

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
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 YEAR ENDED 31 DECEMBER 2022**

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AYR GAIETY PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report with the financial statements of the charity for the period ended 31 December 2022. 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. And the relief of poverty. 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 make a significant contribution to the success of the charity. Since March 2020 the volunteer effort had largely been in abeyance other than board members, some stage crew and other individual contributions. However 2022 saw the steady relaunch of volunteering activity as the theatre began to return to a more normal operation. Volunteers remain essential to the functioning of the theatre and the board are committed both to growing the volunteer base and enriching the volunteer experience.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity trustees are satisfied with the performance of the charity over 2022 as it emerged from the closure of most normal activity due to the pandemic. The community based activity that had been accelerated over the pandemic continued to grow, alongside the return of an active programme of productions and received shows on the various stages the organisation programmes. Nevertheless the ongoing impact of the pandemic was felt in many ways during the year. Indeed January 2022 once again saw theatres closed on the instruction and advice of Scottish Government. And while December saw a successful pantomime, garnering 5 star reviews in UK national press, several performances were lost due to a combination of various illnesses, including continued Covid-testing and absence of team members until they tested negative.

FINANCIAL REVIEW

Principal funding sources

The charity received a revenue grant of £162,500 from South Ayrshire Council for the operation of the theatre over the period.

Emergency funding and additional activity funding were received during the year in the sums of: £206,153 (Creative Scotland). An award of £112,550 was received to alleviate the impact of the cancellation of the 2021 pantomime.

The attached financial statements reflect the foregoing and the trading outcome for the year under review. The Trustees note that the aftermath of the Covid-19 pandemic has continued to have negative impacts on the organisation. Although a more normal trading pattern emerged during the year, the continued viability of the organisation has been underpinned by, and largely dependent on, a series of emergency grants from Creative Scotland, augmented by generous support from local donors. During 2022 South Ayrshire Council continued to provide support at historic levels. Trustees are grateful to all these funders for their continuing support.

AYR GAIETY PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL REVIEW

Reserves policy

At the balance sheet date unrestricted reserves were £302,745, whilst restricted reserves were £2,337,546.

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 to continue in the future. The trustees consider that a normalised net surplus from trading is unlikely to be re-established until 2024. 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 2023 the Trustees will keep this reserves policy under review with the three months policy remaining as a medium term goal.

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) Continuing to grow the programme on stages in The Gaiety and in rural venues, including an increased number of Gaiety productions and co-productions, and;
- b) Continuing to develop and deliver a programme of community based creative engagement activity in partnership with other local organisations and South Ayrshire Council.

The Trustees anticipate that uncertainty will continue through 2023 and beyond in view of the persistence of the Covid -19 pandemic and the growing levels of economic uncertainty, so plans will continue to be kept under review.

PRINCIPAL RISKS AND UNCERTAINTIES

The main risks to which the charity is exposed are the potential of future enforced closure, loss of external funding and general economic uncertainties. These are mitigated by the continual review of forward budgets and forecasts.

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.

Management of the day to day operations is delegated to the Chief Executive and senior staff reporting to the Trustees who meet on a regular basis to review performance and decide on key strategic issues.

Arrangements for setting remuneration of key management personnel are reviewed by the Trustees taking account of the financial position of the charity and market conditions.

AYR GAIETY PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
SC041464

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
B Connolly
D Elliot (resigned 5.8.22)
D Scott (appointed 6.8.22)

Auditors

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

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year 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).

Charity 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 charity 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. 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.

AYR GAIETY PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

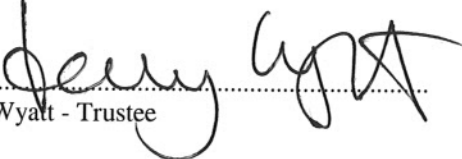
In so far as the trustees are aware:

- 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 19 October 2023 and signed on its behalf by:


.....
E J Wyatt - Trustee

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

Opinion

We have audited the financial statements of Ayr Gaiety Partnership (the 'charity') for the year ended 31 December 2022 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 in Relation to Going Concern

We draw your 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 funding not be awarded, 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 the date the financial statements are authorised for issue. Our audit opinion is not modified in this respect.

