little or no impact to customers.
- A thorough analysis of the current booking system was carried out and a commodity strategy prepared to allow us to develop new systems that will support our growth aspirations and make our customer journey more seamless.
- The development of our Volunteering programme has gone from strength to strength. New processes and recruitment was piloted at our Spirit of Christmas event. Following a successful programme of volunteer engagement sessions leading up the event, we appointed 20 Event Support volunteers. This format for volunteer recruitment was also used for the appointment of 9 Customer Experience volunteers and 2 Kitchen Garden volunteers for Dean Castle.
- The talented volunteers who form the Textile Team created and presented Kilmarnock Football Club with a handcrafted flag to commemorate the club's 150th anniversary. The bespoke flag was developed in partnership between the club and Provost Todd of East Ayrshire, who met with the team to work collaboratively on a concept which brings together all of the club's crests in one piece and showcases the club's illustrious history, and it now takes pride of place in the new Killie Museum.

5. CREATING A SOLID FOUNDATION FOR GROWTH: East Ayrshire Leisure Trust will achieve continuous improvement in the operation of the Trust and will focus on developing and challenging existing and new business opportunities in order to fulfil our strategic and charitable objectives. In order to achieve this theme, we have established the following Strategic Objectives:

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

KEY POINTS AND ACHIEVEMENTS:

- For the 8th year running, East Ayrshire Leisure Trust commissioned an independent external audit of its account for the period 2021/22. Once again, we received an unqualified, "clean" audit.

- Our first 'Equipment Renewal Programme' identifying priority for investment in equipment was developed. £200,000 of investment was identified and included renewal of gym equipment, new grounds maintenance machines, IT software and furniture for the Grand Hall.
- We implementing the 'One Device Strategy' with a 3 year programme of replacement of all staff and public IT equipment.
- In early 2023, the Board of Trustees approved our first Hospitality Plan. As well as operating bars, our hospitality service is also responsible for the cafes at the Treehouse Centre and the Dick Institute. 2022/23 was a successful year for our cafes with an increase of income of 54% and 58% respectively.
- After 9 years of operation, a new Strategic Vision and a whole organisation review, it was agreed that it would be an appropriate time to carry out a review of our constitution and our Service Level Agreement. This was done in 2022 to reflect our new priorities and structures and was approved by both the Board of Trustees and East Ayrshire Council.

6. PROTECTING OUR ENVIRONMENT: East Ayrshire Leisure Trust will be committed to environmental best practice and will use resources as efficiently and effectively as possible in the operation of our business. We will also explore new opportunities to promote sustainability and biodiversity. In order to achieve this theme, we have established the following Strategic Objectives:

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

KEY POINTS & ACHIEVEMENTS

- The team have overseen the implementation of the Irvine Valley Trails Project and the Lugar Water Trail, both of which received funding through the Low Carbon Traffic and Transport Fund. Several sections of the River Ayr Way have also been upgraded to ensure that it remains open and safe for the thousands of visitors it attracts each year.
- We developed key partnerships with colleagues in East Ayrshire Council's Education Service and the East Ayrshire Health and Social Care Partnership to host the first residential visit to our Treehouse Centre. East Ayrshire Young Carers spent a week together in the residential centre, building relationships and growing in confidence. Subsequently, the team have been successful in attracting £36,000 which will allow 5 weeklong stays for young people from the Additional Support Needs network, their families and carers.
- Nearly 2,000 young people took part in our countryside education programme, including supporting all of Dunlop Primary School's primary 1 to 3 classes in their 'learning about birds' project; weekly visits from Willowbank Primary School and regular visits from Grange Academy.
- As part of the Scottish Government's Naturalisation Funding, East Ayrshire Council allocated £25,000 for the Trust to work with East Ayrshire Woodlands on a 'Fruit and Nut' project which will transform an area of unimproved grassland to a community woodland which focuses on the principles of 'food for free'. Tree selection was based on trees that provide either a fruit or a nut which can be harvested, providing a basis for a longer term community croft initiative when the woodland has established. The trees were planted in single species copse with grass paths maintained throughout, providing enhanced public access. The

East Ayrshire Leisure Trust
Trustees Report
For the year ended 31st March 2023

woodland was planted by East Ayrshire Woodland's trainees and as part of a programme of community events. The project also includes the establishment of a native hedgerow along the boundary of the site.

- We hosted Operation: Broken Feather at Dean Castle Country Park's Rural Life Centre. This interactive exhibition was a partnership with RSPB in conjunction with St Joseph's Academy (along with other secondary schools) who helped create the exhibition. We received lots of positive feedback with some of the older generations reminiscing about corncrakes being heard in farmland around Kilmarnock.

ONLINE VISITORS

Eastayrshireleisure.com

Our new site was launched in August 2019 and we continue to monitor performance and develop the website regularly, adapting to digital trends and business needs as appropriate. We had just over 590,000 sessions on the site throughout 2022-23.

Social Media

Social media is clearly one of our fastest and most responsive forms of communication. In 2022/23 we achieved nearly 9 million impressions across all of our platforms and the team continue to monitor clicks, audience reach, comments and engagement.

Our East Ayrshire Leisure and additional facility Facebook pages have continued to attract significant increases, as has our Twitter and Instagram accounts. Engagement levels across all platforms was extremely high during this financial year and we plan to capitalise on this growth with future developments and plans are underway to expand across additional platforms.

Facebook reach – over 550,000, an increase of 54%

Instagram reach – over 181,000, an increase of 37%

Paid reach – 340,000, an increase of 35%

Our top 5 achieving posts were:

- Georgia O'Keefe exhibition post on Instagram reached 8257, particularly notable as we are relatively new to Instagram and still developing our account
- Arrival of new spin bikes at Stewarton facebook post reached 99,583
- Our Jubilee Afternoon Tea celebrations post reached 98,513
- Great & Small exhibition posts reached 49,055
- Orienteering at Dean Castle Country Park post reached 39,495

Posts with the highest level of interactions were:

- Spirit of Christmas post which reached 64,395 and had 983 reactions, comments and shares. A 2nd post achieved 33,079 reach with a further 775 reactions, comments and shares
- In anticipation of the Dean Castle re-opening: reaching 25,891 with 495 reactions, 113 comments on the DCCP page and achieved a further reach of 16,924 and 281 reactions, comments and shares

FUTURE DEVELOPMENTS

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

To be successful in our ambitions collectively we plan:

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

Key developments for 2023-24 include:

- The reopening of Dean Castle, after 4 years of closure for significant renovation and restoration, will be a key priority for 2023-24. Programming, tourism growth and attracting major events will all feature highly
- 10th anniversary programme of events, initiatives and projects
- Development of the Cultural Kilmarnock project and major Palace Theatre & Grand Hall refurbishment
- Transformation of Annanhill Golf Course through the Going Green, Par for the Course' project
- Implementation of our Leisure Facility Strategy
- Development of our Hospitality and Retail plans and online offer
- Expansion of our Staff and Customer Exchange programmes
- Implementation of new box office ticketing and leisure management systems
- Development of the Kilmarnock Green Infinity Loop which will provide a 26 mile active travel route around Kilmarnock
- Creation of a Youth Board to complement our Board of Trustees
- Embed our new reporting structure, Customer Standards and performance monitoring framework

TRUSTEES RESPONSIBILITIES STATEMENT

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

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions for the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of Information to Auditors

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

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

Trustees' Report

Approved by the Board on xx September 2023 and signed on its behalf by:

Clare Maitland (Chair)
Trustee

Anneke Freel
Chief Officer

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

Opinion

We have audited the financial statements of East Ayrshire Leisure Trust (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC's) Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

East Ayrshire Leisure Trust
Independent Auditor's Report
For the year ended 31st March 2023

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

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

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

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

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

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

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

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

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

**East Ayrshire Leisure Trust
Independent Auditor's Report
For the year ended 31st March 2023**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Azets Audit Services
Statutory Auditor
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Date:.....

