

**REGISTERED AS A SCOTTISH CHARITABLE INCORPORATED ORGANISATION  
REGISTERED CHARITY NUMBER: SC041464**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD  
1 APRIL 2020 TO 31 DECEMBER 2020  
FOR  
AYR GAIETY PARTNERSHIP**

McLay, McAlister & McGibbon LLP  
Chartered Accountants and Statutory Auditors  
145 St. Vincent Street  
Glasgow  
G2 5JF

**AYR GAIETY PARTNERSHIP**

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FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

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**AYR GAIETY PARTNERSHIP**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

The trustees present their report with the financial statements of the charity for the period ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) (FRS 102) 'Accounting and Reporting by Charities'.

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The principal objectives of the charity are to advance the arts (and particularly the performing arts), heritage and culture, primarily within Ayrshire; and to advance education, in particular informal and formal education linked to, or through the medium of, theatre-related arts and technology, primarily within Ayrshire. The primary location of the charity's activity is the Gaiety Theatre Ayr.

#### **Significant activities**

In reviewing objectives and planning activities, the trustees confirm they have considered their duties having regard to guidance on public benefit.

#### **Volunteers**

The organisation has an extensive base of volunteers who normally meet monthly and make a significant contribution to the success of the charity. Since March 2020 the volunteer effort has largely been in abeyance other than board members, some stage crew and other individual contributions. The board remain grateful to volunteers for their support and encouragement through a difficult period.

### **ACHIEVEMENT AND PERFORMANCE**

#### **Charitable activities**

The charity trustees are satisfied with the performance of the charity to date despite the challenges of the pandemic. The theatre pivoted to produce a series of digital live events and recorded films during the period. Activities with and in communities have also grown considerably. The organisation was able to use its expertise and resources to secure and channel over £250,000 of funds to support local charities and community groups responding to the pandemic.

### **FINANCIAL REVIEW**

#### **Principal funding sources**

The charity received a revenue grant of £75,000 from South Ayrshire Council for the operation of the theatre over the period.

Emergency funding and additional activity funding were received during the period in the sums of: £100,000 (Third Sector Resilience Fund); £90,000 (Pivotal Enterprise Support Fund); £46,800 (Heritage Lottery Emergency Fund); £187,500 (Performing Arts Venue Relief Fund). In addition, funding from the Supporting Communities Fund of £179,000 and the Community Renewal Fund of £85,000 were secured largely for other local community groups.

The attached financial statements reflect the foregoing and the trading outcome for the period under review.

The Trustees note that the continued closure of operations since mid-March 2020 due to the Covid-19 pandemic has continued to have negative impacts on the organisation. Ongoing restrictions placed the organisation in a position where it was unable to trade at any normal level, in common with all other theatres in the UK. The continued viability of the organisation has been underpinned by, and largely dependent on, a series of emergency grants (largely originating from the Scottish and UK governments) augmented by generous support from local donors. Continued uncertainty means this situation may continue to the end of 2021.

#### **Reserves policy**

The reserves policy of the charity is intended to ensure the availability of sufficient resources to fulfil its operational commitments (including refunding all ticket monies if requested) and to cover overhead expenditure for a three month period to enable the charitable activities of the company to continue in the future. The trustees consider that net surplus from trading is unlikely to be re-established until 2022. Accordingly the Trustees view unrestricted reserves to cover all overhead (including staffing) expenditure for a three month period to be a minimum position to continue to operate. From time to time over the year the Trustees have resolved to continue trading with a more limited level of reserves when decisions on outstanding funding applications have been expected imminently and there have been good grounds to expect a positive outcome. During 2021 the Trustees will keep this reserves policy under review with the three months policy remaining as a minimum.

**AYR GAIETY PARTNERSHIP**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

**FUTURE PLANS**

With the benefit of a range of grants from different sources, the Trustees plan for the organisation to continue with a new medium term focus on:

- a) Securing backing and putting in place plans to reopen the main stage, thereby welcoming audiences and earning ticket income, whenever this becomes possible and;
- b) Continuing to develop and deliver a programme of digital and outdoor creative engagement activity in partnership with other local organisations and South Ayrshire Council.

Once a full reopening date is predictable the Trustees will consider next steps.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The organisation operates as a Scottish Charitable Incorporated Organisation (SCIO) having charitable status under the Charities and Trustee Investment (Scotland) Act 2005. The charity is governed by a written constitution.