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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF AYR GAIETY PARTNERSHIP

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

We have been appointed as auditors 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 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.

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. This description forms part of our Report of the Independent Auditors.

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

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. Our audit work has been undertaken so that we might state to the charity's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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

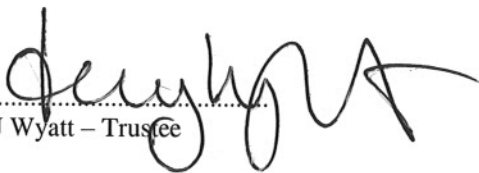
Date: 19 October 2023

AYR GAIETY PARTNERSHIP


**BALANCE SHEET
31 DECEMBER 2022**

	Notes	31.12.22 £	31.12.21 £
FIXED ASSETS			
Tangible assets	11	2,924,994	2,983,074
CURRENT ASSETS			
Stocks	12	-	721
Debtors	13	288,089	206,691
Cash at bank and in hand		<u>549,539</u>	<u>594,101</u>
		837,628	801,513
CREDITORS			
Amounts falling due within one year	14	(533,306)	(491,983)
NET CURRENT ASSETS			
		<u>304,322</u>	<u>309,530</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		3,229,316	3,292,604
CREDITORS			
Amounts falling due after more than one year	15	(589,025)	(689,745)
NET ASSETS			
		<u><u>2,640,291</u></u>	<u><u>2,602,859</u></u>
FUNDS			
Unrestricted funds	19	302,745	54,653
Restricted funds		<u>2,337,546</u>	<u>2,548,206</u>
TOTAL FUNDS			
		<u><u>2,640,291</u></u>	<u><u>2,602,859</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19 October 2023 and were signed on its behalf by:



 E J Wyatt – Trustee



 D J Quayle- Trustee

The notes form part of these financial statements

AYR GAIETY PARTNERSHIP
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	109,532	245,720
Interest paid		<u>(28,929)</u>	<u>(33,655)</u>
Net cash provided by operating activities		<u>80,603</u>	<u>212,065</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(26,403)</u>	<u>23,936</u>
Net cash (used in)/provided by investing activities		<u>(26,403)</u>	<u>23,936</u>
Cash flows from financing activities			
New loans in year		356,997	22,178
Loan repayments in year		<u>(455,759)</u>	<u>(4,125)</u>
Net cash (used in)/provided by financing activities		<u>(98,762)</u>	<u>18,053</u>
Change in cash and cash equivalents in the reporting period			
		(44,562)	254,054
Cash and cash equivalents at the beginning of the reporting period		<u>594,101</u>	<u>340,047</u>
Cash and cash equivalents at the end of the reporting period		<u>549,539</u>	<u>594,101</u>

The notes form part of these financial statements

AYR GAIETY PARTNERSHIP

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.22 £	31.12.21 £
Net income for the reporting period (as per the Statement of Financial Activities)	37,432	126,419
Adjustments for:		
Depreciation charges	84,484	80,528
Interest paid	28,929	33,655
Decrease in stocks	721	102
Increase in debtors	(81,398)	(127,061)
Increase in creditors	<u>39,364</u>	<u>132,077</u>
Net cash provided by operations	<u>109,532</u>	<u>245,720</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	<u>594,101</u>	<u>(44,562)</u>	<u>549,539</u>
	<u>594,101</u>	<u>(44,562)</u>	<u>549,539</u>
Debt			
Debts falling due within 1 year	(127,494)	(1,958)	(129,452)
Debts falling due after 1 year	<u>(689,745)</u>	<u>100,720</u>	<u>(589,025)</u>
	<u>(817,239)</u>	<u>98,762</u>	<u>(718,477)</u>
Total	<u>(223,138)</u>	<u>54,200</u>	<u>(168,938)</u>

The notes form part of these financial statements

AYR GAIETY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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)'. 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.

