

**South Ayrshire Council**

**Report by Director of Communities and Transformation  
to Service and Performance Partnerships Panel  
of 16 April 2024**

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**Subject: The Quay Zone Performance Report**

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**1. Purpose**

- 1.1 The purpose of this report is to invite Panel members to scrutinise the performance of The Quay Zone.

**2. Recommendations**

- 2.1 **It is recommended that the Panel scrutinises the performance of the Quay Zone as detailed in Appendix 1 and Appendix 2.**

**3. Background**

- 3.1 The Quayzone in Girvan is operated by South Carrick Community Leisure under arrangements agreed by Council in March 2017. A Service Level Agreement provides the framework for the Council's financial support of £200,000 per annum. The Partnerships Panel receives scrutiny reports on an annual basis for organisations receiving more than £50,000 in Council contribution.

**4. Proposals**

- 4.1 The Quay Zone has provided the performance report as attached as Appendix 1 and Appendix 2 to support scrutiny by the Panel.

**5. Legal and Procurement Implications**

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

**6. Financial Implications**

- 6.1 There are no financial implications arising from this report. The Service Level Agreement provides for the financial support from the Council to South Carrick Community Leisure to be reviewed on a five yearly basis.

**7. Human Resources Implications**

- 7.1 Not applicable.

**8/**

## 8. Risk

### 8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 There are no risks associated with adopting the recommendations.

### 8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 If the recommendation is rejected then there is a risk that the Council is not considered to have discharged its scrutiny function appropriately.

## 9. Equalities

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, that affect the Council's communities and employees, therefore an equality impact assessment is not required.

## 10. Sustainable Development Implications

10.1 **Considering Strategic Environmental Assessment (SEA)** - The proposals in this report do not represent a qualifying plan, programme, policy or strategy for consideration for SEA. There exists therefore no obligation to contact the Scottish Government Gateway and no further action is necessary. An SEA has not been undertaken.

## 11. Options Appraisal

11.1 An option appraisal has not been carried out in relation to the subject matter of this report.

## 12. Link to Council Plan

12.1 The matters referred to in this report contribute to Commitment 3 of the Council Plan: Grow Well, Live Well, Age Well/ Health and care systems that meet people's needs.

## 13. Results of Consultation

13.1 There has been no public consultation on the content of this report which relates to performance of an external organisation.

13.2 Consultation has taken place with Councillor Brian Connolly, Portfolio Holder for Sport and Leisure, and the contents of this report reflect any feedback provided.

**Background Papers** **Report to South Ayrshire Council of 2 March 2017 – [Formal Agreements Relating to the Quayzone, Girvan](#)**

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**Date: 5 April 2024**



**Subject:** South Carrick Community Leisure, The Quay Zone – Performance Update 2022/23

**Purpose:** The purpose of this report is to outline the work of South Carrick Community Leisure in its management of The Quay Zone Community Leisure Centre for the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023

## 1. Background

- i. South Carrick Community Leisure (SCCL) was formed in 2012 and is a Scottish Charitable Incorporated Organisation (SC043090). Amongst other things, it has as one of its purposes, **“the establishment and operation of a community arts and leisure facility in Girvan, Ayrshire (incorporating accommodation for community groups and a cafe/restaurant)”**.
- ii. The Quay Zone (TQZ) is operated by SCCL under a 40-year lease and Minute of Agreement with South Ayrshire Council (SAC). As part of the Minute of Agreement SCCL receives an annual grant of £200,000 from South Ayrshire Council to support the operation of the facility and the services provided therein.
- iii. The Quay Zone comprises a 25m 4 lane deck level swimming pool, gym equipped with a wide range of cardio and resistance training equipment, a double studio space with wooden sprung floor for fitness classes and other activities, a soft play area with an 8m high play structure installed and a café offering hot and cold refreshments. The centre was officially opened by Angie Malone MBE British Paralympian and World Champion Wheelchair Curler on 24<sup>th</sup> June, 2017.
- iv. Reports to previous Performance Panels have outlined the progress and this report provides a further update on the Charity’s activities at The Quay Zone for the 2022/23 financial year.
- v. Governance of the charity is provided by a Board of Trustees who meet at regular intervals. Trustees together with South Ayrshire Council observers scrutinize and direct the activities delivered on behalf of the Charity. The Board is supported by The General Manager of TQZ who, together with his team, are responsible for day to day operations at The Quay Zone.
- vi. Given the recent storm damage to The Quay Zone an additional verbal update will be provided at the meeting to reflect the position at the time Members of the Panel are meeting to consider this report.