**Recruitment and appointment of new trustees**

The minimum number of charity trustees is three and the maximum eleven.

Membership is open to (1) any individual aged 16 or over who wishes to support the aims of the SCIO (2) South Ayrshire Council (3) University of West of Scotland, and (4) any other body (subject to a maximum of two further organisations at any given time) which, in the opinion of the board, is a key partner of the SCIO in the context of its ongoing activities.

The board shall consist of (1) up to four charity trustees appointed by corporate bodies (2) up to four charity trustees appointed from individual members, and (3) up to six charity trustees, subject to the maximum restriction of eleven in all, appointed on the basis of the special skills/experience they are able to contribute to the work of the board.

**Organisational structure**

The structure of the SCIO consists of members, who have the right to attend meetings and elect/appoint people to serve on the board and take decisions on changes to the constitution, and the board who hold regular meetings and control the activities of the SCIO. People serving on the board are referred to in the constitution as charity trustees.

The Chief Executive and staff report to the Trustees who meet on a regular basis to review performance and decide on key strategic issues.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

041464

**Registered office**

The Gaiety Theatre  
Carrick Street  
Ayr  
KA7 1NU

**Trustees**

J Welsh Chair  
C Fremantle  
J G Peterkin  
D J Quayle Treasurer  
C Costello  
E J Wyatt (Chief Executive)  
S Brown  
B Connolly  
D Elliot

## AYR GAIETY PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Company Secretary

J G Peterkin

##### Auditors

McLay, McAlister & McGibbon LLP  
Chartered Accountants and Statutory Auditors  
145 St. Vincent Street  
Glasgow  
G2 5JF

#### EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

Charitable 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulation 2006 (as amended) and the provisions of 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.

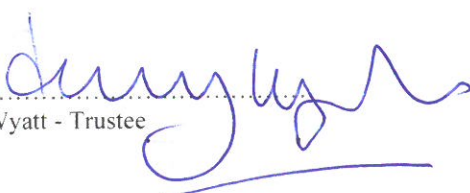
In so far as the trustees are aware:

- there is no relevant audit information of which the charity'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

McLay, McAlister & McGibbon LLP will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 23 June 2021 and signed on its behalf by:

  
E J Wyatt - Trustee

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF AYR GAIETY PARTNERSHIP

### **Opinion**

We have audited the financial statements of Ayr Gaiety Partnership (the 'charity') for the period ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the period 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material Uncertainty Relating to Going Concern**

We draw attention to note 1 to the financial statements regarding the trustees' use of the going concern basis of accounting in the preparation of the financial statements.

The conditions outlined indicate that should the anticipated additional revenue funding not be obtained, this 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 audit opinion is not modified in respect of this matter

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF AYR GAIETY PARTNERSHIP

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

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

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the 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.

### **Our responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and charity performance;
- results of our enquiries of management about their own identification and assessment of the risks and irregularities;
- any matters we identified having reviewed the charity's internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

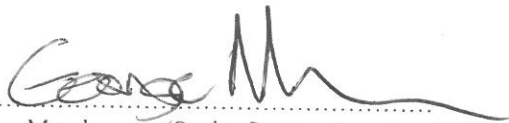
We obtained an understanding of the legal and regulatory framework that the company operates in. The key laws and regulations we considered included the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate. These included health and safety, GDPR and employment laws. Auditing standards limit the required audit procedures to identify non-compliance with these law and regulations to enquiry of trustees, inspection of regulatory and legal correspondence, if any, and review of minutes of meetings. These limited procedures did not identify actual or suspected non-compliance.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF  
AYR GAIETY PARTNERSHIP**

**Use of our report**

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



George Macshannon (Senior Statutory Auditor)  
for and on behalf of McLay, McAlister & McGibbon LLP  
Chartered Accountants and Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
145 St. Vincent Street  
Glasgow  
G2 5JF