Grants that specify or imply performance conditions are recognised in income when these conditions are met. Where grants do not specify performance conditions they are recognised in income when the funds are receivable. Grants received before the performance conditions are satisfied are recognised in liabilities as deferred income.

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. Designated funds are unrestricted funds set aside by the Trustees for specific purposes.

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.

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Going concern

The charity is dependent on third party grant funding to support the operation of the core theatre charitable activity.

The trustees have undertaken a review of the trading forecasts and cashflows of the charity. These have identified a need for additional grant revenue funding not yet awarded. Failure to secure such funding may cast doubt on the charity's ability to continue as a 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.

2. DONATIONS AND LEGACIES

	31.12.22	31.12.21
	£	£
Donations	<u>100,000</u>	<u>-</u>

3. OTHER TRADING ACTIVITIES

	31.12.22	31.12.21
	£	£
Fundraising events	<u>53,919</u>	<u>91,687</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.22	31.12.21
		£	£
Theatre income	Operation of theatre	845,398	105,019
Cafe bar concession income	Operation of theatre	16,278	-
Restoration fund ticket levy	Operation of theatre	130,216	28,080
Other income	Operation of theatre	62,411	146,657
Grants	Operation of theatre	539,522	767,723
Grants	Supporting community recovery	-	156,572
Grants	Creative learning	<u>104,679</u>	<u>177,087</u>
		<u>1,698,504</u>	<u>1,381,138</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Operation of theatre	1,609,952	4,500	1,614,452
Supporting community recovery	42,607	-	42,607
Creative learning	<u>157,932</u>	<u>-</u>	<u>157,932</u>
	<u>1,810,491</u>	<u>4,500</u>	<u>1,814,991</u>

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. SUPPORT COSTS

		Governance costs
Operation of theatre		£ <u>4,500</u>

7. NET INCOME/(EXPENDITURE)

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

	31.12.22	31.12.21
	£	£
Auditors' remuneration	4,500	4,800
Depreciation - owned assets	<u>84,483</u>	<u>80,528</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

	31.12.22	31.12.21
	£	£
Trustees' salaries	44,000	44,000
Trustees' social security	5,080	4,852
Trustees' pensions paid	<u>1,133</u>	<u>1,133</u>
	<u>50,213</u>	<u>49,985</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 year ended 31 December 2022 nor for the year ended 31 December 2021.

9. STAFF COSTS

	31.12.22	31.12.21
	£	£
Wages and salaries	400,448	345,315
Social security costs	42,759	23,113
Other pension costs	<u>7,352</u>	<u>5,058</u>
	<u>450,559</u>	<u>373,486</u>

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

	31.12.22	31.12.21
Technical and administration staff	<u>25</u>	<u>20</u>

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

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Operation of theatre	872,479	175,000	1,047,479
Supporting community recovery	-	156,572	156,572
Creative learning	-	177,087	177,087
Other trading activities	<u>91,687</u>	<u>-</u>	<u>91,687</u>
Total	<u>964,166</u>	<u>508,659</u>	<u>1,472,825</u>
EXPENDITURE ON			
Charitable activities			
Operation of theatre	1,014,120	85,382	1,099,502
Supporting community recovery	-	189,078	189,078
Creative learning	<u>-</u>	<u>57,826</u>	<u>57,826</u>
Total	<u>1,014,120</u>	<u>332,286</u>	<u>1,346,406</u>
NET INCOME/(EXPENDITURE)			
Transfers between funds	(49,954)	176,373	126,419
	<u>33</u>	<u>(33)</u>	<u>-</u>
Net movement in funds	(49,921)	176,340	126,419
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>104,574</u>	<u>2,371,866</u>	<u>2,476,440</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>54,653</u></u>	<u><u>2,548,206</u></u>	<u><u>2,602,859</u></u>