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

East Ayrshire Leisure Trust
Statement of Financial Activities
For the year ended 31st March 2023

	Notes	Unrestricted Fund 2023	Restricted Funds 2023	2023	2022
		£	£	£	£
Income from:					
Charitable activities	3	7,885,792	1,044,235	8,930,027	7,446,537
Investments	3	6,324	-	6,324	160
Total income		7,892,116	1,044,235	8,936,351	7,446,697
Expenditure on:					
Charitable activities	4	8,623,428	1,022,848	9,646,276	7,814,370
Other (net interest defined benefit pension scheme)	8	11,000	-	11,000	75,000
Total expenditure		8,634,428	1,022,848	9,657,276	7,889,370
Net (expenditure)/income		(742,312)	21,387	(720,925)	(442,673)
Transfer between funds		-	-	-	-
Other recognised gains/(losses):					
Actuarial gains on defined benefit pension schemes	8	1,050,000	-	1,050,000	4,384,000
Net movement in funds		307,688	21,387	329,075	3,941,327
Reconciliation of funds:					
Total funds brought forward		1,189,486	321,158	1,510,644	(2,430,683)
Total funds carried forward	16	1,497,174	342,545	1,839,719	1,510,644

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

The notes on pages 29 to 48 form part of these financial statements.

East Ayrshire Leisure Trust
Balance Sheet
As at 31st March 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	9	111,898	31,617
Heritage assets	10	34,920	34,920
		<u>146,818</u>	<u>66,537</u>
Current assets			
Stocks and work in progress	11	45,680	24,192
Debtors	12	1,057,847	781,517
Cash at bank and in hand	17	1,515,618	1,320,798
		<u>2,619,145</u>	<u>2,126,507</u>
Liabilities			
Creditors: Amounts falling due within one year	13	(1,062,244)	(728,400)
Net current assets		<u>1,556,901</u>	<u>1,398,107</u>
Net assets excluding pension scheme asset/(liability)		<u>1,703,719</u>	<u>1,464,644</u>
Defined benefit pension scheme asset/(liability)	8	136,000	46,000
Total net assets/(liabilities)		<u>1,839,719</u>	<u>1,510,644</u>
The funds of the charity:			
Restricted income funds	16	342,545	321,158
Unrestricted funds	16	1,361,174	1,143,486
Unrestricted Fund - Pension reserve	16	136,000	46,000
Funds		<u>1,839,719</u>	<u>1,510,644</u>

The financial statements were approved and authorised for issue by the Board on xx September 2023

Signed on behalf of the board of trustees

Claire Maitland (Chair)
Trustee

Anneke Freel
Chief Officer

The notes on pages 29 to 48 form part of these financial statements

East Ayrshire Leisure Trust
Statement of Cash Flows for the year ended 31st March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	17	299,307	21,366
Cash flows from investing activities:			
Investment income		6,324	160
Purchase of property, plant and equipment		(110,811)	(32,560)
Net cash provided by/(used in) investing activities		(104,487)	(32,400)
Change in cash and cash equivalents in the reporting period		194,820	(11,034)
Cash at the beginning of the reporting period		1,320,798	1,331,832
Cash at the end of the reporting period		1,515,618	1,320,798

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

East Ayrshire Leisure Trust is a Scottish Charitable Incorporated Organisation, recognised as a charity for tax purposes by HMRC and registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC043987. Details of the principal address can be found on page 9 of these financial statements.

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

Basis of accounting

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

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

I. Accounting Policies

Incoming resources

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

Revenue grants, including those from government, are recognised in the Statement of Financial Activities (SoFA) in the period in which the charity is entitled to receipt, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

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

Expenditure recognition and allocation of expenditure

Expenditure is recognised when a liability is incurred.

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

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

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

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs are provided by East Ayrshire Council and include HR, legal, finance.

Tangible Fixed Assets and Depreciation

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

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

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

Furniture and equipment: 5 years

Heritage Assets

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

Lease commitments

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

Stock

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

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

Debtors

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

Creditors

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

Cash and cash equivalents

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

Financial assets and financial liabilities

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

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

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

Pensions

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

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

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

Termination benefits

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

VAT

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

Unrestricted funds

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

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

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

Restricted funds

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

Taxation

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

Going concern

The financial statements have been prepared on the basis of accounting policies that are consistent with the treatment of the charity as a going concern. The current funding agreement with East Ayrshire Council covers up to the 31st March 2023. In the Trustee's opinion, the charity will be able to continue for the foreseeable future. East Ayrshire Leisure participates in a defined benefit retirement scheme, excluding this scheme, the charity reported unrestricted funds of £1,361,174.

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

2. Critical judgements and estimates

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

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

Defined benefit pension and other post-employment benefits

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

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

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

3. Income

Investment income

Investment income comprises bank interest. In 2023 bank interest of £6,324 (2022: £160) was received.

Income from charitable activities is as follows:

	2023	2023	2023	31st March
	Operating	Restricted	Total	2022
	Fund	Fund		2022
	£	£	£	£
Executive Management	5,989,737	-	5,989,737	5,471,641
Cultural Development	101,893	-	101,893	73,395
Community & Performing Arts Development	707,397	-	707,397	353,088
Leisure Development	30,748	-	30,748	20,496
Sports Development	1,056,017	-	1,056,017	875,446
Projects (Restricted income)	-	1,044,235	1,044,235	652,471
Total income from provision of facilities and services	7,885,792	1,044,235	8,930,027	7,446,537

A management service fee of £5,531,855 was received from East Ayrshire Council for the year (2022: £4,966,113). During 2022/2023, the Trust claimed £nil under the Job Retention Scheme (2022: £74,613).

Income on charitable activities was £8,694,916 (2022: £7,446,537) of which £7,290,681 was unrestricted (2022: £6,794,066) and £1,044,235 (2022: £652,471) was restricted. All other income was unrestricted.

