

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
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 2023**

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**AYR GAIETY PARTNERSHIP**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

The trustees present their report with the financial statements of the charity for the period ended 31 December 2023. 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, however the organisation delivers services and activity across Ayrshire and on occasion further afield.

### **Public benefit**

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. 2022 saw the steady relaunch of volunteering activity as the theatre began to return to a more normal operation, and in 2023 this development continued so that, by the end of the year, there were approaching 100 active volunteers once again. 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 2023 as it consolidated its growth and development, building on the previous two years when it had gradually re-emerged from the pandemic. The community based activity continued to grow, both in community based creative engagement and in the relaunched rural touring programme, delivered with support from the ARIA fund. The year also saw major acceleration of growth in youth theatre activity, with record numbers of participants - reaching over 100 individuals and growing rapidly. Activity on the main stage returned to a full programme for the first year since before the pandemic and achieved record audiences. The annual pantomime, once again produced in house secured 5 star reviews again in national press, although several performances were compromised or lost due to a combination of factors but primarily cast illnesses.

## **FINANCIAL REVIEW**

### **Principal funding sources**

The charity received a revenue grant of £37,500 from South Ayrshire Council for the operation of the theatre for the first quarter.

Additional activity funding was received during the year in the sum of: £124,535 from various sources.

The attached financial statements reflect the foregoing and the trading outcome for the year under review. The Trustees note that a more normal trading pattern emerged during the year, but the continued viability of the organisation has been underpinned by, and largely dependent on, a series of emergency grants from Creative Scotland in previous years (which strengthened the balance sheet), augmented by generous support from local donors.

During 2023 South Ayrshire Council continued to provide support at historic levels through the mechanism of writing off a loan that, over the four years 2023-2027 will have a similar impact on cash to continued revenue funding over the same period. This has been recognised as exceptional income for 2023 in the financial statements and Trustees draw attention to the fact that this disguises an underlying revenue deficit that had the effect of consuming the reserves retained from the emergency grants secured over the pandemic.

Trustees are grateful to all funders for their continuing support.



**AYR GAIETY PARTNERSHIP**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**FINANCIAL REVIEW**

**Reserves policy**

At the balance sheet date unrestricted reserves were £599,293, whilst restricted reserves were £2,188,547.

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 2025. The Trustees view unrestricted reserves to cover all overhead (including staffing) expenditure for a three month period to be a minimum desirable position. 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 2024 the Trustees will keep this reserves policy under review with the three months policy remaining as a goal - however for the time being the Trustees do not expect to be able to meet this reserves goal and view it 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 2024 and beyond in view of the growing levels of economic uncertainty, so plans will continue to be kept under review.

**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 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk management**

The charity trustees are aware of their duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place. The organisation holds comprehensive insurance and maintains a risk assessment register. The charity trustees are especially aware of their responsibilities for Health and Safety for the organisation's staff and its audiences.

**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	(resigned 2.6.24)
B Connolly	
D Scott	
L Murray	(appointed 1.9.23)
J Gilmour	(appointed 2.6.24)
R Ait El Moudden	(appointed 2.6.24)

**Auditors**

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

**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 charitable company will continue in business.

**AYR GAIETY PARTNERSHIP**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

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.

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 June 2024 and signed on its behalf by:

  
.....  
J Gilmour - 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 2023 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 2023 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.

### **Conclusions relating to going concern**

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

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

### **Emphasis of matter- 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 in the preparation of the financial statements.

The circumstances outlined indicate that should the anticipated 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.

### **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 company'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 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

19 June 2024

**AYR GAIETY PARTNERSHIP**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	41,300	-	41,300	100,000
<b>Charitable activities</b>					
Operation of theatre	4	1,379,989	-	1,379,989	1,593,825
Creative learning		-	74,535	74,535	104,677
Community remembrance project		-	50,000	50,000	-
Other trading activities	3	<u>595,607</u>	<u>-</u>	<u>595,607</u>	<u>53,921</u>
<b>Total</b>		<u>2,016,896</u>	<u>124,535</u>	<u>2,141,431</u>	<u>1,852,423</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Theatre redevelopment	5	-	50,091	50,091	-
Operation of theatre		1,720,348	-	1,720,348	1,614,452
Supporting community recovery		-	-	-	42,607
Creative learning		-	215,543	215,543	157,932
Community remembrance project		<u>-</u>	<u>7,900</u>	<u>7,900</u>	<u>-</u>
<b>Total</b>		<u>1,720,348</u>	<u>273,534</u>	<u>1,993,882</u>	<u>1,814,991</u>
<b>NET INCOME/(EXPENDITURE)</b>		296,548	(148,999)	147,549	37,432
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>302,745</u>	<u>2,337,546</u>	<u>2,640,291</u>	<u>2,602,859</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>599,293</u>	<u>2,188,547</u>	<u>2,787,840</u>	<u>2,640,291</u>