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2022	3,396,959	83,711	58,570	3,539,240
Additions	<u>(16,446)</u>	<u>-</u>	<u>42,849</u>	<u>26,403</u>
At 31 December 2022	<u>3,380,513</u>	<u>83,711</u>	<u>101,419</u>	<u>3,565,643</u>
DEPRECIATION				
At 1 January 2022	451,474	63,768	40,924	556,166
Charge for year	<u>65,610</u>	<u>8,731</u>	<u>10,142</u>	<u>84,483</u>
At 31 December 2022	<u>517,084</u>	<u>72,499</u>	<u>51,066</u>	<u>640,649</u>
NET BOOK VALUE				
At 31 December 2022	<u>2,863,429</u>	<u>11,212</u>	<u>50,353</u>	<u>2,924,994</u>
At 31 December 2021	<u>2,945,485</u>	<u>19,943</u>	<u>17,646</u>	<u>2,983,074</u>

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. STOCKS		
	31.12.22	31.12.21
	£	£
Stocks	<u>-</u>	<u>721</u>
13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	31.12.22	31.12.21
	£	£
Trade debtors	22,741	13,606
Other debtors	265,348	184,834
VAT	<u>-</u>	<u>8,251</u>
	<u>288,089</u>	<u>206,691</u>
14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	31.12.22	31.12.21
	£	£
Other loans (see note 16)	129,452	127,494
Trade creditors	38,620	29,105
Social security and other taxes	14,239	12,072
VAT	49,591	-
Accruals and deferred income	<u>301,404</u>	<u>323,312</u>
	<u>533,306</u>	<u>491,983</u>
Accruals includes £183,246 (2021 - £213,099) of deferred income from receipt of advance ticket sales and grants where the performance conditions have not been met at the balance sheet date.		
15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	31.12.22	31.12.21
	£	£
Other loans (see note 16)	<u>589,025</u>	<u>689,745</u>
16. LOANS		
An analysis of the maturity of loans is given below:		
	31.12.22	31.12.21
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>129,452</u>	<u>127,494</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>132,368</u>	<u>171,137</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>456,657</u>	<u>327,610</u>

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. LOANS - continued

	31.12.22	31.12.21
	£	£
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	=	<u>190,998</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.22	31.12.21
	£	£
Other loans	<u>718,477</u>	<u>817,239</u>

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Fixed assets	728,469	2,196,525	2,924,994	2,983,074
Current assets	696,607	141,021	837,628	801,513
Current liabilities	(533,306)	-	(533,306)	(491,983)
Long term liabilities	<u>(589,025)</u>	<u>-</u>	<u>(589,025)</u>	<u>(689,745)</u>
	<u>302,745</u>	<u>2,337,546</u>	<u>2,640,291</u>	<u>2,602,859</u>

19. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	54,653	98,092	100,000	252,745
Designated fund	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	54,653	148,092	100,000	302,745
Restricted funds				
Gaiety Theatre Restoration & Heritage Project	2,246,629	(50,091)	-	2,196,538
Supporting Communities and Recovery Fund	42,607	(42,607)	-	-
Culture Collective	119,261	(53,253)	-	66,008
Loan Restructuring	100,000	-	(100,000)	-
Adapt and Thrive	39,709	(39,709)	-	-
Local Drama Development	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>
	<u>2,548,206</u>	<u>(110,660)</u>	<u>(100,000)</u>	<u>2,337,546</u>
TOTAL FUNDS	<u>2,602,859</u>	<u>37,432</u>	<u>-</u>	<u>2,640,291</u>

