

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2024
for
Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Rogerson & Goldie
Statutory Auditors
Chartered Accountants
29 Portland Road
Kilmarnock
KA1 2BY

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Contents of the Financial Statements
for the Year Ended 31 March 2024

	Page
Report of the Trustees	1 to 4
Report of the Independent Auditors	5 to 8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 20
Detailed Statement of Financial Activities	21 to 22

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Report of the Trustees
for the Year Ended 31 March 2024

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Trust objects and principal activities are to:-

Encourage the widest use of the recreational facilities provided by residents within and visitors to East Ayrshire District. To provide facilities for the development of sport including coaching and training, to ensure that young persons, the disabled and minority and underprivileged social groups have access to the facilities on reasonable terms and otherwise to promote leisure and recreational activities within East Ayrshire.

Significant activities

The Kilmarnock Leisure Centre trust has developed the business into four main activity departments which are Fitness Zone, Aqua Zone, Ice Zone and Dryside for the purpose of performance indicators and two others which are Administration and Bar & Catering as secondary spend departments. This allows Trustees to evaluate the business performance monthly, quarterly and annually and internal benchmarking is evaluated each year with previous year's comparison.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In conjunction with the figures outlined in significant activities the Trust supports many other charitable (local and national) organisations in fundraising by offering complimentary tickets for activities at the Galleon Centre as well as entering differing sporting competitions to assist them meet their obligations.

The Trust donated £9,205 in complimentaries and held in house activities which are included in the above. These include the following but have contributed to many more.

- Ayrshire Hospice
- Clic Sargent
- Mind over Matter
- Motor Neurons Scotland
- Ayrshire Cancer Support
- National Autistic Society
- Magic

Internal and external factors

Trustees in assessing these factors have many to take into consideration, national and local trends, the continuing increase in electricity, gas and water all present their own challenges.

New business in the private gym sector, the new PFI School Build programmes all impact on the operation of the charity. Trustees will continually review and asses these as they arise.

FINANCIAL REVIEW

Principal funding sources

The principal funding sources are generated from the services to the general public of all the activities within the Galleon Centre and the operational revenue from East Ayrshire Council.

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Report of the Trustees
for the Year Ended 31 March 2024

FINANCIAL REVIEW

Financial Review

The Financial year 2023/24 has shown signs of recovery including higher income, customer footfall and memberships due to ongoing investment in the facilities. However, the sharp increase in wages, cost of supplies, utilities and the current material state of the building leading to increased maintenance costs has posed significant challenges to the recovery plans in place. Reorganisation, innovation and improved performance of the main income streams whilst recommencing the Centre Refurbishment Programme will be instrumental in ensuring the ongoing viability of the Trust.

During the period the Trust will continuously monitor ongoing viability, cash flow, profitability and the long-term impact of the ongoing cost-of-living crisis. The Centre has external funding and reserves allocated to mitigate against the impact of inflation and the current market volatility.

The Kilmarnock Leisure Centre Trust secured funding from East Ayrshire Council has been approved as follows:-

2024/25 £139,800

There are six main leisure activity departments of Administration, Fitness Zone, Aqua Zone, Swimming Pool, Ice Zone, Dryside and Bar & Catering which cumulatively generated £2,358,039 (2023 - £1,986,333) which added to the above operational subsidy, other grants and interest returned £2,626,866 (2023 - £2,256,279) in income generation.

Reserves Policy

Trustees continue to monitor the charities requirements for reserves in light of the main risks to the organisation. General reserves carried forward from 2022/23 of £50,032 have increased due to the over budget income generation of £3,701 to reserves of £53,733.

The Trust will continue with the strategy of continuing to increase reserves at every opportunity in the long and short term to build added security to meet the business needs. This will be achieved further by capital investment required to continue to operate to all legislative requirements in conjunction with continuous improvement of the fabric of the building.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity, a not for profit organisation, is controlled by its governing document, a Deed of Trust set up in 1985.

A minute of variation to the Deed of Trust was approved by OSCR in March 2014.

A new 30 year lease for the Galleon Centre was agreed with East Ayrshire Council on 13th January 2016.

Recruitment and appointment of new trustees

Trustees of the "Kilmarnock Leisure Centre Trust" are categorised as

Appointed Trustee - Five from East Ayrshire Council

Business Trustee - Two from the business community

Sports Council Trustee - Two from the local Sports Council

The purpose of the Trust is to encourage the widest use of the recreation facilities provided by residents within and visitors to East Ayrshire (East Ayrshire by natural succession from Kilmarnock and Loudoun) District. To provide facilities for the development of sport including coaching and training, to ensure that young persons, the disabled and minority and underprivileged social groups have access to the facilities on reasonable terms and otherwise to promote leisure and recreational activities within East Ayrshire.