The notes form part of these financial statements

**AYR GAIETY PARTNERSHIP**

**BALANCE SHEET  
31 DECEMBER 2023**

	Notes	31.12.23 £	31.12.22 £
<b>FIXED ASSETS</b>			
Tangible assets	11	2,851,321	2,924,994
<b>CURRENT ASSETS</b>			
Debtors	12	292,317	288,089
Cash at bank and in hand		<u>263,786</u>	<u>549,539</u>
		556,103	837,628
<b>CREDITORS</b>			
Amounts falling due within one year	13	<u>(513,514)</u>	<u>(533,306)</u>
<b>NET CURRENT ASSETS</b>		<u>42,589</u>	<u>304,322</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,893,910	3,229,316
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	<u>(106,070)</u>	<u>(589,025)</u>
<b>NET ASSETS</b>		<u>2,787,840</u>	<u>2,640,291</u>
<b>FUNDS</b>	18		
Unrestricted funds		599,293	302,745
Restricted funds		<u>2,188,547</u>	<u>2,337,546</u>
<b>TOTAL FUNDS</b>		<u>2,787,840</u>	<u>2,640,291</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19 June 2024 and were signed on its behalf by:

  
.....  
J Welsh - Trustee

The notes form part of these financial statements



**AYR GAIETY PARTNERSHIP**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	31.12.23 £	31.12.22 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(215,369)	109,532
Interest paid		<u>(13,539)</u>	<u>(28,929)</u>
Net cash (used in)/provided by operating activities		<u>(228,908)</u>	<u>80,603</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(9,077)</u>	<u>(26,403)</u>
Net cash used in investing activities		<u>(9,077)</u>	<u>(26,403)</u>
<b>Cash flows from financing activities</b>			
New loans in year		10,078	356,997
Loan repayments in year		<u>(57,846)</u>	<u>(455,759)</u>
Net cash used in financing activities		<u>(47,768)</u>	<u>(98,762)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(285,753)	(44,562)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>549,539</u>	<u>594,101</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>263,786</u>	<u>549,539</u>

The notes form part of these financial statements

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.12.23	31.12.22
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	147,549	37,432
<b>Adjustments for:</b>		
Depreciation charges	82,751	84,484
Interest paid	13,539	28,929
Exceptional loan write off	(543,395)	-
Decrease in stocks	-	721
Increase in debtors	(4,228)	(81,398)
Increase in creditors	<u>88,415</u>	<u>39,364</u>
<b>Net cash (used in)/provided by operations</b>	<u>(215,369)</u>	<u>109,532</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>549,539</u>	<u>(285,753)</u>	<u>263,786</u>
	<u>549,539</u>	<u>(285,753)</u>	<u>263,786</u>
<b>Debt</b>			
Debts falling due within 1 year	(129,452)	108,207	(21,245)
Debts falling due after 1 year	<u>(589,025)</u>	<u>482,955</u>	<u>(106,070)</u>
	<u>(718,477)</u>	<u>591,162</u>	<u>(127,315)</u>
<b>Total</b>	<u>(168,938)</u>	<u>305,409</u>	<u>136,471</u>

The notes form part of these financial statements

## AYR GAIETY PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 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

##### **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.

##### **Going concern**

The charity is dependent on additional revenue grant funding to support the core theatre operation charitable activity.

The trustees have undertaken a review of the trading forecasts and cashflows of the charity taking account of the working capital position and anticipated future revenue grant funding.



**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES - continued**

**Going concern**

After making enquiries, the trustees have a reasonable expectation 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**

	31.12.23	31.12.22
	£	£
Donations	<u>41,300</u>	<u>100,000</u>

**3. OTHER TRADING ACTIVITIES**

	31.12.23	31.12.22
	£	£
Fundraising events	52,212	53,921
Exceptional loan write off	<u>543,395</u>	<u>-</u>
	<u>595,607</u>	<u>53,921</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

