

Company Registration No. SC385567 (Scotland)

AYRSHIRE INDEPENDENT LIVING NETWORK

(a company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Scottish Charity No. : SC030092

AYRSHIRE INDEPENDENT LIVING NETWORK

COMPANY INFORMATION

Directors	Peter Joyce Mary Ballantyne Neil Gallagher Alison Chalmers Loretta Galloway
Company number	SC385567
Registered office	The Michael Lynch Centre for Enterprise 71 Princes Street Ardrossan KA22 8DG
Independent Auditor	AAB Audit & Accountancy Ltd 133 Finnieston Street Glasgow G38HB
Business address	The Michael Lynch Centre for Enterprise 71 Princes Street Ardrossan KA22 8DG
Bankers	The Co-Operative Bank Plc 29 Gordon Street Glasgow G1 3PF

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AYRSHIRE INDEPENDENT LIVING NETWORK

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also directors of the charitable company for the purposes of the Companies Act 2006, present their annual report and independently audited financial statements of the charity for the year ended 31 March 2025. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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). This is the first financial year requiring a full statutory audit, all prior years being subject to an independent examination by the same firm.

Objectives and Activities

Ayrshire Independent Living Network ("AILN") provides information, advice, and support to people within the Ayrshire area, who have chosen Self-Directed Support (SDS) Option 1. This option enables people to exercise freedom of choice by taking full control of their own support arrangements, with the aim of living a fully inclusive life in the wider community:

- The SDS Manager and the CEO, with other relevant staff, meet regularly with the 3 Ayrshire councils. These meetings give an opportunity to exchange feedback regarding the contract we have for providing information and support on SOS. The AILN Chair also has the option to attend.
 - Overall, referrals for SOS have increased over the year, which is pleasing. However, this year, the numbers from North Ayrshire and East Ayrshire have fluctuated somewhat, in contrast to the increased numbers coming from South Ayrshire, particularly from the Micros. As with previous years, although we offer various online platforms, face-to-face is the most popular option requested when meeting existing or proposed clients.
 - The recruitment of PAs continues to be an issue, particularly due to the rate of pay available in SOS, in comparison to higher wage rates elsewhere. Due to the scale of the Health and Social Care Sector, it will need to be addressed by the UK and Scottish governments as well as the local authorities.
 - The SOS department have been involved in many aspects of SOS -related activity. These include taking part in the Parent Employability Scheme, the Carers Conference and the Carers Rights day. We have also facilitated many visits to the office from student social workers and new social workers. This helps to explain SOS and our services in a more in-depth and how we work in partnership with them and many other organisations.
 - The AILN Development Department continue to use existing funding that allowed us to create new posts, supporting existing departments and develop additional services. These funders include the Community Lottery Fund, Support in the Right Direction (SIRD), The Parent Employability Fund, South Ayrshire's Innovation Fund and the continued use of the Ayrshire Chamber of Commerce prize draw winner monies. The following are new sources of funding that we have been successful in attaining. East Ayrshire PB Funding, Urquharts Health and Well-Being Fund, North Ayrshire Participatory Budgeting, North Ayrshire Mental Health and Well-Being Fund, Meeting Centres Scotland (partnership) promoting community for those living with dementia and their carers
 - This funding strategy has massively contributed to our continued success.
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AYRSHIRE INDEPENDENT LIVING NETWORK

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Achievements and Performance (including Significant Matters Arising Since the Year-End Date)

- We are delighted to have been awarded, once again, the Pan-Ayrshire contract to provide information, advice and support on SOS across Ayrshire for the next 3 years. There is an option for the 3 councils to agree to a year 4 and a year 5 towards the end of the original 3-year contract.
- A review of AILN articles has taken place to make the language used better reflects our commitment to inclusivity and diversity.
- Website: Funding has been secured from the Community Lottery for the new website amongst other things, we provide information on our employer pack, PA training, newsletters for PAs and social workers and our employee handbook. The website is now going to be fully integrated with our Salesforce system.
- We are using the services of ACOSVO (Supporting Scotland's Voluntary Sector Leaders) support and mentoring for the Chair and CEO.