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Report of the Trustees
for the Year Ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustees have appointed a management team to advise the Trustees on the management and operation of The Galleon Centre and to undertake such duties as the Trustees may decide.

Board of Trustees
General Manager
Depute General Manager
Operations Manager

A scheme of delegation is in place and it is the responsibility of the General Manager in conjunction with his management team for the responsibility for the provision of the services and ensuring that the charity delivers the services specified and that key performance indicators are met. The General Manager through delegation to his team is responsible for the day to day operational management of the Centre, individual supervision of the staff team and also that the team continue to develop their skills and working practices in line with good practice and best value.

Induction and training of new trustees

All Trustees are already familiar with the work of the Galleon Centre and its importance and role in the community.

Trustees are offered training and development when required and this is recorded at Trust meetings.

All Trustees are requested to sign and date the Trustees Declaration and to act with due care and diligence managing the affairs of the Kilmarnock Leisure Centre Trust.

Related parties

The charities objectives are guided by local and national policy.

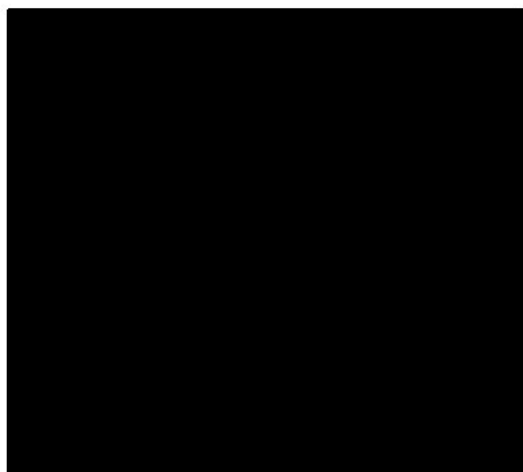
The Galleon Centre works in partnership with East Ayrshire Council CHIP (Community Health Improvement Project) and the GP referral scheme, Young Scot and Shout Cards that assist to meet the Deed of Trust.

The Trust is committed to continuous improvement in conjunction with Visit Scotland Visitor Attraction Quality Assurance Scheme.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
SC008314

Principal address
The Galleon Centre
99 Titchfield Street
Kilmarnock
KA1 1QY



Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Report of the Trustees
for the Year Ended 31 March 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Rogerson & Goldie
Statutory Auditors
Chartered Accountants
29 Portland Road
Kilmarnock
KA1 2BY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

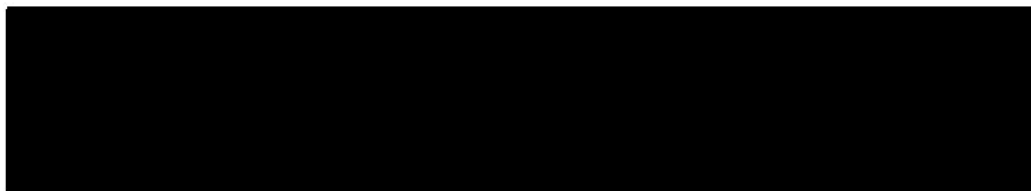
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland, the Charities and Trustee Investment (Scotland) Act 2005, Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution, 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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) Regulations 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.

Approved by order of the board of trustees on 18 September 2024 and signed on its behalf by:



Report of the Independent Auditors to the Trustees of
Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Opinion

We have audited the financial statements of Kilmarnock Leisure Centre Trust t/a The Galleon Centre (the 'charity') for the year ended 31 March 2024 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 March 2024 and of its incoming resources and application of resources, 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 the preparation of the financial statements is appropriate.

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

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

Other information

The 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
- proper accounting records have not been kept; 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
Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

Report of the Independent Auditors to the Trustees of
Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

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.

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:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud.

In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the company that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements.

We made enquiries of management with regards to compliance with laws and regulations.

We completed a sample of branch audit reviews with a focus on the income, expenditure and cash balances throughout the period to ensure that activities were supported and in line with company rules and practices.

Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias that represented a risk of material misstatement due to fraud.

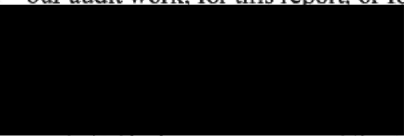
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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
Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

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.