23 June 2021



**AYR GAIETY PARTNERSHIP**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted funds £	Period 1.4.20 to 31.12.20 Total funds £	Year Ended 31.3.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	-	-	-	1,422
<b>Charitable activities</b>					
Operation of theatre	4	570,412	10,000	580,412	1,078,250
Youth and community theatre		-	-	-	25,000
Heritage and conservation		-	-	-	19,595
Rural Touring Network		-	-	-	17,392
Supporting Communities and Recovery Fund		-	281,898	281,898	-
Other trading activities	3	<u>117,471</u>	-	<u>117,471</u>	<u>78,035</u>
<b>Total</b>		687,883	291,898	979,781	1,219,694
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Theatre redevelopment	5	-	-	-	49,493
Operation of theatre		413,659	47,568	461,227	1,225,811
Youth and community theatre		-	-	-	43,698
Heritage and conservation		-	-	-	34,732
Rural Touring Network		-	-	-	30,590
Supporting Communities and Recovery Fund		-	206,785	206,785	-
<b>Total</b>		<u>413,659</u>	<u>254,353</u>	<u>668,012</u>	<u>1,384,324</u>
<b>NET INCOME/(EXPENDITURE)</b>		274,224	37,545	311,769	(164,630)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		(169,650)	2,334,321	2,164,671	2,329,301
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>104,574</u></u>	<u><u>2,371,866</u></u>	<u><u>2,476,440</u></u>	<u><u>2,164,671</u></u>

The notes form part of these financial statements

**AYR GAIETY PARTNERSHIP**

**BALANCE SHEET  
31 DECEMBER 2020**

	Notes	31.12.20 £	31.3.20 £
<b>FIXED ASSETS</b>			
Tangible assets	11	3,087,538	3,148,023
<b>CURRENT ASSETS</b>			
Stocks	12	823	823
Debtors	13	79,630	94,754
Cash at bank and in hand		<u>340,047</u>	<u>14,686</u>
		420,500	110,263
<b>CREDITORS</b>			
Amounts falling due within one year	14	(270,046)	(541,925)
<b>NET CURRENT ASSETS</b>		<u>150,454</u>	<u>(431,662)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,237,992	2,716,361
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(761,552)	(551,690)
<b>NET ASSETS</b>		<u>2,476,440</u>	<u>2,164,671</u>
<b>FUNDS</b>			
Unrestricted funds	19	104,574	(169,650)
Restricted funds		<u>2,371,866</u>	<u>2,334,321</u>
<b>TOTAL FUNDS</b>		<u>2,476,440</u>	<u>2,164,671</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2021 and were signed on its behalf by:

  
 .....  
 D J Quayle - Trustee

**AYR GAIETY PARTNERSHIP**

**CASH FLOW STATEMENT  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

	Notes	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	289,772	29,461
Interest paid		<u>(12,323)</u>	<u>(63,940)</u>
Net cash provided by/(used in) operating activities		<u>277,449</u>	<u>(34,479)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>-</u>	<u>10,872</u>
Net cash provided by investing activities		<u>-</u>	<u>10,872</u>
<b>Cash flows from financing activities</b>			
New loans in year		227,912	150,000
Loan repayments in year		<u>(180,000)</u>	<u>(142,698)</u>
Net cash provided by financing activities		<u>47,912</u>	<u>7,302</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		325,361	(16,305)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>14,686</u>	<u>30,991</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>340,047</u></u>	<u><u>14,686</u></u>

The notes form part of these financial statements

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

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

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	311,769	(164,630)
<b>Adjustments for:</b>		
Depreciation charges	60,485	80,647
Interest paid	12,323	63,940
Increase in stocks	-	(823)
Decrease in debtors	15,124	84,070
Decrease in creditors	<u>(109,929)</u>	<u>(33,743)</u>
<b>Net cash provided by operations</b>	<u>289,772</u>	<u>29,461</u>

**2. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.4.20 £	Cash flow £	At 31.12.20 £
<b>Net cash</b>			
Cash at bank and in hand	<u>14,686</u>	<u>325,361</u>	<u>340,047</u>
	<u>14,686</u>	<u>325,361</u>	<u>340,047</u>
<b>Debt</b>			
Debts falling due within 1 year	(199,584)	161,950	(37,634)
Debts falling due after 1 year	<u>(551,690)</u>	<u>(209,862)</u>	<u>(761,552)</u>
	<u>(751,274)</u>	<u>(47,912)</u>	<u>(799,186)</u>
<b>Total</b>	<u>(736,588)</u>	<u>277,449</u>	<u>(459,139)</u>

The notes form part of these financial statements

## AYR GAIETY PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, 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'. 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.

Freehold property	- Straight line over 50 years
Plant and machinery	- 10% on cost
Fixtures and fittings	- 10% on cost

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

##### **Going concern**

The charity is dependent on third party revenue and long term loan funding to support the core theatre operation charitable activity.