## 2. Service and General Operations

- i. At the beginning of the financial year services were still being impacted by Covid related restrictions that affected both staff and customers. However, as we approached the summer of 2023 all mask wearing and isolation periods were relaxed and we were able to operate more normally for the first time in two years.
- ii. Participation in pool-based activities (fun floats, giant inflatables, ‘pool raves’ etc) were increasingly well attended as customer confidence improved and pent up demand started to be realised. With Council support we also provided free swimming for under 16-year olds throughout the summer holiday period.
- iii. As part of working with schools we provided six week blocks of swimming lessons for all primary schools in Girvan and South Carrick area with the exception of Sacred Heart Primary School who received a ten-week block.
- iv. Membership is a key part of the financial model that sustains TQZ. Swim, gym and class membership levels gradually increased month on month throughout the year and by the year end had largely returned to pre-pandemic levels.
- v. Similarly, participation in our Learn 2 Swim programme also steadily increased throughout the year. As a result, by April 2023 Learn 2 Swim membership stood at around 340 children.
- vi. The increase in participation and general attendance was also reflected in café sales that ended the year on over £90k compared with £65k in the last pre-pandemic year.

- vii. 17 people including two of the Charity's Trustees trained for and were awarded the Queens Jubilee Platinum Swimming Medallion.
- viii. Our partnership with The Gaiety continued to flourish with various theatrical events together with the ever-popular Murder Mystery evenings being hosted throughout the year.

### 3. Finance

- i. The audited financial accounts for 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 are included with this report and in line with our status as a Scottish Charitable Incorporated Organisation (SCIO) have been lodged with the Scottish Charity Regulator (OSCR).
- ii. Due to changes in accountancy practices our previous external Auditor resigned very late in the Audit cycle (September 2023). Securing a new Auditor proved challenging but eventually AcoBloom International Pvt Ltd working in association with our Accountant from Parris & McNally were appointed, and the Audit completed.
- iii. The Statement of Financial Activities (page 9 of the accounts) shows that:
  - a. Total Income of £805,060 for the year which was up by £61,338 (8.2%) compared with the previous year. As outlined above this reflected the removal of Covid restrictions which resulted in increased footfall and associated trading activity together with a £12,008 increase in windfarm contributions.
  - b. As anticipated in the previous year's accounts expenditure increased to £807,658 an increase of £142,004 compared with the previous year. As shown elsewhere the increase in Wage costs (£76,040) and Utility costs (£69,975) more than accounted for the overall increase in costs, the difference being offset by under-expenditure in support costs.
- iv. Our overall net income and expenditure position for the year was a trading loss of £2,598 which in the exceptional circumstances faced during 2022/23 was regarded by Trustees as an acceptable outcome.
- v. On the Balance Sheet (page 10 of accounts) our **Tangible assets** are categorised as: Plant & Machinery; Fixtures & Fittings and; Computer Equipment. As illustrated in Note 5 the Net Book Value of our fixed assets continued to be depreciated in line with accounting policies and Net Book Value decreased from £79,484 in 2021/22 to £54,643 in 2022/23.
- vi. Our **total current assets** continued to show a healthy position being up by £23,262 to £435,555 all of which is made up of unrestricted funds.
- vii. Whilst 2022/23 proved to be a challenging financial year, post Covid activity levels continued to increase and there remains a high level of community support for The Quay Zone and its services which is reflected in this comparatively healthy set of accounts.