On behalf of Rogerson & Goldie
Statutory Auditors
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
29 Portland Road
Kilmarnock
KA1 2BY

Date 18 September 2024

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	4				
Charitable Activities		263,927	-	263,927	268,891
Other trading activities	2	2,358,039	-	2,358,039	1,986,333
Investment income	3	<u>4,900</u>	<u>-</u>	<u>4,900</u>	<u>1,055</u>
Total		2,626,866	-	2,626,866	2,256,279
 EXPENDITURE ON					
Charitable activities	5				
Charitable Activities		<u>2,623,165</u>	<u>-</u>	<u>2,623,165</u>	<u>2,247,699</u>
NET INCOME/(EXPENDITURE)		3,701	-	3,701	8,580
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>7,550,032</u>	<u>-</u>	<u>7,550,032</u>	<u>7,541,452</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>7,553,733</u></u>	<u><u>-</u></u>	<u><u>7,553,733</u></u>	<u><u>7,550,032</u></u>

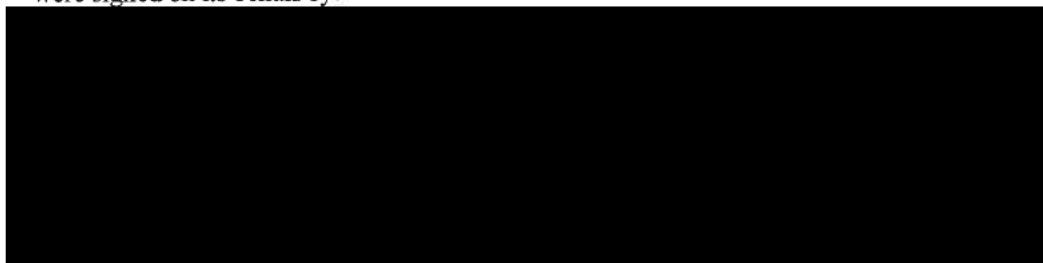
The notes form part of these financial statements

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Balance Sheet
31 March 2024

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	11	7,500,000	-	7,500,000	7,569,642
CURRENT ASSETS					
Stocks	12	28,818	-	28,818	27,098
Debtors	13	29,137	-	29,137	15,208
Cash at bank		<u>393,380</u>	-	<u>393,380</u>	<u>352,819</u>
		451,335	-	451,335	395,125
CREDITORS					
Amounts falling due within one year	14	(380,062)	-	(380,062)	(340,811)
NET CURRENT ASSETS		<u>71,273</u>	-	<u>71,273</u>	<u>54,314</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,571,273	-	7,571,273	7,623,956
CREDITORS					
Amounts falling due after more than one year	15	(17,540)	-	(17,540)	(27,109)
ACCRUALS AND DEFERRED INCOME	17	-	-	-	(46,815)
NET ASSETS		<u>7,553,733</u>	-	<u>7,553,733</u>	<u>7,550,032</u>
FUNDS	18				
Unrestricted funds				<u>7,553,733</u>	<u>7,550,032</u>
TOTAL FUNDS				<u>7,553,733</u>	<u>7,550,032</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 18 September 2024 and were signed on its behalf by:



Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>35,661</u>	<u>230,231</u>
Net cash used in operating activities		<u>35,661</u>	<u>230,231</u>
 Cash flows from investing activities			
Interest received		<u>4,900</u>	<u>1,055</u>
Net cash provided by investing activities		<u>4,900</u>	<u>1,055</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		40,561	231,286
Cash and cash equivalents at the beginning of the reporting period		<u>352,819</u>	<u>121,533</u>
 Cash and cash equivalents at the end of the reporting period		<u>393,380</u>	<u>352,819</u>

The notes form part of these financial statements

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Notes to the Cash Flow Statement
for the Year Ended 31 March 2024

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

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	3,701	8,580
Adjustments for:		
Depreciation charges	69,642	71,819
Interest received	(4,900)	(1,055)
(Increase)/decrease in stocks	(1,720)	(3,420)
(Increase)/decrease in debtors	(13,929)	11,686
(Decrease)/increase in creditors	<u>(17,133)</u>	<u>142,621</u>
Net cash used in operations	<u>35,661</u>	<u>230,231</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank	<u>352,819</u>	<u>40,561</u>	<u>393,380</u>
	<u>352,819</u>	<u>40,561</u>	<u>393,380</u>
Debt			
Debts falling due within 1 year	(8,333)	-	(8,333)
Debts falling due after 1 year	<u>(27,109)</u>	<u>9,569</u>	<u>(17,540)</u>
	<u>(35,442)</u>	<u>9,569</u>	<u>(25,873)</u>
Total	<u>317,377</u>	<u>50,130</u>	<u>367,507</u>

The notes form part of these financial statements

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' and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The financial statements have been prepared on a going concern basis which assumes that the company will continue to trade for a period of 12 months from the date of approval by the trustees.