4. Charitable expenditure

2023

	Executive	Cultural	Community & Performing Arts	Leisure	Sports	Property & Estates	Projects	Total	2022
	Management	Development	Development	Development	Development	Development	Development	Development	Development
	£	£	£	£	£	£	£	£	£
Employee costs	2,220,666	1,100,950	617,843	481,464	1,647,707	180,510	260,293	6,509,434	5,795,860
Property costs	15,468	197,037	345,210	86,121	200,049	2,995	53,487	900,366	567,817
Supplies and Services	392,602	234,157	363,175	47,644	196,632	5,995	645,878	1,886,083	1,199,409
Transport Costs	220	23,084	-	29,554	13,214	1,411	60,152	127,635	40,360
Support Services	187,400	-	-	-	-	-	-	187,400	187,400
Governance	32,320	-	-	-	-	-	3,038	35,358	23,524
Total	2,848,676	1,555,227	1,326,228	644,783	2,057,602	190,911	1,022,848	9,646,276	7,814,370

Expenditure on charitable activities was £9,707,161 (2022: £7,814,370) of which £8,684,313 was unrestricted (2022: £7,355,220) and £1,022,848 (2022: £459,150) was restricted.

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

2022

	Executive Management	Cultural Development	Community & Performing Arts Development	Leisure Development	Sports Development	Property & Estates Development	Projects	Total	2021
	£	£	£	£	£	£	£	£	£
Employee costs	2,089,148	1,156,810	424,329	474,874	1,437,221	167,107	46,371	5,795,860	5,309,038
Property costs	5,545	142,900	204,333	53,918	137,217	2,997	20,907	567,817	494,849
Supplies and Services	236,302	217,294	203,269	38,619	108,442	7,067	388,416	1,199,409	925,084
Transport Costs	-	12,059	-	17,220	10,291	748	42	40,360	39,013
Support Services	187,400	-	-	-	-	-	-	187,400	187,400
Governance	20,110	-	-	-	-	-	3,414	23,524	30,099
Total	2,538,505	1,529,063	831,931	584,631	1,693,171	177,919	459,150	7,814,370	6,985,483

5. Analysis of governance and support costs

	General Support	Governance	2023 £	2022 £
Support services from East Ayrshire Council				
Health and Safety	4,400	-	4,400	4,400
Internal Audit	-	4,000	4,000	4,000
Human Resources	65,000	-	65,000	65,000
Corporate Infrastructure	40,000	-	40,000	40,000
Finance	29,000	-	29,000	29,000
Legal and Procurement Services	10,000	35,000	45,000	45,000
Sub total – support services from East Ayrshire Council	148,400	39,000	187,400	187,400
Other				
Audit fees	-	20,850	20,850	13,100
Accountancy fees	11,470	-	11,470	7,010
Legal Fees	-	3,038	3,038	3,414
Sub total - other	11,470	23,888	35,358	23,524
Total governance and support costs	159,870	62,888	222,758	210,924

General support costs in 2023 were £159,870 (2022: £155,410) and governance costs £62,888 (2022: £55,514).

East Ayrshire Leisure receives support services from East Ayrshire Council. The total cost of support services provided by the Council in 2023 was £187,400 (2022 £187,400). The governance element of the support costs provided by the Council are calculated based on time spent throughout the year on governance activities.

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

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

6. Staff Costs and Numbers

	2023	2022
	£	£
Wages and salaries	4,253,490	3,712,171
Social security costs	353,831	286,650
Other pension costs	1,676,841	1,670,085
Other staff costs	225,272	126,954
	<u>6,509,434</u>	<u>5,795,860</u>

1 member of staff was made redundant during the year at a cost of £6,532 (2022: 1; £1,427).

Following UK and Scottish Government Guidance, all East Ayrshire Leisure venues closed to the public on the 18th March 2020. From this point, an agreement was reached with the joint trade unions where 72% of contracted and 100% of casual employees were put on furlough leave. To the end of March 2022, the Trust had claimed £1,198,213 under the Job Retention Scheme, there were no claims in the year to 31 March 2023.

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

	2023	2022
£90,000 - £99,999	1	-
£80,000 - £89,999	-	1
£60,000 - £69,999	1	-

The executive management team comprises 2 staff members (2022: 2 staff members). The total employee benefits (including employers contributions) of the executive management team were £208,139 (2022: £196,062).

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

	2023	2022
	Number	Number
East Ayrshire Leisure Trust		
Full-time (permanent)	83	95
Part-time (permanent)	111	91
	<u>194</u>	<u>186</u>

During the year trustees received no remuneration (2022: nil). Trustee expenses totalled £nil (2022: £nil). No trustees received payment for professional or other services supplied to the charity (2022: nil).

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

7. Operating Surplus

	2023	2022
	£	£
The operating surplus is stated after charging/(crediting)		
Auditors' remuneration (including expenses) for audit	20,850	13,100
for other services	11,470	7,010
Operating lease rentals	16,128	20,196

8. Pension Costs

East Ayrshire Leisure Trust is an admitted body of the Strathclyde Pension Fund. The Superannuation Fund is a defined benefit scheme into which employees' and employer's contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. Employees' contributions are tiered and employer's basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and in a position to meet its future liabilities. The actuarial method used is known as Projected Unit Credit Method. The last actuarial valuation was at 31st March 2020 and following this valuation employer's contributions have been set at 19.3% for the years ended 31st March 2023 and 2024.

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

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

	31st March 2023	31st March 2022
	£'000	£'000
Opening defined benefit obligation	31,589	32,137
Current service cost	1,670	1,674
Past service cost/(gain) (including curtailments)	-	-
Interest cost on defined benefit obligation	872	657
Contributions by members	216	193
Actuarial losses/(gains)	(13,403)	(2,710)
Benefits paid	(380)	(357)
Unfunded benefits paid	(6)	(5)
	<hr/>	<hr/>
Closing defined benefit obligation	<u>20,558</u>	<u>31,589</u>

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

	31st March 2023	31st March 2022
	£'000	£'000
Opening fair value of plan assets	31,635	28,908
Interest income on plan assets	861	582
Contributions by members	216	193
Contributions by the employer	715	635
Contributions in respect of unfunded benefits	6	5
Actuarial gain/(loss)	(1,586)	1,674
Benefits paid	(380)	(357)
Unfunded benefits paid	(6)	(5)
Unrecognised surplus	(10,767)	-
	<hr/>	<hr/>
Closing fair value of plan assets	<u>20,694</u>	<u>31,635</u>

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

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

	31st March 2023	31st March 2022
	£'000	£'000
Current service cost	(1,670)	(1,674)
Past service cost/(gain) (including curtailments)	-	-
Total service cost	(1,670)	(1,674)
Net interest		
Interest income on plan assets	861	582
Interest cost on defined benefit obligation	(872)	(657)
Total net interest	(11)	(75)
Total defined benefit cost recognised in net income/expenditure per the SOFA	(1,681)	(1,749)

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

	31st March 2023	31st March 2022
	%	%
Equities	60	64
Bonds	28	24
Property	10	10
Cash	2	2

The estimated employer contributions for the year to 31 March 2023 are £714,000.