Following the COVID-19 pandemic, the trustees have undertaken a review of the trading forecasts and cashflows of the charity taking account of the working capital position, additional grant funding received and business support measures provided by the UK government. These have identified a requirement for additional revenue funding from identified sources which has not yet been secured. Failure to secure such funding may cast doubt on the charity's ability to continue as going concern.

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES - continued**

**Going concern**

After making enquiries however, the trustees have a reasonable expectation that additional funding can be secured and believe that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly the accounts continue to be prepared on the going concern basis.

**Grants**

A grant that specifies performance conditions is recognised in income when these conditions are met. Where a grant does not specify performance conditions it is recognised in income when the funds are receivable. Grants received before the performance conditions are satisfied are recognised as liabilities.

**2. DONATIONS AND LEGACIES**

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
Donations	-	<u>1,422</u>

**3. OTHER TRADING ACTIVITIES**

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
Fundraising events	117,471	72,709
Workshop contributions	-	<u>5,326</u>
	<u>117,471</u>	<u>78,035</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

		Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
Theatre income	Activity		
	Operation of theatre	636	743,547
Cafe bar concession income	Operation of theatre	-	52,023
Restoration fund ticket levy	Operation of theatre	-	145,393
Other income	Operation of theatre	60,476	22,287
Grants	Operation of theatre	519,300	115,000
Grants	Youth and community theatre	-	25,000
Grants	Heritage and conservation	-	19,595
Grants	Rural Touring Network	-	17,392
Grants	Supporting Communities and Recovery Fund	<u>281,898</u>	-
		<u>862,310</u>	<u>1,140,237</u>

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 6) £	Totals £
Operation of theatre Supporting Communities and Recovery Fund	456,409	4,818	461,227
	<u>206,785</u>	<u>-</u>	<u>206,785</u>
	<u>663,194</u>	<u>4,818</u>	<u>668,012</u>

**6. SUPPORT COSTS**

		Governance costs £
Operation of theatre		<u>4,818</u>

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

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

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
Auditors' remuneration	4,000	3,900
Depreciation - owned assets	<u>60,485</u>	<u>80,647</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
Trustees' salaries	27,500	34,833
Trustees' social security	2,886	3,616
Trustees' pensions paid	<u>685</u>	<u>848</u>
	<u>31,071</u>	<u>39,297</u>

The above remuneration to the Chief Executive E J Wyatt is authorised under the Constitution of the Charity for services provided.

**Trustees' expenses**

There were no trustees' expenses paid for the period ended 31 December 2020 nor for the year ended 31 March 2020.

AYR GAIETY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020

9. STAFF COSTS

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
Wages and salaries	210,360	348,957
Social security costs	12,051	24,698
Other pension costs	<u>3,196</u>	<u>5,582</u>
	<u>225,607</u>	<u>379,237</u>

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

	Period 1.4.20 to 31.12.20	Year Ended 31.3.20
Technical and administration staff	<u>16</u>	<u>17</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	1,422	-	1,422
<b>Charitable activities</b>			
Operation of theatre	1,078,250	-	1,078,250
Youth and community theatre	-	25,000	25,000
Heritage and conservation	-	19,595	19,595
Rural Touring Network	-	17,392	17,392
Other trading activities	<u>72,709</u>	<u>5,326</u>	<u>78,035</u>
<b>Total</b>	1,152,381	67,313	1,219,694
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Theatre redevelopment	-	49,493	49,493
Operation of theatre	1,225,811	-	1,225,811
Youth and community theatre	-	43,698	43,698
Heritage and conservation	-	34,732	34,732
Rural Touring Network	-	30,590	30,590
<b>Total</b>	<u>1,225,811</u>	<u>158,513</u>	<u>1,384,324</u>
<b>NET INCOME/(EXPENDITURE)</b>	(73,430)	(91,200)	(164,630)
<b>Transfers between funds</b>	<u>(22,975)</u>	<u>22,975</u>	-
<b>Net movement in funds</b>	(96,405)	(68,225)	(164,630)