The current and future cash position of the trust has been reviewed by the board of trustees. This included a comprehensive review covering a period of one year from the date of approval of the financial statements.

The board of trustees acknowledges that the trust's liquidity position may be reliant on the continued support of East Ayrshire Council and after due consideration the board of trustee's is satisfied that there is reasonable expectation that the trust will be able to obtain such funding if required and therefore have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the board of trustees considers it appropriate to prepare the financial statements on the going concern basis.

Income

Income from leisure, and related activities are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it.

Revenue grants, including those from government, are recognised in the Statement of Financial Activities (SoFA) in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Such income is deferred when the charity has to fulfil conditions before becoming entitled to it.

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

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Grants

Grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Tangible fixed assets

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

Plant and machinery - 10% on cost

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

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 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.

Financial assets and financial liabilities

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Impairment of non-current assets

At each reporting period end date, the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount that would have been determined had an impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

2. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Charges for facilities	2,226,510	1,874,950
Bar & catering income	131,529	111,383
	<u>2,358,039</u>	<u>1,986,333</u>

3. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>4,900</u>	<u>1,055</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
EAC grant - operational	Charitable Activities	139,790	139,790
EAC grant - ice rink	Charitable Activities	24,896	24,896
Sports Scotland capital grant	Charitable Activities	21,919	21,919
Other grants	Charitable Activities	77,322	82,286
CJRS grants	Charitable Activities	-	-
		<u>263,927</u>	<u>268,891</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Charitable Activities	<u>2,612,460</u>	<u>9,205</u>	<u>1,500</u>	<u>2,623,165</u>

6. GRANTS PAYABLE

	2024	2023
	£	£
Charitable Activities	<u>9,205</u>	<u>10,164</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

7. SUPPORT COSTS

Fee's payable to the charity's auditors in respect of the statutory audit amounted to £1,500 (2023 - £1,500). Fees payable to the auditor in respect of non audit services amounted to £6,000 (2023 - £5,000).

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no payments made to trustees for expenses.

9. STAFF COSTS

Wages and nic comprise £1,412,361 (2023 - £1,216,788) on gross wages £80,659 (2023 - £75,474) on employer national insurance costs £36,667 (2023 - £34,045) on pension costs and £1,077 (2023 - £1,808) on other employee benefits.

No (2023 - none) employees received employment benefits (excluding pension costs) of more than than £60,000.

The average staff numbers were 147 (2023 - 140).

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Charitable Activities	268,891	-	268,891
Other trading activities	1,986,333	-	1,986,333
Investment income	<u>1,055</u>	<u>-</u>	<u>1,055</u>
Total	2,256,279	-	2,256,279
 EXPENDITURE ON			
Charitable activities			
Charitable Activities	<u>2,247,699</u>	<u>-</u>	<u>2,247,699</u>
 NET INCOME/(EXPENDITURE)	8,580	-	8,580
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>7,541,452</u>	<u>-</u>	<u>7,541,452</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>7,550,032</u></u>	<u><u>-</u></u>	<u><u>7,550,032</u></u>

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

11. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Totals £
COST			
At 1 April 2023 and 31 March 2024	<u>7,500,000</u>	<u>952,913</u>	<u>8,452,913</u>
DEPRECIATION			
At 1 April 2023	-	883,271	883,271
Charge for year	<u>-</u>	<u>69,642</u>	<u>69,642</u>
At 31 March 2024	<u>-</u>	<u>952,913</u>	<u>952,913</u>
NET BOOK VALUE			
At 31 March 2024	<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
At 31 March 2023	<u>7,500,000</u>	<u>69,642</u>	<u>7,569,642</u>

The property was valued at depreciated replacement cost on 21 March 2017 by Graham & Sibbald, Chartered Surveyors, 5 St. Marnock Place, Kilmarnock, KA1 1DU. The original cost of the property was £4,026,767.10.