The principal actuarial assumptions used in the calculations are:

	31st March 2023	31st March 2022
	% per annum	% per annum
Pension Increase Rate	2.95	3.20
Salary Increase Rate	3.65	3.90
Discount Rate	4.75	2.70

Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a for both males and females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	19.3 years	22.2 years
Future Pensioners	20.5 years	24.2 years

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

9. Fixed Assets

	Furniture & Equipment	Total
	£	£
Cost		
As at 1 st April 2022	199,414	199,414
Additions	110,811	110,811
	<u>310,225</u>	<u>310,225</u>
As at 31 st March 2023	<u>310,225</u>	<u>310,225</u>
Depreciation		
As at 1 st April 2022	167,797	167,797
Charge	30,530	30,530
	<u>198,327</u>	<u>198,327</u>
As at 31 st March 2023	<u>198,327</u>	<u>198,327</u>
Net book value		
As at 31 st March 2022	31,617	31,617
As at 31 st March 2023	<u>111,898</u>	<u>111,898</u>

10. Heritage Assets

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

	Heritage Assets	Total
	£	£
Cost		
As at 1 st April 2022	34,920	34,920
	<u>34,920</u>	<u>34,920</u>
As at 31 st March 2023	<u>34,920</u>	<u>34,920</u>
Net book value		
As at 31 st March 2022	34,920	34,920
As at 31 st March 2023	<u>34,920</u>	<u>34,920</u>

11. Stock

	2023	2022
	£	£
Goods for re-sale	45,680	24,192
	<u>45,680</u>	<u>24,192</u>

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

12. Debtors

	2023	2022
	£	£
Amounts due from East Ayrshire Council	659,156	381,876
Trade debtors	147,301	108,890
Other debtors and prepayments	251,390	290,751
	<u>1,057,847</u>	<u>781,517</u>

13. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Amounts owed to East Ayrshire Council	42,656	33,184
Trade creditors	113,556	17,780
Accruals and deferred income	610,915	454,807
Taxation and social security	295,117	222,629
	<u>1,062,244</u>	<u>728,400</u>

14. Deferred income

Deferred income comprises advanced ticket sales.

	2023	2022
	£	£
Balance as at 1 st April 2022	161,782	139,500
Amounts released to income during 2022/22	(161,782)	(139,500)
Amounts deferred in year	222,650	161,782
	<u>222,650</u>	<u>161,782</u>
Balance as at 31 st March 2023	<u>222,650</u>	<u>161,782</u>

15. Financial assets and liabilities

	2023	2022
	£	£
Financial assets at amortised cost	2,565,129	2,038,340
Financial liabilities at amortised cost	(544,478)	(343,989)
	<u>2,020,651</u>	<u>1,694,351</u>

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

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

16. Reserves

Funds 2023	Unrestricted Funds	Restricted Funds	2023 Total	2022 Total
	£	£	£	£
Balance at 31 st March 2023				
Represented by:				
Fixed assets	146,818	-	146,818	66,537
Net current assets	1,214,356	342,545	1,556,901	1,398,107
Retirement benefit scheme asset/(liability)	136,000	-	136,000	46,000
	<u>1,497,174</u>	<u>342,545</u>	<u>1,839,719</u>	<u>1,510,644</u>

Funds 2022	Unrestricted Funds	Restricted Funds	2022 Total	2021 Total
	£	£	£	£
Balance at 31 st March 2022				
Represented by:				
Fixed assets	66,537	-	66,537	42,337
Net current assets	1,076,949	321,158	1,398,107	755,980
Retirement benefit scheme asset/(liability)	46,000	-	46,000	(3,229,000)
	<u>1,189,486</u>	<u>321,158</u>	<u>1,510,644</u>	<u>(2,430,683)</u>

Unrestricted Fund 2023	Opening Balance at 1st April 2022	Incoming	Outgoing	Transfers	Actuarial Gain/(Loss)	Closing Balance at 31st March 2023
	£	£	£	£	£	£
Unrestricted fund	1,100,191	7,498,336	(7,560,708)	-	-	1,037,819
Designated funds	43,295	393,780	(113,720)	-	-	323,355
Pension reserve	46,000	-	(960,000)	-	1,050,000	136,000
	<u>1,189,486</u>	<u>7,892,116</u>	<u>(8,634,428)</u>	<u>-</u>	<u>1,050,000</u>	<u>1,497,174</u>

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

Unrestricted Fund 2022	Opening Balance at 1st April 2020	Incoming	Outgoing	Transfers	Actuarial Gain/(Loss)	Closing Balance at 31st March 2022
	£	£	£	£	£	£
Unrestricted fund	629,336	6,773,386	(6,298,755)	(3,776)	-	1,100,191
Designated funds	44,920	20,840	(22,465)	-	-	43,295
Pension reserve	(3,229,000)	-	(1,109,000)	-	4,384,000	46,000
	<u>(2,554,744)</u>	<u>6,794,226</u>	<u>(7,430,220)</u>	<u>(3,776)</u>	<u>4,384,000</u>	<u>1,189,486</u>

Designated Funds 2023:	2022	Incoming	Outgoing	Transfer	2023
	£	£	£	£	£
Fixed assets	34,920	-	-	-	34,920
IT equipment – corporate services, P&E	2,800	2,200	-	-	5,000
Libraries – Lorensbergs Netloan Upgrade	1,600	-	(1,600)	-	-
Box Office / Booking System	3,975	9,800	-	-	13,775
Sport Equipment & Repairs	-	4,335	(4,335)	-	-
Secure Portal Upgrade	-	4,880	-	-	4,880
DCCP Canopy	-	14,500	(13,560)	-	940
People Counters	-	3,000	-	-	3,000
Venue Equipment	-	3,000	-	-	3,000
Valuations	-	4,000	-	-	4,000
Equipment replacement programme	-	154,200	(6,460)	-	147,740
Wellbeing Initiatives – EA Gift Cards to Staff	-	45,000	(28,200)	-	16,800
Event Management	-	43,500	(11,700)	-	31,800
Facility Management Support	-	27,500	-	-	27,500
10 th Anniversary Events and Initiatives	-	30,000	-	-	30,000
Spin Bikes - RRSC	-	34,635	(34,635)	-	-
RAW Signage	-	8,730	(8,730)	-	-
Ebooks	-	4,500	(4,500)	-	-
Total designated funds	43,295	393,780	(113,720)	-	323,355

Designated Funds 2022:	2021	Incoming	Outgoing	Transfer	2022
	£	£	£	£	£
Fixed assets	34,920	-	-	-	34,920
Dover House upgrades	10,000	-	(10,000)	-	-
IT equipment – corporate services, P&E	-	6,000	(3,200)	-	2,800
Cultural – Additional Totem Signage at DI	-	3,765	(3,765)	-	-
P&E – RAW equipment	-	4,000	(4,000)	-	-
Libraries – Lorensbergs Netloan Upgrade	-	1,600	-	-	1,600
Box Office / Booking System	-	5,475	(1,500)	-	3,975
Total designated funds	44,920	20,840	(22,465)	-	43,295