		31.12.23	31.12.22
		£	£
Theatre income	Activity	1,031,957	845,398
	Operation of theatre		
Cafe bar concession income	Operation of theatre	32,692	16,278
Restoration fund ticket levy	Operation of theatre	146,261	130,216
Other income	Operation of theatre	113,400	62,411
Grants	Operation of theatre	55,679	539,522
Grants	Creative learning	74,535	104,677
Grants	Community remembrance project	<u>50,000</u>	<u>-</u>
		<u>1,504,524</u>	<u>1,698,502</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct	Support	
	Costs	costs (see	
	£	note 6)	Totals
		£	£
Theatre redevelopment	50,091	-	50,091
Operation of theatre	1,715,348	5,000	1,720,348
Creative learning	215,543	-	215,543
Community remembrance project	<u>7,900</u>	<u>-</u>	<u>7,900</u>
	<u>1,988,882</u>	<u>5,000</u>	<u>1,993,882</u>

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**6. SUPPORT COSTS**

		Governance costs
		£
Operation of theatre		<u>5,000</u>

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

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

	31.12.23	31.12.22
	£	£
Auditors' remuneration	5,000	4,500
Depreciation - owned assets	<u>82,750</u>	<u>84,483</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

	31.12.23	31.12.22
	£	£
Trustees' salaries	44,000	44,000
Trustees' social security	4,817	5,080
Trustees' pensions paid	<u>1,133</u>	<u>1,133</u>
	<u>49,950</u>	<u>50,213</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 2023 nor for the year ended 31 December 2022.

**9. STAFF COSTS**

	31.12.23	31.12.22
	£	£
Wages and salaries	450,802	400,448
Social security costs	38,856	42,759
Other pension costs	<u>7,932</u>	<u>7,352</u>
	<u>497,590</u>	<u>450,559</u>

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

	31.12.23	31.12.22
Technical and administration staff	<u>29</u>	<u>25</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 2023**

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

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	25,000	75,000	100,000
<b>Charitable activities</b>			
Operation of theatre	1,593,825	-	1,593,825
Creative learning	-	104,677	104,677
Other trading activities	<u>53,919</u>	<u>2</u>	<u>53,921</u>
<b>Total</b>	<u>1,672,744</u>	<u>179,679</u>	<u>1,852,423</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Operation of theatre	1,524,652	89,800	1,614,452
Supporting community recovery	-	42,607	42,607
Creative learning	<u>-</u>	<u>157,932</u>	<u>157,932</u>
<b>Total</b>	<u>1,524,652</u>	<u>290,339</u>	<u>1,814,991</u>
<b>NET INCOME/(EXPENDITURE)</b>	148,092	(110,660)	37,432
<b>Transfers between funds</b>	<u>100,000</u>	<u>(100,000)</u>	<u>-</u>
<b>Net movement in funds</b>	248,092	(210,660)	37,432
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	54,653	2,548,206	2,602,859
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>302,745</u>	<u>2,337,546</u>	<u>2,640,291</u>

**11. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 January 2023	3,380,513	83,711	101,419	3,565,643
Additions	<u>(9,120)</u>	<u>2,616</u>	<u>15,581</u>	<u>9,077</u>
At 31 December 2023	<u>3,371,393</u>	<u>86,327</u>	<u>117,000</u>	<u>3,574,720</u>
<b>DEPRECIATION</b>				
At 1 January 2023	517,084	72,499	51,066	640,649
Charge for year	<u>65,429</u>	<u>8,048</u>	<u>9,273</u>	<u>82,750</u>
At 31 December 2023	<u>582,513</u>	<u>80,547</u>	<u>60,339</u>	<u>723,399</u>
<b>NET BOOK VALUE</b>				
At 31 December 2023	<u>2,788,880</u>	<u>5,780</u>	<u>56,661</u>	<u>2,851,321</u>
At 31 December 2022	<u>2,863,429</u>	<u>11,212</u>	<u>50,353</u>	<u>2,924,994</u>



**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		31.12.23	31.12.22
		£	£
Trade debtors		49,906	22,741
Other debtors		<u>242,411</u>	<u>265,348</u>
		<u>292,317</u>	<u>288,089</u>

<b>13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		31.12.23	31.12.22
		£	£
Other loans (see note 15)		21,245	129,452
Trade creditors		49,154	38,620
Social security and other taxes		14,667	14,239
VAT		50,346	49,591
Accruals and deferred income		<u>378,102</u>	<u>301,404</u>
		<u>513,514</u>	<u>533,306</u>

Accruals includes £285,455 (2022 - £183,246) of deferred income from receipt of advance ticket sales.