### 4. Looking Forward

- i. The Board of Trustees and Management of TQZ are committed to operating and providing services at TQZ to support the health and wellbeing of the community in South Carrick.
- ii. Looking forward the plan had been to build on the post-Covid recovery of the year under report and to develop proposals for increasing café and other provision so as to improve services and strengthen the financial position in the future.
- iii. Unfortunately plans and expectations of the 2023/24 financial year were dealt a severe blow by the devastating impact of storm Isha on 21/ 22<sup>nd</sup> January and subsequent named storms.
- iv. Members will, no doubt, be aware that all use of the Quay Zone has had to be suspended as the water penetration following the damage to the roof has rendered the building un-usable. Whilst repairs have started, this is a process that is expected will take 18-24 months. Meantime we are seeking ways to continue to provide services to the Girvan and South Carrick community.
- v. As this report is submitted we have been fortunate in being able to access and take a lease from SAC of the former Maybole Swimming Pool. This has enabled us to continue to provide a swimming service on an albeit limited, but welcome basis. No provision has yet been concluded for other gym and fitness class-based provisions.
- vi. A full up-to-date position can be verbally given to members of the Panel at the meeting should this be required.

Peter Linton  
General Manager The Quay Zone  
South Carrick Community Leisure  
1<sup>st</sup> March, 2024

**REGISTERED COMPANY NUMBER: SC043090 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC43090**

Report of the Trustees and  
Financial Statements for the Year Ended 31 March 2023  
for  
South Carrick Community Leisure

Colin McNally B.A. Hon's; F.C.M.A  
6 Crofthead Road  
Prestwick  
Ayrshire  
KA9 1HW

South Carrick Community Leisure

Contents of the Financial Statements  
for the Year Ended 31 March 2023

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South Carrick Community Leisure

Report of the Trustees  
for the Year Ended 31 March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

To assist in the provision of recreational facilities (and, where appropriate, the organisation of recreational activities) available to members of the public at large, with the object of improving their conditions of life;

To advance citizenship and community development (including urban and rural regeneration);

To promote civic responsibility, volunteering, the voluntary sector and the effectiveness and efficiency of charities; and

To advance public participation in sport; in particular within the area (the Community) shown outlined in red on the map attached to this constitution, primarily through (a) the establishment and operation of a community arts and leisure facility in Girvan, Ayrshire (incorporating accommodation for community groups and a café/restaurant) and (b) the provision of support (whether financial or otherwise) to a range of organisations, initiatives, activities and events which further one or more of the above purposes

## **OBJECTIVES AND ACTIVITIES**

### **Significant activities**

2022-23 was the first post-Covid financial year where we were able to provide a full range of services throughout the year with only limited government-imposed restrictions. In the early part of the year rules around the wearing of face masks and isolation periods for staff infected with Covid impacted staffing rotas and public confidence to attend. However, as the summer arrived and these restrictions were completely lifted pressure eased and a more normal summer programme of fun activities in and around the swimming pool was provided.

Last year the Future Plans section of the Accounts noted that The Quay Zone was likely to face a more challenging financial year ahead. In the event this proved to be the case and the Ukrainian conflict together with world-wide post Covid inflation resulted in a financially challenging year for The Quay Zone. Specifically, the cost of energy more than doubled while many other operating costs increased by as much as 20%. The National Minimum wage increased by an average of just over 10% on 1st April which impacted our wage cost as we attempted to maintain differentials and bring the Quay Zone wage structure more in line with industry standards and those offering similar employment within our catchment. The latter increases were implemented from 1st January with the result that the substantive wage increase only impacted the last quarter of the financial year.

Overall, attendance and footfall were up on the previous year, reflecting a greater post-Covid confidence on the part of the public. We were able to operate a near normal programme of events and activities throughout the summer with fun float, giant inflatable and 'pool raves' all enjoying success. Hosting children's parties, along with a range of theatrical events and other activities all served to increase footfall and associated café income as shown by these accounts.

A core plank of our income relates to memberships for swimming, gym and classes along with our Learn2 Swim programme. In 2022 we increased the price of pay-as-you-go services to encourage the take up of memberships. This, coupled with the more general increase in attendance, had the desired effect with incomes up by approximately 30% on the previous year. Similarly, income from soft play was well up on last year and indeed had recovered to be ahead of the pre-Covid year of 2021-22.

Although property and maintenance costs were comparable, and if anything, slightly lower than in previous years, a number of issues connected with pool plant and other key equipment have emerged towards the end of the year that will have significant cost implications in the immediate future.