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

Restricted funds

	2022	2022	2022	2022		2023	2023	2023	2023
Opening	Incoming	Resources	Transfers	Closing		Opening	Incoming	Resources	Closing
Balance	Resources	Expended		Balance		Balance	Resources	Expended	Balance
£	£	£	£	£		£	£	£	£
-	212,000	(12,971)	-	199,029	Annick Valley Leisure Facilities	199,029	-	-	199,029
-	5,000	-	-	5,000	Dean Castle Event	5,000	98,522	(145,502)	(41,980)
-	-	(13,114)	-	(13,114)	Fruit and Nut Tree	(13,114)	-	(3,056)	(16,172)
-	15,750	-	-	15,750	Woodland Future Museum.co.uk Redevelopment	15,750	-	(18,259)	(2,509)
-	47,499	(47,499)	-	-	Leisure at the Heart of All Communities	-	655,268	(620,922)	34,346
-	-	(2,968)	2,968	-	October -Activity Programme	-	-	-	-
-	810	-	-	810	Patna Leisure Facilities	810	-	-	810
-	21,265	(17,691)	-	3,574	Seedscaapes: Future Proofing	3,574	493	(4,067)	-
-	10,500	(1,535)	-	8,965	Nature Sharing Stories	8,965	4,614	(13,579)	-
-	42,789	(32,789)	(10,000)	-	Summer -Activity Programme	-	-	-	-
-	5,000	(9,600)	7,032	2,432	Youth Memberships	2,432	(270)	-	2,162
4,015	-	(106)	-	3,909	Ayrshire Libraries forum	3,909	-	(90)	3,819
861	-	-	-	861	Burns Birthday in Mauchline	861	-	-	861
4,592	2,830	(1,850)	-	5,572	Cumnock Town Hall Community Cinema	5,572	-	-	5,572
15,500	93,887	(94,574)	-	14,813	DCCP Parks for People	14,813	-	(6,773)	8,040
2,416	-	(44)	-	2,372	Digital Storyteller in Residence	2,372	-	-	2,372
4,000	-	-	-	4,000	Foster Carer Service - Memberships	4,000	-	-	4,000
22,005	1,198	(16,517)	-	6,686	Grayson Perry	6,686	-	(6,686)	-

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

Opening Balance	2022 Incoming Resources	2022 Resources Expended	2022 Transfers	2022 Closing Balance		2023 Opening Balance	2023 Incoming Resources	2023 Resources Expended	2023 Transfers	2023 Closing Balance
£	£	£	£	£		£	£	£	£	£
24,258	181,793	(185,207)	-	20,844	Irvine Valley Trails 2019 onwards	20,844	-	(3,038)	-	17,806
14,955	-	-	-	14,955	Kilmarnock Green	14,955	-	-	-	14,955
7,356	-	(7,356)	-	-	Infrastructure Logan Centre Ringfenced Museums Database	-	-	-	-	-
(898)	12,150	(15,028)	3,776	-	SHOUT	-	-	-	-	-
5,000	-	-	-	5,000	SHOUT	5,000	(1,316)	-	-	3,684
20,000	-	(300)	-	19,700	Wifi Project	19,700	-	-	-	19,700
-	-	-	-	-	Creative Scotland Recovery Fund	-	149,566	(60,449)	-	89,117
-	-	-	-	-	Cost of Living Crisis	-	66,133	(74,411)	-	(8,278)
-	-	-	-	-	On the Road to Digital Success	-	26,600	(9,472)	-	17,128
-	-	-	-	-	Lugan Water Trail Path	-	24,500	(24,500)	-	-
-	-	-	-	-	Queen's Jubilee Event	-	13,325	(13,325)	-	-
-	-	-	-	-	East Ayrshire Cycling Tour	-	6,800	-	-	6,800
-	-	-	-	-	Morton Hall and Library	-	-	(18,719)	-	(18,719)
124,061	652,471	(459,150)	3,776	321,158	Totals	321,158	1,044,235	(1,022,848)	-	342,545

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

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

2 funding bids will be submitted for this event – the outcome for the first submission was approved June 2022 and we were awarded £47,500 and the second bid has still to be done. £5k has been identified as match funding. The event as a focal point for the reopening of the Castle will provide a celebratory, collaborative and high profile occasion through our confirmed partnerships with key Scottish cultural heavyweights including The Cumnock Tryst headed up by one of the world's most important composers, Sir James MacMillan, Professor Alistair McDonald - Composer and Sound Artist (Royal Conservatoire of Scotland), Professor Kirsteen McCue - historian and musician (Glasgow University, Burns Scotland), and Colin Currie – world renowned percussionist. The project will take a wholly accessible, collaborative and engaging approach, working with local pupils to develop a newly commissioned work which will feature at the centre of the event, and welcoming on the spot participation for visitors through a unique

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

series of percussion sculptures, an entirely new collection of musical instruments created by a local artist blacksmith for this event.

Fruit and Nut Tree Woodland – Funding has been secured through the Scottish Government Naturalisation Funding, to transform an area of unimproved grassland to a community woodland which focuses on the principles of 'food for free'. The woodland will be developed and planted by East Ayrshire Woodland's trainees as well as through community events organised by East Ayrshire Leisure's Countryside Ranger Service. The project also includes the establishment of a native hedgerow along the boundary of the site. To date, the native hedgerow has been planted through a number of volunteer sessions involving Ayrshire College, young people being looked after by EAC, the local community and corporate volunteers from Teleperformance Call Centre based at Rowallan Business Park.

FutureMuseum.co.uk Redevelopment - A successful bid was submitted to Museums Galleries Scotland for £47,000 to support the redevelopment of the south west Scotland partnership project. The project is estimated to take two years to complete. FutureMuseum.co.uk is a partnership between East Ayrshire Leisure Trust, Dumfries and Galloway Council, North Ayrshire Council and South Ayrshire Council. The objectives of the project are to maximise access to the museum and gallery collections of the South-West of Scotland, to deepen people's understanding of the history of the region, and to drive footfall to the museums and galleries in the region. A redesign of the website will make it more accessible through improved design, site navigation and effective use of analytical tools to support content generation.

Leisure at the Heart of All Communities – We have received funding through the UK Government's Community Renewal Fund for the Leisure at the Heart of All Communities project, which aims to bring physical activity, cultural, heritage and greenspace activities right to every community in East Ayrshire. The project will refurbish 4 buses to deliver programmes throughout East Ayrshire from March to August 2023.

October Activity Programme – funding received towards an activity programme to be run in the October week for young people aged 18 years and under.

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

Seedscape: Future Proofing Nature - A successful bid for £13,524 was secured to make a body of new contemporary visual art work through an artist-led participatory programme with young people exploring art, activism and climate change in response to COP26 and to the SEEDSCAPES exhibition in the Dick Institute Main Gallery. In a mutual exchange of perspectives the work will reflect a unique moment in time considering nature, biodiversity and the environment. The work will be presented through photography, exhibition and installation and will explore the vital interconnection between seeds, plants and human survival at this critical juncture in a world facing climate crisis and shaped by Covid.

Sharing Stories – This Project is supported by the Scottish Government Public Library COVID Recovery Fund and Scottish Library & Information Council. The primary aim of this project is to engage, build relationships with, and provide support for the many different groups within our communities who may have been adversely affected by the Covid-19 pandemic. Also to help rebuild our library service post-pandemic by enabling us to provide more and varied activities and purchase additional related resources, which will hopefully encourage people back through our doors and generate an upturn in usage and footfall – both of which have seen a steep decline as a direct result of Covid-19. We will be focusing on supporting children with learning disabilities, dementia sufferers, adults with low literacy levels and ESOL.