12. STOCKS

	2024 £	2023 £
Stocks	<u>28,818</u>	<u>27,098</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	29,137	15,208
Prepayments	<u>-</u>	<u>-</u>
	<u>29,137</u>	<u>15,208</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Bank loans and overdrafts (see note 16)	8,333	8,333
Trade creditors	11,801	7,454
Taxation and social security	34,775	29,192
Other creditors	<u>325,153</u>	<u>295,832</u>
	<u>380,062</u>	<u>340,811</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

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

	2024	2023
	£	£
Bank loans (see note 16)	<u>17,540</u>	<u>27,109</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>8,333</u>	<u>8,333</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>8,333</u>	<u>8,333</u>

17. ACCRUALS AND DEFERRED INCOME

	2024	2023
	£	£
Deferred grants	<u>-</u>	<u>46,815</u>

Grants received for the Ice Rink upgrade are released to income over a period of 10 years in line with the depreciation policy.

18. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	At
	£	£	31.3.24
			£
Unrestricted funds			
General fund	50,032	3,701	53,733
Revaluation reserve	<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
	<u>7,550,032</u>	<u>3,701</u>	<u>7,553,733</u>
TOTAL FUNDS	<u>7,550,032</u>	<u>3,701</u>	<u>7,553,733</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	2,626,866	2,623,165	3,701
	<u>2,626,866</u>	<u>2,623,165</u>	<u>3,701</u>
TOTAL FUNDS	<u>2,626,866</u>	<u>2,623,165</u>	<u>3,701</u>

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	41,452	8,580	50,032
Revaluation reserve	<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
	<u>7,541,452</u>	<u>8,580</u>	<u>7,550,032</u>
TOTAL FUNDS	<u>7,541,452</u>	<u>8,580</u>	<u>7,550,032</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,256,279	(2,247,699)	8,580
	<u>2,256,279</u>	<u>(2,247,699)</u>	<u>8,580</u>
TOTAL FUNDS	<u>2,256,279</u>	<u>(2,247,699)</u>	<u>8,580</u>

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

	At 1.4.22 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	41,452	12,281	53,733
Revaluation reserve	<u>7,500,000</u>	<u>-</u>	<u>7,500,000</u>
	<u>7,541,452</u>	<u>12,281</u>	<u>7,553,733</u>
TOTAL FUNDS	<u>7,541,452</u>	<u>12,281</u>	<u>7,553,733</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,883,145	(4,870,864)	12,281
	<u>4,883,145</u>	<u>(4,870,864)</u>	<u>12,281</u>
TOTAL FUNDS	<u>4,883,145</u>	<u>(4,870,864)</u>	<u>12,281</u>

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Other trading activities		
Charges for facilities	2,226,510	1,874,950
Bar & catering income	<u>131,529</u>	<u>111,383</u>
	2,358,039	1,986,333
Investment income		
Deposit account interest	4,900	1,055
Charitable activities		
EAC grant - operational	139,790	139,790
EAC grant - ice rink	24,896	24,896
Sports Scotland capital grant	21,919	21,919
Other grants	77,322	82,286
CJRS grants	<u>-</u>	<u>-</u>
	<u>263,927</u>	<u>268,891</u>
Total incoming resources	2,626,866	2,256,279
EXPENDITURE		
Charitable activities		
Wages & nic	1,530,764	1,328,115
Bar & catering costs	66,900	55,646
Repairs & maintenance	206,253	17,941
Fixtures & fittings	4,069	7,297
Energy costs	242,171	279,253
Rates	63,238	54,460
Insurance	48,425	50,851
Equipment, tools & furniture	290,369	290,650
Cleaning supplies	16,950	16,251
Clothing, uniforms & laundry	4,417	2,925
Office & other admin costs	27,397	19,097
Bank charges	7,615	6,789
Depreciation of tangible fixed assets	69,642	71,819
Communications	5,339	7,335
Fees for services	24,904	24,376
Marketing costs	4,007	3,230
Grants to institutions	<u>9,205</u>	<u>10,164</u>
	2,621,665	2,246,199
Support costs		
Governance costs		
Auditors' remuneration	1,500	1,500

This page does not form part of the statutory financial statements

Kilmarnock Leisure Centre Trust
t/a The Galleon Centre

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	<u>2024</u> £	<u>2023</u> £
Total resources expended	<u>2,623,165</u>	<u>2,247,699</u>
Net income (expenditure)	<u><u>3,701</u></u>	<u><u>8,580</u></u>