During the year Trustees began a dialogue with South Ayrshire Council over the possibility of making alterations to the Quay Zone to expand the café and improve other interrelated facilities. Other discussions with Go-Girvan (a local community led tourism charity) over the addition of an Ailsa Craig interpretive extension to the Quay Zone did not bear fruit.

In summary 2022-23 has been a good year for The Quay Zone during which activity and attendance levels have more closely matched the pre-Covid year of 2019-20. While overall income was up, cost pressures continued to exert a dampening impact on our overall financial position. Consequently, we expect 2023-24 to be a similarly challenging year.

### **The contribution of Government and other Agencies**

2022 -23 is the sixth year of trading for The Quay Zone under the auspices of South Carrick Community Leisure (SCCL) (the Charity). Although the building is owned by South Ayrshire Council the Charity operates it under a Minute of Agreement concluded with the Council in 2017. Within this agreement there is provision for the financial support provided by the Council (£200,000 in 2021-22) to SCCL to be re-considered every fifth year. Following an early discussion Trustees are pleased to confirm that South Ayrshire Council has agreed to maintain funding at the current level for a further 5-year period as per the terms of the Minute of Agreement.

Additional unrestricted grant support was provided by the Girvan & District Assel Valley Community Fund funded by Falck Renewables and administered by Foundation Scotland together with support from Tralorg Community Benefit Fund now owned by the railway pension fund Railpen. The extent of these contributions is acknowledged elsewhere in these accounts.

### **The Contribution of Volunteers**

The Board is made up of members of the local community and are all unpaid volunteers, their continued support and contribution enables the ongoing delivery of this much needed asset for the local area.



## South Carrick Community Leisure

### Report of the Trustees

for the Year Ended 31 March 2023

## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

The opening and operation of The Quay Zone represents a significant milestone in the life of South Carrick Community Leisure and fulfils one of the key objectives and aims of the charity as set out in its constitution. However, significant as achieving that objective has been the challenge during the last year has been operation of the Centre so as to provide facilities and services that the community wants in a financially sustainable way.

## **FINANCIAL REVIEW**

### **Financial position**

In 2023, no restricted funds exist. Previously carried forward restricted funds from 2022 were moved to unrestricted funds. Funds received in 2016/17, like those from LEADER, were fully utilised for their designated purposes. Some funds were also transferred to SAC for construction costs.

### **Reserves policy**

The Directors have the power to invest in such assets as they see fit.

## **FUTURE PLANS**

As outlined above, although 2022-23 has seen a return to more normal levels of activity the financial viability of the Quay Zone has been impacted by the cost of living crisis, particularly the surge in operating costs, up more than 7% overall. Whilst inflationary pressures appear to be easing in relation to supplies and services needed to operate the Quay Zone 2023-24 still looks like being a financially challenging year, particularly on the wage front. Trustees will continue to work with South Ayrshire Council on a development proposal and meet the challenge of maintaining the financial sustainability of the charity.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

South Carrick Community Leisure was formed in 2012 and is a Scottish Charitable Incorporated Organisation (SCIO). A SCIO provides limited liability and separate legal identity to organisations that want to become charities, but do not want or need the complex legal structure of company law. SCIO's are regulated by OSCR and do not need to register with Companies House. South Carrick Community Leisure is governed and operated in accordance with its Constitution.

### **Recruitment and appointment of new trustees**

Trustees are appointed to the Board by the membership at an Annual General Meeting. Three trustees must stand down each year at an AGM, but maybe re-elected if they are willing to stand.

Where there is a vacancy between Annual General Meetings then members may be co-opted to the Board, however, anyone co-opted in this way must also put themselves up for election at the next Annual General Meeting.

### **Organisational structure**

The board continued to meet regularly throughout 2022-23. At each meeting the progress of TQZ in operational and financial terms was considered as required by the constitution of SCCL.