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

Summer Activity Programme – funding received for a summer programme of activities targeting children and young people who fall into one of ten targeted groups.

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

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

Burns Birthday in Mauchline – The project normally takes place on the last Saturday in January at Burns House Museum, Mauchline Parish Church Halls and Mauchline Kirkyard. The family event which is funded by EventScotland is free and includes lots of Burns related activity including visual art, puppet making, Kirkyard tours with our partners Mauchline Burns Club, curator talks and a very special performance by pupils of Mauchline Primary School. The event did not take place in 2021 due to EventScotland funding being withdrawn due to Covid 19 but it is hoped the event should be going ahead in the future.

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

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

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

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

Grayson Perry – Our planned high profile exhibition for 2020/21 period 'GRAYSON PERRY – The Vanity of Small Differences' had to be postponed due to lockdown and travel restrictions. We are in communication with the lender to reorganise the exhibition for later in the year.

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

Kilmarnock Green Infrastructure - The design and feasibility work has been completed for the Kilmarnock Green Infrastructure Project. £300k has been secured from Sustrans for further design work for a multi-million pound application later in the year. A Project Board, chaired by East Ayrshire Leisure, has been established to oversee the

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

development and implementation of this 18 mile cycle route project for Kilmarnock made up of officers from East Ayrshire Leisure, East Ayrshire Council and Ayrshire Roads Alliance.

Logan Centre (Ringfenced) – Funding allocated to EA Leisure for the sustainable development of the Logan Centre to benefit the entire community.

Museums Database - East Ayrshire Leisure cares for approximately 250,000 objects within the museums it manages on behalf of East Ayrshire Council. Currently these collections are documented on a mixture of ageing and basic database systems. As we progress through the actions outlined within our Accreditation plan, including a full, basic inventory of all collections, plus our work with our Recognised collections, it is clear that we require a modern, future-proof database for use across the museum service, with opportunities for working with external partners in a more co-ordinated and efficient way. Museums Galleries Scotland has awarded 75% of project costs. Progress with the project was interrupted due to Covid 19, however MGS granted an extension to 31 July 2022 to complete the project.

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

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

On the Road to Digital Success – Funding of £38,000 was awarded towards this project which aims to reach communities and individuals across East Ayrshire with digital access and support. Due to the unique fabric of East Ayrshire’s urban rural landscape we recognise that access to our facilities can be difficult for some residents who live in more remote parts of the authority. A mobile service reduces the inequalities experienced by residents who don’t live near a static venue, or who do not have access to transport to travel to a facility. Covid-19 accelerated the necessity to be digitally enabled, but there are still members of the community for whom digital access is a luxury and not within reach. The project aims to bridge the digital divide and provide a safe place to work and study; or to relax and have fun in a space to unwind and take time-out from the pressures of daily life. One of the benefits to having a mobile service is that we can take our entire library offer into communities and to specific groups to enable us to deliver our services to people who are “hard to reach”. This type of service helps us to break down barriers as we are quite literally taking the service to them. Staff who will deliver this project will be equipped to support learning on the bus as well as provide a friendly and approachable service. We have existing connections with partners across East Ayrshire; this project would give us scope to build on these and create new connections opening up our library service to a new audience.

East Ayrshire Cycling Tour – £8k was awarded to towards this project aimed at promoting cycling to everyone from all ages across East Ayrshire. The funding was secured from a larger fund which coincides with the UCI World Championships which are being held in Glasgow and is the first multi-disciplinary cycling championships to take place in the world. The funding is being used to have a roadshow of cycling activities at venues across East Ayrshire in July 2023. The activities at the event will include Dr Bike, E-bike trials, cycling competitions for children, a pump track to try, guest speakers, all ability bikes, balance bikes, guided cycles and other fun activities which families can participate in to allow all ages to engage with cycling based activities. The facilities which will be used to host these events are Barony Sports Village, Dean Castle Country Park and Doon Valley Sports Centre.

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

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

	2023	2022
	£	£
Net income/(expenditure) for the reporting period (as per the SOFA)	(720,925)	(442,673)
Adjustments for:		
Interest received	(6,324)	(160)
Depreciation	30,530	8,360
Net cost in respect of pensions	960,000	1,109,000
(Increase)/decrease in stock	(21,488)	(5,272)
(Increase)/decrease in debtors	(276,330)	(427,151)
Increase/(decrease) in creditors	333,844	(220,738)
Net cash provided by (used in) operating activities	299,307	21,366

Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand	1,515,618	1,320,798
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	1,515,618	1,320,798

18. Operating lease commitments

At 31st March 2023, the Trust had future minimum lease payments under non-cancellable operating leases as follows:

	2023		2022	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Within one year	-	13,222	-	16,128
Within two to five years	-	-	-	13,222
	-	13,222	-	29,350

East Ayrshire Leisure Trust
Notes to the Accounts
For the year ended 31st March 2023

19. Related parties

East Ayrshire Council (EAC) made a contribution in line with the Services Agreement of £5,531,855 (2022: £4,966,113). Facilities were leased to East Ayrshire Leisure for a peppercorn rent. East Ayrshire Council also provided various support functions including Legal, Finance and IT for which the charity was charged £187,400 (2022: £187,400).

The relevant transactions and balances with East Ayrshire Council were:

2022/23				2021/22			
Income from EAC	Payments to EAC	Due from	Due to	Income from EAC	Payments to EAC	Due from	Due to
£	£	£	£	£	£	£	£
5,653,011	1,100,562	659,156	42,656	5,422,586	733,948	381,876	33,184
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20. Contingent Liabilities

There is one public liability claim, and one employer liability claim ongoing. (2022: three public liability claims, and no employer liability claim ongoing).

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

21. Non-Audit Services

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



Audit findings report

East Ayrshire Leisure

Year ended March 2023



Strictly Private & Confidential

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

Our ref: NIBE/SALO/EASTAL01
21 July 2023

Dear Sirs

**East Ayrshire Leisure
Audit findings for the year ended 31 March 2023**

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

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

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

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

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

Yours faithfully

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Contents

1.	Executive summary	1
2.	Financial performance	3
3.	Significant audit findings	4
4.	Estimates and judgements	7
5.	Going concern	8
6.	Audit communication	9
7.	Unadjusted misstatements	10
8.	Internal controls	11
9.	Independence and ethics	12

1. Executive summary

Audit overview

This table summarises the significant matters arising from the statutory audit of East Ayrshire Leisure for the year ended 31 March 2023 for those charged with governance.