**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

<b>10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued</b>	Unrestricted fund £	Restricted funds £	Total funds £	
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	(73,245)	2,402,546	2,329,301	
	<u>                    </u>	<u>                    </u>	<u>                    </u>	
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>(169,650)</u>	<u>2,334,321</u>	<u>2,164,671</u>	
<b>11. TANGIBLE FIXED ASSETS</b>	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2020 and 31 December 2020	<u>3,420,895</u>	<u>83,711</u>	<u>58,570</u>	<u>3,563,176</u>
<b>DEPRECIATION</b>				
At 1 April 2020	335,719	48,759	30,675	415,153
Charge for year	<u>49,815</u>	<u>6,278</u>	<u>4,392</u>	<u>60,485</u>
At 31 December 2020	<u>385,534</u>	<u>55,037</u>	<u>35,067</u>	<u>475,638</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020	<u>3,035,361</u>	<u>28,674</u>	<u>23,503</u>	<u>3,087,538</u>
At 31 March 2020	<u>3,085,176</u>	<u>34,952</u>	<u>27,895</u>	<u>3,148,023</u>
<b>12. STOCKS</b>			31.12.20 £	31.3.20 £
Stocks			<u>823</u>	<u>823</u>
<b>13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			31.12.20 £	31.3.20 £
Trade debtors			32,523	29,980
Other debtors			<u>47,107</u>	<u>64,774</u>
			<u>79,630</u>	<u>94,754</u>

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20	31.3.20
	£	£
Other loans (see note 16)	37,634	199,584
Trade creditors	15,245	66,756
Social security and other taxes	6,726	10,830
VAT	23,253	6,894
Accruals and deferred income	<u>187,188</u>	<u>257,861</u>
	<u>270,046</u>	<u>541,925</u>

Accruals includes £131,838 (2020 - £180,036) of deferred income from receipt of advance ticket sales.

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

	31.12.20	31.3.20
	£	£
Other loans (see note 16)	<u>761,552</u>	<u>551,690</u>

**16. LOANS**

An analysis of the maturity of loans is given below:

	31.12.20	31.3.20
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>37,634</u>	<u>199,584</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>84,445</u>	<u>109,854</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>499,387</u>	<u>231,753</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	177,720	210,083

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.20	31.3.20
	£	£
Other loans	<u>799,186</u>	<u>751,274</u>

Loans are secured by standard securities over the charity's property.

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted fund £	Restricted funds £	31.12.20 Total funds £	31.3.20 Total funds £
Fixed assets	790,831	2,296,707	3,087,538	3,148,023
Current assets	345,341	75,159	420,500	110,263
Current liabilities	(270,046)	-	(270,046)	(541,925)
Long term liabilities	(761,552)	-	(761,552)	(551,690)
	<u>104,574</u>	<u>2,371,866</u>	<u>2,476,440</u>	<u>2,164,671</u>

**19. MOVEMENT IN FUNDS**

	At 1.4.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	(169,650)	274,224	104,574
<b>Restricted funds</b>			
Gaiety Theatre Restoration & Heritage Project	2,334,288	(37,568)	2,296,720
Ayrshire Youth Arts and Community Projects	26	-	26
Ayrshire Rural Touring Network Project Supporting Communities and Recovery Fund	7	-	7
	<u>-</u>	<u>75,113</u>	<u>75,113</u>
	<u>2,334,321</u>	<u>37,545</u>	<u>2,371,866</u>
<b>TOTAL FUNDS</b>	<u>2,164,671</u>	<u>311,769</u>	<u>2,476,440</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	687,883	(413,659)	274,224
<b>Restricted funds</b>			
Gaiety Theatre Restoration & Heritage Project	10,000	(47,568)	(37,568)
Supporting Communities and Recovery Fund	<u>281,898</u>	<u>(206,785)</u>	<u>75,113</u>
	<u>291,898</u>	<u>(254,353)</u>	<u>37,545</u>
<b>TOTAL FUNDS</b>	<u>979,781</u>	<u>(668,012)</u>	<u>311,769</u>