### **Induction and training of new trustees**

Training and relevant information on South Carrick Community leisure is given to new trustees.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

### **Registered Company number**

SC043090 (Scotland)

### **Registered Charity number**

SC43090

### **Registered office**

Town House  
25 Knockcushan Street  
Girvan  
KA26 9AG

South Carrick Community Leisure

Report of the Trustees  
for the Year Ended 31 March 2023

**Trustees**

Mr K S Johnstone	Member for Full Year - Treasurer
Mr A Rattray	Member for Full Year - Chairperson
Ms S Clark	Member for Full Year
Mr H Shedden	Member for Full Year
Mr J Parkhill	Member for Full Year - Secretary
Mr S Clark	Member for Full Year

**Company Secretary**

Mr J Parkhill

**Senior Statutory Auditor**

Nitika Kaur Gandhi

**Auditors (on behalf of)**

Colin McNally B.A. Hon's; F.C.M.A  
6 Crofthead Road  
Prestwick  
Ayrshire  
KA9 1HW

**Bankers**

Royal Bank of Scotland  
14 Dalrymple Street  
Girvan  
KA26 9AF

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

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

**AUDITORS**

The auditors, Colin McNally B.A. Hon's; F.C.M.A, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on ..... and signed on its behalf by:

South Carrick Community Leisure

Report of the Trustees  
for the Year Ended 31 March 2023



A Rattray - Trustee



Report of the Independent Auditors to the Trustees and Members of  
South Carrick Community Leisure

Independent auditor's report to the members and trustees of South Carrick Community Leisure

Opinion

We have audited the financial statements of South Carrick Community Leisure (the 'charitable company') for the year ended 31 March 2018 which comprise a Statement of Financial Activities, Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

o give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its income [and receipt of endowments] and expenditure for the year then ended;

o have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and  
o have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

o the trustees' (who are also the directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or  
o the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

Report of the Independent Auditors to the Trustees and Members of  
South Carrick Community Leisure

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

- o the information given in the directors' report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- o the directors' report, included within the trustees' annual report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included within the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- o adequate and proper accounting records have not been kept, [or returns adequate for our audit have not been received from branches not visited by us]; or
- o the financial statements are not in agreement with the accounting records; or
- o certain disclosures of trustees' remuneration specified by law are not made; or
- o we have not received all the information and explanations we require for our audit; or
- o the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report, included within the trustee' annual report, and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 under the Companies Act 2006 and report in accordance with the Acts 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Report of the Independent Auditors to the Trustees and Members of  
South Carrick Community Leisure

o 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. 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.

o Obtain an understanding of internal control relevant to the audit 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 the internal control.

o Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

o Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

To Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Nitika Kaur Gandhi (Deputy Manager)

For and on behalf of

Noida Office

3<sup>rd</sup> Floor

B-151

Sector-6

Noida – 201301

India

Date:

Nitika Kaur Gandhi

Colin McNally B.A. Hon's; F.C.M.A

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

6 Crofthead Road

Prestwick

Ayrshire

KA9 1HW

Date: .....

South Carrick Community Leisure

Statement of Financial Activities  
for the Year Ended 31 March 2023

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	31.3.23 Total funds £	31.3.22 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies		319,157	-	-	319,157	307,149
<b>Charitable activities</b>						
General		485,903	-	-	485,903	435,509
Other income		-	-	-	-	1,064
<b>Total</b>		<u>805,060</u>	<u>-</u>	<u>-</u>	<u>805,060</u>	<u>743,722</u>
<b>EXPENDITURE ON</b>						
Raising funds		487,862	-	-	487,862	406,921
<b>Charitable activities</b>						
General		<u>319,796</u>	<u>-</u>	<u>-</u>	<u>319,796</u>	<u>258,733</u>
<b>Total</b>		<u>807,658</u>	<u>-</u>	<u>-</u>	<u>807,658</u>	<u>665,654</u>
<b>NET INCOME/(EXPENDITURE)</b>		(2,598)	-	-	(2,598)	78,068
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		438,153	-	-	438,153	334,225
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>435,555</u>	<u>-</u>	<u>-</u>	<u>435,555</u>	<u>412,293</u>