Audit opinion	<p>We do not propose any modifications to our audit opinion which is unqualified</p> <p>We have no matters to report regarding the adoption of the going concern basis or inadequate disclosures relating to material uncertainties</p> <p>Our audit work is substantially complete and there are currently no matters which would require modification of our audit report.</p>
Audit approach	<p>There were no changes to our audit approach as set out to you in our letter dated 1 May 2023.</p>
Significant audit findings	<p>The Trust reported a significant increase in income from charitable activities primarily due to increased project income, successful events, increased donations and increased membership direct debits .</p> <p>We have reported our significant audit findings on pages 4-6 and audit adjustments in the financial performance section on page 3.</p> <p>We are pleased to report that the audit progressed well from our perspective and in accordance with the agreed timetable.</p>
Audit adjustments	<p>We are required to communicate all potential adjustments, other than those considered to be clearly trivial, to management and to request that management corrects them.</p> <p>Audit adjustments proposed can be seen in the reconciliation to accounts below.</p> <p>The aggregate impact of unadjusted misstatements on the SOFA , were they to be processed, would result in a combined affect on the profit of approximately £nil which is immaterial to the financial statements. Details of unadjusted misstatements are included on page 10.</p> <p>All unadjusted differences are collectively and individually under materiality.</p>

**Internal
controls**

The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

Our audit is, therefore, not designed to identify all control weaknesses. No material weaknesses or significant deficiencies were noted.

2. Financial performance

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

Reconciliation to accounts

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

	£
Net income per management accounts	(176,627)
<i>Audit adjustments</i>	
Incorporation of actuarial information into the financial statements	960,000
Net adjustment to remove deferred income in 2022/23 and adjust for 2021/22 deferred income	(56,892)
Net adjustment to debtors at year end in relation to restricted funds	34,889
Transfer to funds in respect of depreciation on assets funded through restricted funds	(51,162)
Museums and Galleries Tax Relief noted in funds for budgetary purposes	(1,669)
Movement in holiday pay accrual	12,386
Net (expenditure) per statutory financial statements	(720,925)

Statement of Financial Activity

	2023	2022	
Total Income	8,936,351	7,446,697	<p>The management fee received from the Council has increased on the prior year (£5,531,855 in 2022/23 in comparison to £4,966,113).</p> <p>There has been a significant increase in income from charitable activities (c. £1.5 million) due primarily to increased number of projects, successful events such as the panto and increased membership direct debits and the undertaking of new projects.</p>
Total Expenditure	(9,657,276)	(7,889,370)	<p>Overall expenditure has increased in comparison with the previous year. This is primarily due to the end of the COVID-19 pandemic protocols which has resulted in costs returning to pre covid levels and the increased number of projects undertaken.</p> <p>The impact from the incorporation of the actuarial pension asset has resulted in £960,000 additional costs being incorporated into the financial statements in 2022/23 compared to £1,109,000 in 2021/22.</p>
Total Funds	(720,025)	(442,673)	

3. Significant audit findings

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

Significant risk areas identified at planning

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

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

Significant risks at the financial statement level

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

Key risk area	Audit Approach	Conclusions
<p>Management override of controls</p> <p>Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk.</p> <p>Risk of material misstatement: High</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Review of accounting estimates, judgements and decisions made by management; • Testing of journal entries; • Review of any unusual significant transactions; • [Insert testing as appropriate] 	<p>We have not identified any indications of management override in the year.</p> <p>We did not identify any areas of bias in key judgements made by management and judgements were consistent with prior years</p>

Key risk area	Audit Approach	Conclusions
<p>Fraud in income recognition</p> <p>Material misstatement due to fraudulent financial reporting relating to revenue recognition is a presumed risk in ISA 240 (The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements).</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> Risk assessment: High 	<p>Whilst we do not suspect any incidences of fraud or error, we will evaluate each type of income transaction and document our conclusions.</p> <p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> Review and testing of revenue recognition policies; Detailed substantive testing on material revenue streams; and <p>Substantive analytical procedures</p>	<p>We have gained reasonable assurance on the completeness and occurrence of income and we are satisfied that income is fairly stated in the financial statements.</p>
<p>Key accounting estimate : pension assumptions</p> <p>An actuarial estimate of the pension fund asset/liability is calculated on an annual basis under FRS 102 and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience. The estimates are based on the most up to date membership date held by the pension fund and have regard to local factors such as mortality rates and expected pay rises with other assumptions around inflation when calculating the liabilities. There is a risk that the assumptions used are not appropriate.</p> <p>Inherent risk of material misstatement:</p> <p>Pensions (Valuation, Accuracy, Completeness): High</p>	<p>We will review the controls in place to ensure that the data provided from the pension fund to the actuary is complete and accurate. We will review the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data. We will agree the disclosures in the financial statements to information provided by the actuary.</p>	<p>Refer to section 4 of this report. Overall no issues were identified over the pension assumptions applied.</p>

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

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

Key risk area	Audit Approach	Conclusions
<p>Going Concern including</p> <p>The Trustees must undertake a formal assessment of the Trust’s ability to continue as a going concern for at least 12 months following the signing of the financial statements at both the planning stage of the audit and at the date the financial statements are signed.</p> <p>We have designed our audit procedures in order to obtain sufficient appropriate audit evidence over the above risks.</p> <p>Risk of material misstatement: Medium</p>	<p>In respect of going concern for each entity, we will review:</p> <ul style="list-style-type: none"> • your assessment of going concern at planning and at the date of signing the financial statements; • budgets covering the 12 month period from the signing date of the financial statements; • post year end management accounts; and • the cash position at date of approval of the accounts. <p>We will also have a detailed discussion with the finance team in respect of going concern.</p> <p>Finally, we will ask the Trustees, via the letter of representation, to confirm that the Trustees have concluded that each entity in the group is a going concern.</p>	<p>Refer to section 5 of this report.</p> <p>We confirm that there are no issues affecting the Trust’s ability to continue as a going concern. As highlighted in the financial statements, the current funding agreement with East Ayrshire Council covers up to 31 March 2024. In the Board’s opinion, the Trust will be able to continue for the foreseeable future.</p> <p>We concur with management’s assessment that it is appropriate to continue to adopt the going concern basis and there are no material uncertainties relating to going concern which should be disclosed in the financial statements.</p>

4. Estimates and judgements

During the audit planning process we identified the following areas which require significant estimation or judgement. Our audit work consisted of reviewing these key areas for any indication of bias and assessing whether the judgements used by Management are reasonable. We have summarised our assessment of this below, categorised between **Prudent**, **Balanced** and **Optimistic**.

Area	Assessment	Comment
Pension Assumptions	Balanced	<p>An actuarial estimate of the pension fund asset/liability is calculated on an annual basis under FRS 102 and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience.</p> <p>We have considered the competence, capability and objectivity of the actuary in line with the requirements of ISA (UK) 500 'Audit Evidence'. From this review we did not identify any items which gave us cause for concern over the suitability of the actuary.</p> <p>We reviewed the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data, with no issues identified. In addition we reviewed the information in the actuarial report for completeness and accuracy against the published pension fund data.</p>

5. Going concern

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

Management's assessment of going concern

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

- The current funding agreement with East Ayrshire Council covers up to 31 March 2024.
- SLA agreement in place with the Council.
- Financial strategy to 2026 has been considered.
- Strong cash and reserves position at the year end.
- Activities continue to recover well since pandemic.

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

Audit work performed

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

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

Other factors

A balanced budget has been set and approved for 23/24 - savings of £130,000 have to be achieved.