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,622,744	(1,524,652)	98,092
Designated fund	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	1,672,744	(1,524,652)	148,092
Restricted funds			
Gaiety Theatre Restoration & Heritage Project	-	(50,091)	(50,091)
Supporting Communities and Recovery Fund	-	(42,607)	(42,607)
Culture Collective	104,679	(157,932)	(53,253)
Adapt and Thrive	-	(39,709)	(39,709)
Local Drama Development	<u>75,000</u>	<u>-</u>	<u>75,000</u>
	<u>179,679</u>	<u>(290,339)</u>	<u>(110,660)</u>
TOTAL FUNDS	<u><u>1,852,423</u></u>	<u><u>(1,814,991)</u></u>	<u><u>37,432</u></u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	104,574	(49,954)	33	54,653
Restricted funds				
Gaiety Theatre Restoration & Heritage Project	2,296,720	(50,091)	-	2,246,629
Ayrshire Youth Arts and Community Projects	26	-	(26)	-
Ayrshire Rural Touring Network Project	7	-	(7)	-
Supporting Communities and Recovery Fund	75,113	(32,506)	-	42,607
Culture Collective	-	119,261	-	119,261
Loan Restructuring	-	100,000	-	100,000
Adapt and Thrive	<u>-</u>	<u>39,709</u>	<u>-</u>	<u>39,709</u>
	<u>2,371,866</u>	<u>176,373</u>	<u>(33)</u>	<u>2,548,206</u>
TOTAL FUNDS	<u><u>2,476,440</u></u>	<u><u>126,419</u></u>	<u><u>-</u></u>	<u><u>2,602,859</u></u>

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	964,166	(1,014,120)	(49,954)
Restricted funds			
Gaiety Theatre Restoration & Heritage Project	-	(50,091)	(50,091)
Supporting Communities and Recovery Fund	156,572	(189,078)	(32,506)
Culture Collective	177,087	(57,826)	119,261
Loan Restructuring	100,000	-	100,000
Adapt and Thrive	75,000	(35,291)	39,709
	<u>508,659</u>	<u>(332,286)</u>	<u>176,373</u>
TOTAL FUNDS	<u>1,472,825</u>	<u>(1,346,406)</u>	<u>126,419</u>

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

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	104,574	48,138	100,033	252,745
Designated fund	-	50,000	-	50,000
	<u>104,574</u>	98,138	100,033	302,745
Restricted funds				
Gaiety Theatre Restoration & Heritage Project	2,296,720	(100,182)	-	2,196,538
Ayrshire Youth Arts and Community Projects	26	-	(26)	-
Ayrshire Rural Touring Network Project	7	-	(7)	-
Supporting Communities and Recovery Fund	75,113	(75,113)	-	-
Culture Collective	-	66,008	-	66,008
Loan Restructuring	-	100,000	(100,000)	-
Local Drama Development	-	75,000	-	75,000
	<u>2,371,866</u>	<u>65,713</u>	<u>(100,033)</u>	<u>2,337,546</u>
TOTAL FUNDS	<u>2,476,440</u>	<u>163,851</u>	<u>-</u>	<u>2,640,291</u>

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. MOVEMENT IN FUNDS - continued

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 £
Unrestricted funds			
General fund	2,586,910	(2,538,772)	48,138
Designated fund	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	2,636,910	(2,538,772)	98,138
Restricted funds			
Gaiety Theatre Restoration & Heritage Project	-	(100,182)	(100,182)
Supporting Communities and Recovery Fund	156,572	(231,685)	(75,113)
Culture Collective	281,766	(215,758)	66,008
Loan Restructuring	100,000	-	100,000
Adapt and Thrive	75,000	(75,000)	-
Local Drama Development	<u>75,000</u>	<u>-</u>	<u>75,000</u>
	<u>688,338</u>	<u>(622,625)</u>	<u>65,713</u>
TOTAL FUNDS	<u><u>3,325,248</u></u>	<u><u>(3,161,397)</u></u>	<u><u>163,851</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.

The purpose of the Culture Collective Fund is to develop and deliver creative projects with local communities.

The purpose of the Loan Restructuring Fund is to assist restructuring of the existing loan obligations.

The purpose of the Adapt and Thrive Fund is to assist transition through the COVID-19 pandemic.

The purpose of the Local Drama Development Fund is to assist amateur and emerging locally based professional groups within South Ayrshire.

AYR GAIETY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

21. POST BALANCE SHEET EVENTS

In April 2023 South Ayrshire Council waived loan balances due of £574,557 in lieu of future revenue funding.