The notes form part of these financial statements

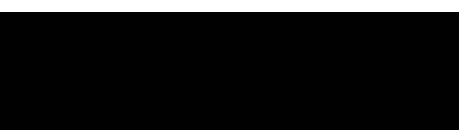
South Carrick Community Leisure

Balance Sheet  
31 March 2023

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	31.3.23 Total funds £	31.3.22 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	5	54,643	-	-	54,643	79,484
<b>CURRENT ASSETS</b>						
Debtors	6	1,600	-	-	1,600	100,958
Cash at bank		<u>426,889</u>	<u>-</u>	<u>-</u>	<u>426,889</u>	<u>281,105</u>
		428,489	-	-	428,489	382,063
<b>CREDITORS</b>						
Amounts falling due within one year	7	(47,577)	-	-	(47,577)	(49,254)
		<u>380,912</u>	<u>-</u>	<u>-</u>	<u>380,912</u>	<u>332,809</u>
<b>NET CURRENT ASSETS</b>						
		<u>380,912</u>	<u>-</u>	<u>-</u>	<u>380,912</u>	<u>332,809</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>						
		<u>435,555</u>	<u>-</u>	<u>-</u>	<u>435,555</u>	<u>412,293</u>
<b>NET ASSETS</b>						
		<u>435,555</u>	<u>-</u>	<u>-</u>	<u>435,555</u>	<u>412,293</u>
<b>FUNDS</b>						
Unrestricted funds	8				435,555	325,078
Restricted funds					<u>-</u>	<u>87,215</u>
<b>TOTAL FUNDS</b>						
					<u>435,555</u>	<u>412,293</u>

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

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

  
A Rattray - Trustee



**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

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

**Expenditure**

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

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Category	COA	No. of months	Average Rate (5L)
F&F	Office Equipment	60	20%
IT	IT Systems	60	20%
IT	Website	60	20%
P&M	Soft Play	120	10%
P&M	Pool Equipment	48	25% **
P&M	Audio Visual	60	20% **
P&M	Gym	60	20% **
P&M	Kitchen	60	20% **

\*\*Depreciation rate may vary depending on the item.

**Taxation**

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

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. NET INCOME/(EXPENDITURE)**

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

	31.3.23	31.3.22
	£	£
Depreciation - owned assets	<u>24,841</u>	<u>38,390</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	307,148	1	-	307,149
<b>Charitable activities</b>				
General	435,509	-	-	435,509
Other income	<u>1,064</u>	<u>-</u>	<u>-</u>	<u>1,064</u>
<b>Total</b>	<u>743,721</u>	<u>1</u>	<u>-</u>	<u>743,722</u>
<b>EXPENDITURE ON</b>				
Raising funds	406,921	-	-	406,921
<b>Charitable activities</b>				
General	<u>243,096</u>	<u>15,637</u>	<u>-</u>	<u>258,733</u>
<b>Total</b>	<u>650,017</u>	<u>15,637</u>	<u>-</u>	<u>665,654</u>
<b>NET INCOME/(EXPENDITURE)</b>	93,704	(15,636)	-	78,068
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	<u>231,373</u>	<u>102,852</u>	<u>-</u>	<u>334,225</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>325,077</u></u>	<u><u>87,216</u></u>	<u><u>-</u></u>	<u><u>412,293</u></u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2022 and 31 March 2023	<u>300,780</u>	<u>42,328</u>	<u>39,482</u>	<u>382,590</u>
<b>DEPRECIATION</b>				
At 1 April 2022	248,158	21,797	33,151	303,106
Charge for year	<u>22,605</u>	<u>421</u>	<u>1,815</u>	<u>24,841</u>
At 31 March 2023	<u>270,763</u>	<u>22,218</u>	<u>34,966</u>	<u>327,947</u>
<b>NET BOOK VALUE</b>				
At 31 March 2023	<u>30,017</u>	<u>20,110</u>	<u>4,516</u>	<u>54,643</u>
At 31 March 2022	<u>52,622</u>	<u>20,531</u>	<u>6,331</u>	<u>79,484</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade debtors	<u>1,600</u>	<u>100,958</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	22,769	20,856
Social security and other taxes	267	(641)
Payroll	9,730	29,039
Accountancy	<u>14,811</u>	<u>-</u>
	<u>47,577</u>	<u>49,254</u>