<b>14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		31.12.23	31.12.22
		£	£
Other loans (see note 15)		<u>106,070</u>	<u>589,025</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

		31.12.23	31.12.22
		£	£
Amounts falling due within one year on demand:			
Other loans		<u>21,245</u>	<u>129,452</u>
Amounts falling between one and two years:			
Other loans - 1-2 years		<u>21,612</u>	<u>132,368</u>
Amounts falling due between two and five years:			
Other loans - 2-5 years		<u>84,458</u>	<u>456,657</u>

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.23	31.12.22
	£	£
Other loans	<u>127,315</u>	<u>718,477</u>

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

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

	Unrestricted funds £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
Fixed assets	704,887	2,146,434	2,851,321	2,924,994
Current assets	513,990	42,113	556,103	837,628
Current liabilities	(513,514)	-	(513,514)	(533,306)
Long term liabilities	<u>(106,070)</u>	<u>-</u>	<u>(106,070)</u>	<u>(589,025)</u>
	<u>599,293</u>	<u>2,188,547</u>	<u>2,787,840</u>	<u>2,640,291</u>

**18. MOVEMENT IN FUNDS**

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
<b>Unrestricted funds</b>			
General fund	252,745	346,548	599,293
Designated fund	<u>50,000</u>	<u>(50,000)</u>	<u>-</u>
	302,745	296,548	599,293
<b>Restricted funds</b>			
Gaiety Theatre Restoration & Heritage Project	2,196,538	(50,091)	2,146,447
Culture Collective	66,008	(66,008)	-
Local Drama Development	75,000	(75,000)	-
Remembering Together	<u>-</u>	<u>42,100</u>	<u>42,100</u>
	<u>2,337,546</u>	<u>(148,999)</u>	<u>2,188,547</u>
<b>TOTAL FUNDS</b>	<u>2,640,291</u>	<u>147,549</u>	<u>2,787,840</u>

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**18. 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>			
General fund	2,016,896	(1,670,348)	346,548
Designated fund	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
	2,016,896	(1,720,348)	296,548
<b>Restricted funds</b>			
Gaiety Theatre Restoration & Heritage Project	-	(50,091)	(50,091)
Culture Collective	74,535	(140,543)	(66,008)
Local Drama Development	-	(75,000)	(75,000)
Remembering Together	<u>50,000</u>	<u>(7,900)</u>	<u>42,100</u>
	<u>124,535</u>	<u>(273,534)</u>	<u>(148,999)</u>
<b>TOTAL FUNDS</b>	<u><u>2,141,431</u></u>	<u><u>(1,993,882)</u></u>	<u><u>147,549</u></u>

**Comparatives for movement in funds**

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
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
<b>Restricted funds</b>				
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>
<b>TOTAL FUNDS</b>	<u><u>2,602,859</u></u>	<u><u>37,432</u></u>	<u><u>-</u></u>	<u><u>2,640,291</u></u>



**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**18. MOVEMENT IN FUNDS - continued**

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	1,622,744	(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
<b>Restricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<u><u>1,852,423</u></u>	<u><u>(1,814,991)</u></u>	<u><u>37,432</u></u>

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

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	54,653	444,640	100,000	599,293
<b>Restricted funds</b>				
Gaiety Theatre Restoration & Heritage Project	2,246,629	(100,182)	-	2,146,447
Supporting Communities and Recovery Fund	42,607	(42,607)	-	-
Culture Collective	119,261	(119,261)	-	-
Loan Restructuring	100,000	-	(100,000)	-
Adapt and Thrive	39,709	(39,709)	-	-
Remembering Together	<u>-</u>	<u>42,100</u>	<u>-</u>	<u>42,100</u>
	<u>2,548,206</u>	<u>(259,659)</u>	<u>(100,000)</u>	<u>2,188,547</u>
<b>TOTAL FUNDS</b>	<u><u>2,602,859</u></u>	<u><u>184,981</u></u>	<u><u>-</u></u>	<u><u>2,787,840</u></u>

**AYR GAIETY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**18. 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 £
<b>Unrestricted funds</b>			
General fund	3,639,640	(3,195,000)	444,640
Designated fund	<u>50,000</u>	<u>(50,000)</u>	<u>-</u>
	3,689,640	(3,245,000)	444,640
<b>Restricted funds</b>			
Gaiety Theatre Restoration & Heritage Project	-	(100,182)	(100,182)
Supporting Communities and Recovery Fund	-	(42,607)	(42,607)
Culture Collective	179,214	(298,475)	(119,261)
Adapt and Thrive	-	(39,709)	(39,709)
Local Drama Development	75,000	(75,000)	-
Remembering Together	<u>50,000</u>	<u>(7,900)</u>	<u>42,100</u>
	<u>304,214</u>	<u>(563,873)</u>	<u>(259,659)</u>
<b>TOTAL FUNDS</b>	<u><u>3,993,854</u></u>	<u><u>(3,808,873)</u></u>	<u><u>184,981</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 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.

The purpose of the Remembering Together Fund is to develop and deliver a memorial project with the local community.