Pension contributions: The last actuarial valuation was at 31st March 2020 and following this valuation employer's contributions have been set at 19.3% for the years ended 31st March 2022, 2023 and 2024.

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

Disclosures

We have reviewed the disclosures set out in the financial statements and concluded that they are sufficient and appropriate

Conclusion

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

6. Audit communication



Materiality

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

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

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

Accounting policies

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

Presentation and disclosures

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and estimation techniques adopted by the entity.

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

Fraud and suspected fraud

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

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

Written representations

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

Related parties

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

Confirmations from third parties

All requested third party confirmations in respect of bank confirmations have been received.

7. Unadjusted misstatements



Unadjusted audit differences

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

No	Detail	Assets	Liabilities	Equity	Profit / (loss)
		Dr / (Cr) £	Dr / (Cr) £	Dr / (Cr) £	Dr / (Cr) £
Details of unadjusted audit differences					
1	Trade Debtors	12,131			-
	Trade Creditors		(12,131)		
	Being removal of credit balances from Aged Debtors				
Total		12,121	(12,121)		-

8. Internal controls

Control environment

The purpose of an audit is to express an opinion on the financial statements. As part of our work we considered internal controls relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we have reported these to you below and overleaf. These matters are limited to those which we have concluded are of sufficient importance to merit being reported to you and that have not been reported elsewhere within this memorandum.

Area	Assessment	Comment
Control and process environment	Satisfactory	We consider the control environment within the entity to be satisfactory.
Quality of supporting schedules	Satisfactory	The supporting schedules received during the course of the fieldwork were sufficient for our audit purposes
Responses to audit queries	Satisfactory	Management's responses to our audit queries were appropriate and received on a timely basis.

9. Independence and ethics

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

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

Audit and non-audit services

The following services were provided in the year to March 2023 and to March 2022.

Audit services	Fees 2023 £	Fees 2022 £
Audit of financial statements	20,000	13,200

Non-audit service	Fees 2023	Fees 2022	Type of threat	Safeguard
Preparation of statutory accounts	£5,900	£3,025	Self-review	Trustees to sign and approve all adjustments made to the financial statements. Preparation of statutory financials statements performed and reviewed by a separate team / Whilst the preparation of the statutory financial statements is carried out by members of the audit team, it is reviewed by a reviewer separate from the audit team.
Tax and VAT Services	£nil	£1,360	Self-review	Work is performed by a separate team who are not involved in the delivery of audit services.

AZETS

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Our Ref: AF/CF

28 September 2023

Azets Audit Services Limited
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

EAST AYRSHIRE LEISURE TRUST

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charity's financial statements for the period ended 31 March 2023. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

GENERAL

1. We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 1st May 2023, under the Charities and Trustee Investment (Scotland) Act 2005 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
2. All the transactions undertaken by the charity have been properly reflected and recorded in the accounting records.
3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charity, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Office of the Scottish Charity Regulator.

ADJUSTMENTS & DISCLOSURES

4. The financial statements are free of material misstatements, including omissions.
5. The effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. (See appendix 1 for details of such uncorrected misstatements).
6. We have reviewed and approved all audit adjustments made in the financial statements. (See appendix 2 for details of such audit adjustments).

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

INTERNAL CONTROL AND FRAUD

8. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
9. We have disclosed to you all instances of known or suspected fraud affecting the charity involving management, employees who have a significant role in internal control or others where fraud could have a material effect on the financial statements.
10. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the charity's financial statements communicated by current or former employees, analysts, regulators or others.
11. We have disclosed to you any significant changes in our processes, controls, policies and procedures that we deem necessary to address the likely effects of the COVID-19 pandemic on our system of internal controls.

ASSETS AND LIABILITIES

12. The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets except for those that are disclosed in the notes to the financial statements.
13. There were no changes in fixed assets during the period ended 31 March 2023 other than those disclosed in the accounts.
14. We have reviewed the residual values attached to fixed assets and confirm they are still appropriate and reasonable reflections of these assets condition and usage.
15. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
16. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.
17. We confirm that all bank accounts have been disclosed to you and are included within the financial statements.
18. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.

ACCOUNTING ESTIMATES

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

LOANS AND ARRANGEMENTS

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

LEGAL CLAIMS

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

LAWS AND REGULATIONS

22. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements and disclosures, including non-compliance matters:
 - a. Involving financial impropriety;
 - b. Related to laws or regulations that have a direct effect on the determination of material amounts and disclosures in the charity's financial statements;
 - c. Related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the charity's business, its ability to continue in business, or to avoid material penalties; and
 - d. Involving management, or employees who have significant roles in internal control, or others.
23. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance, other than those already disclosed.

RELATED PARTIES

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

SUBSEQUENT EVENTS

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

GOING CONCERN

26. We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that there is a long term funding agreement and an SLA in place with the Council, the financial strategy for period to 2026 has been considered and there is a strong current reserves position.
27. We also confirm our plans for future action(s) required to enable the charity to continue as a going concern are feasible.
28. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

GRANTS AND DONATIONS

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

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

DISCLOSURE OF INFORMATION TO THE AUDITOR

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

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

Yours faithfully

.....
Signed on behalf of the board of directors by:
Clare Maitland (Chair)
Trustee

Date: 28 September 2023

Appendix I – Uncorrected misstatements

	JE detail	P&L account / SOCI		Balance Sheet/SOFP		Impact on P&L account/SOFA	
		Dr	Cr	Dr	Cr		
1	Trade Debtors			£	12,131	£	-
	Trade Creditors					£	-
	<i>Being removal of credit balances from the Aged Debtors</i>						
Impact on P&L/SOCI						£	-

Appendix 2 – Audit adjustments

	JE detail	P&L account / SOCI		Balance Sheet/SOFP		Impact on P&L account/SOFA			
		Dr	Cr	Dr	Cr				
1	DR Funds MGTR funds			£	1,669	£	-		
	CR Income		£	1,669		-£	1,669		
	<i>Being adjustment to recognise MGTR as income in year (was initially posted between Bank and Reserves)</i>								
2	DR fixed assets			£34,920		£	-		
	CR Funds		£34,920			-£	34,920		
	<i>Being recognition of fully depreciated (per the TB) heritage asset on the balance sheet</i>								
3	Cr debtors				£	251,644	£	-	
	DR Funds	£	251,644				£	251,644	
	DR Creditors			£	364,438		£	-	
	Cr Income		£	364,438			-£	364,438	
	<i>Being reversal of debtors balances per TB as recognised as income in restricted funds</i>								
	<i>Being reversal of creditors balances per TB as recognised as income in restricted funds</i>								
4	Dr Wages			£	73,270		£	-	
	Cr Creditors					£	73,270	£	-
	<i>Being recognition of holiday pay accrual in creditors in financial statements</i>								
5	Dr Income		£307,545				£	307,545	
	Cr Funds					£307,545	£	-	
	<i>Being reversal of deferred income in TB (prior year) as accounted for as restricted funds in the annual accounts</i>								
Impact on P&L/SOCI						£	158,162		