8. MOVEMENT IN FUNDS

	At 1.4.22	Transfer from Restricted to Unrestricted	Net movement in funds	At 31.3.23
	£	£	£	£
<b>Unrestricted funds</b>				
UNRESTRICTED	350,937	87,216	(2,598)	435,555
RESTRICTED	87,216	(87,216)	-	-
<b>TOTAL FUNDS</b>	<u>438,153</u>	<u>-</u>	<u>(2,598)</u>	<u>435,555</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

8. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
UNRESTRICTED	805,060	(807,658)	(2,598)
<b>TOTAL FUNDS</b>	<u>805,060</u>	<u>(807,658)</u>	<u>(2,598)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>			
UNRESTRICTED	231,373	93,705	325,078
<b>Restricted funds</b>			
RESTRICTED	102,852	(15,637)	87,215
<b>TOTAL FUNDS</b>	<u>334,225</u>	<u>78,068</u>	<u>412,293</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
UNRESTRICTED	743,721	(650,016)	93,705
<b>Restricted funds</b>			
RESTRICTED	1	(15,638)	(15,637)
<b>TOTAL FUNDS</b>	<u>743,722</u>	<u>(665,654)</u>	<u>78,068</u>

**8. MOVEMENT IN FUNDS - continued**

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

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
<b>Unrestricted funds</b>			
UNRESTRICTED	231,373	91,107	322,480
<b>Restricted funds</b>			
RESTRICTED	102,852	(15,637)	87,215
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>334,225</u>	<u>75,470</u>	<u>409,695</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
UNRESTRICTED	1,548,781	(1,457,674)	91,107
<b>Restricted funds</b>			
RESTRICTED	1	(15,638)	(15,637)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>1,548,782</u>	<u>(1,473,312)</u>	<u>75,470</u>

**9. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2023.

South Carrick Community Leisure

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2023

	31.3.23	31.3.22
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Grants	200,000	200,000
Community Benefit Funding - Falk Assel	40,200	36,149
Community Benefit Funding - Tralorg	<u>78,957</u>	<u>71,000</u>
	319,157	307,149
<b>Charitable activities</b>		
Hall rental	485,903	338,113
Grants	<u>-</u>	<u>97,396</u>
	485,903	435,509
<b>Other income</b>		
VAT Corrections	<u>-</u>	<u>1,064</u>
<b>Total incoming resources</b>	805,060	743,722
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Wages	441,856	365,816
<b>Other trading activities</b>		
Purchases	54,853	33,059
Pensions	<u>(8,847)</u>	<u>8,046</u>
	46,006	41,105
<b>Charitable activities</b>		
Sundries	7,955	3,366
<b>Support costs</b>		
<b>Management</b>		
Insurance	22,526	20,966
Telephone	3,889	13,206
Postage and stationery	863	926
Advertising	9,175	1,436
Cleaning	4,190	4,323
Consulting	3,767	1,667
PPE	301	90
Pool Equipment	421	2,100
Residual VAT	19,555	39,648
Event Costs	<u>665</u>	<u>27</u>
	65,352	84,389
<b>Finance</b>		
Bank charges	6,095	5,215
Carried forward	6,095	5,215

This page does not form part of the statutory financial statements

South Carrick Community Leisure

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2023

	31.3.23	31.3.22
	£	£
<b>Finance</b>		
Brought forward	6,095	5,215
Plant and machinery	24,841	30,818
Fixtures and fittings	-	2,038
Computer equipment	-	5,036
	<u>30,936</u>	<u>43,107</u>
<b>Information technology</b>		
Repairs and renewals	56,474	39,616
<b>Human resources</b>		
Software licences	17,800	20,048
No description	<u>4,440</u>	<u>3,779</u>
	22,240	23,827
<b>Other</b>		
Light and heat	127,365	57,390
<b>Governance costs</b>		
Accountancy and legal fees	7,500	5,995
Subscriptions	<u>1,974</u>	<u>1,043</u>
	<u>9,474</u>	<u>7,038</u>
Total resources expended	<u>807,658</u>	<u>665,654</u>
<b>Net (expenditure)/income</b>	<u>(2,598)</u>	<u>78,068</u>