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

**19. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
<b>Unrestricted funds</b>				
General fund	(73,245)	(73,430)	(22,975)	(169,650)
<b>Restricted funds</b>				
Gaiety Theatre Restoration & Heritage Project	2,398,918	(64,630)	-	2,334,288
Ayrshire Youth Arts and Community Projects	10,000	(17,456)	7,482	26
Ayrshire Rural Touring Network Project	<u>(6,372)</u>	<u>(9,114)</u>	<u>15,493</u>	<u>7</u>
	<u>2,402,546</u>	<u>(91,200)</u>	<u>22,975</u>	<u>2,334,321</u>
<b>TOTAL FUNDS</b>	<u><u>2,329,301</u></u>	<u><u>(164,630)</u></u>	<u><u>-</u></u>	<u><u>2,164,671</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,152,381	(1,225,811)	(73,430)
<b>Restricted funds</b>			
Gaiety Theatre Restoration & Heritage Project	19,595	(84,225)	(64,630)
Ayrshire Youth Arts and Community Projects	26,242	(43,698)	(17,456)
Ayrshire Rural Touring Network Project	<u>21,476</u>	<u>(30,590)</u>	<u>(9,114)</u>
	<u>67,313</u>	<u>(158,513)</u>	<u>(91,200)</u>
<b>TOTAL FUNDS</b>	<u><u>1,219,694</u></u>	<u><u>(1,384,324)</u></u>	<u><u>(164,630)</u></u>

The purpose of the Restoration and Heritage Project Fund is to provide for the capital refurbishment expenditure and associated costs in re-establishing an operational theatre.

The purpose of the Ayrshire Youth Arts and Community Projects fund is to provide outreach drama based activities in the local community.

The purpose of the Ayrshire Rural Touring Network Project fund is to provide drama performances in rural locations throughout Ayrshire.

The purpose of the Supporting Communities and Recovery Fund is to provide support to individuals and groups during the Covid-19 pandemic.

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

**20. RELATED PARTY DISCLOSURES**

There were no related party transactions for the period ended 31 December 2020.

**21. POST BALANCE SHEET EVENTS**

Following the year end, the COVID-19 pandemic has continued to adversely impact the charity's operations. This represents a non-adjusting subsequent event which is likely to have an adverse impact on the charity's future revenues, however this has been mitigated by government support measures, additional grant funding received and the granting of loan repayment holidays.

**AYR GAIETY PARTNERSHIP**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	-	1,422
<b>Other trading activities</b>		
Fundraising events	117,471	72,709
Workshop contributions	-	5,326
	<u>117,471</u>	<u>78,035</u>
<b>Charitable activities</b>		
Theatre income	636	743,547
Cafe bar concession income	-	52,023
Restoration fund ticket levy	-	145,393
Other income	60,476	22,287
Grants	801,198	176,987
	<u>862,310</u>	<u>1,140,237</u>
<b>Total incoming resources</b>	979,781	1,219,694
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Trustees' salaries	27,500	34,833
Trustees' social security	2,886	3,616
Trustees' pensions paid	685	848
Wages	182,860	314,124
Social security	9,165	21,082
Pensions	3,196	5,582
Workshop fees	52,485	37,278
Artists' fees and guarantees	42,235	411,114
Production costs	18,699	57,664
Box office costs	4,239	5,763
Marketing costs	27,799	79,995
Provisions	-	12,733
Fundraising expenses	-	2,898
Community distributions	125,231	-
Licenses	760	1,462
Repairs and maintenance	37,894	34,941
Rates	3,342	6,439
Insurance	16,317	23,381
Light and heat	8,437	58,350
Telephone	1,811	2,638
Postage and stationery	2,568	7,678
Carried forward	568,109	1,122,419

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**AYR GAIETY PARTNERSHIP**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE PERIOD 1 APRIL 2020 TO 31 DECEMBER 2020**

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
<b>Charitable activities</b>		
Brought forward	568,109	1,122,419
Cleaning	655	9,197
Accountancy	1,800	6,580
IT and website	9,409	3,746
Bank charges	2,732	3,323
Miscellaneous expenses	7,472	46,762
Legal and professional fees	209	6,109
Bad debt	-	36,623
Depreciation-property improvements	49,815	66,419
Depreciation-plant & machinery	6,278	8,372
Depreciation-fixtures & fittings	4,392	5,856
Loan	<u>12,323</u>	<u>63,940</u>
	663,194	1,379,346
<b>Support costs</b>		
<b>Governance costs</b>		
Auditors' remuneration	4,000	3,900
Trustee indemnity insurance	<u>818</u>	<u>1,078</u>
	<u>4,818</u>	<u>4,978</u>
Total resources expended	<u>668,012</u>	<u>1,384,324</u>
<b>Net income/(expenditure)</b>	<u><u>311,769</u></u>	<u><u>(164,630)</u></u>

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