Additional Services AILN Provide

- Moving and Handling Training service for PA's in the employer's own home, has been created. This will be facilitated by Emma from the development team, who is a qualified trainer.
- Peer Mentors: Mentors volunteer their time to support people who are considering SOS, they often just need some reassurance from someone with experience of using SOS funding. We are recruiting for additional mentors to join this valuable service.
- PA Employer Meet ups: Bringing together PA employers to be a place of support. The aim is for AILN to facilitate the meetings, but the meetings will be guided and directed by the people who attend.
- Dementia Befriender Service: This service continues to attract volunteer befrienders. We have successfully established Dementia Well-Being Cafes and they are now open weekly. The project now has 79 volunteers within Befriending and the Dementia Wellbeing cafes. The existing cafes are in Irvine and Saltcoats with around 50 people attending weekly. A newly launched cafe in Take a Bow, Kilmarnock and a further 2 cafes in Dalmellington, in conjunction with the NHS (East Ayrshire) and Annbank in South Ayrshire are the latest developments. Recruitment and training is ongoing, 20 students from Dalmellington Academy have been trained and will be volunteering at the cafes. The volunteers have been instrumental in creating a fundraising committee to ensure the project remains free to all and that cost is not a barrier to someone attending. They are relaxed places where people can be helped by just having a cuppa and a conversation, if not joining in other activities.
- Micro-Enterprise Project South Ayrshire: The Directory has increased to 36 micros, providing support to more than 104 people, averaging 1880 hours of support per month generating just under £40,000 In Community Wealth Building. These micro-businesses are offering a range of services to meet the challenge facing people who are trying to find a to live independently within their communities. The project is a finalist in the Community Wealth Building Award with the Ayrshire Chambers of Commerce. People can access the micros using an SOS budget, self-funded or using benefits. The number of referrals to the micros could soon outstrip referrals coming directly from the councils. The Micros are local people living and earning in the same local areas. They connect community wealth building with social care and play a crucial role in local economies, especially in rural areas.
- ILF Award Managers: We can provide the service if required by a client and approved by ILF.

AYRSHIRE INDEPENDENT LIVING NETWORK

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

SOS Payroll and Budget Management Service:

- A comprehensive and supportive service for all your payroll and finance needs. Keeping you up to date with any tax & Ni issues as, on your behalf, we can be your agent dealing with all your requirements for HMRC.
- We can keep all your records for you about holidays, maternity leave etc, we can deal with all the additional obligations of paying PAs. Amongst other advice, we will provide you the correct information for your council monitoring.
- AILN process payroll for approx. 650 PAs, amounting to £6.5 million in salaries annually across Scotland.
- We are a not-for-profit organisation, so any profit gets invested into providing a quality service for you.

Structure, Governance and Management

- The Board of Directors are responsible for policy decisions and ensuring that the company operates within its constitution. Regular Board meetings are held to effect policy decisions. Directors are Trustees in law for the charity and have a fiduciary responsibility over its assets and finances.
- We have adopted a method of having potential new directors join board meetings as "Advisers" for a probationary period. This lets us to get to know each other before offering/accepting full directorship positions. We have 2 advisers who are about to gain full status as directors.
- All department heads report to the CEO and in turn the CEO reports to the Chair and the board of directors.
- Pay Policy for Senior Staff: Their pay is reviewed annually by the board, taking into consideration pay scales of similar organisations within the sector.
- The Board considers the Key Management Personnel during the year to be:

Sharon McLeod	CEO
Evelyn Gilchrist	SDS Manager
Cheryl Muir	Finance Manager
Lachlan McMillan	Payroll Manager

Wendy Moore replaced Lachlan McMillan as payroll manager after the balance sheet date.

- Board membership continues to be strengthened, bringing together a diverse range of skills, expertise and lived experience. The current Board includes people with significant experience of the health and social care sector, finance, IT, Business Development, disability or the charity's activities. The Board meets regularly with induction and training procedures for new and existing directors provided as and when they are necessary.

Recognition and Appreciation

- We would like to thank some of our customers and partners in particular, inspiring Scotland, The Community Lottery Fund, the 3 Ayrshire Councils, the Scottish Government, Cunningham Housing Association, Independent Living Fund, Active Office, and Ken McCracken and the team from JRD Partnership for their ongoing support.
- The board would like to thank our staff, it has been a year of significant change within the organisation, and their commitment, input and hard work has been vital in ensuring our continued growth and success.
- We are also grateful to the directors who have served on the board this year. They have generously given their time, expertise and insight to guide and strengthen the organisation. Their commitment and support has been invaluable and we extend our sincere thanks and best wishes to each of them.

AYRSHIRE INDEPENDENT LIVING NETWORK

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Risk Management

The Board has considered the main risks to which the charity is exposed to and we have taken steps to mitigate any risks. The key risk facing the charity is the sustainability of services in the longer term if adequate funding levels are not achievable. We have relevant insurances in place and appropriate safeguarding procedures.

Asset Register

The Asset Register was reviewed and updated giving a much clearer view of the assets we have and the book value they hold. Directors' transactions, interests and related party transactions are disclosed at note 3 of the financial the statements

Review of Financial Year

The excess expenditure over income for the year was £24,474 (2024: £31,405). Total funds carried forward at 31 March 2025 were £220,083 (2024: £244,557) including £10,299 net book value of fixed assets, which has been designated into a separate capital fund. The notes to the financial statements contain a detailed statement of financial activities that further analyse the restricted and unrestricted funds and sources of related income.

Reserves policy and going concern.

Total unrestricted funds (excluding the designated capital fund) were £173,607 at the balance sheet date (2024: £191,670) which represents approximately 3 months running costs at current levels. This is within our target of holding between 3-6 months running costs which is a generally accepted level in the third sector and the Board acknowledges that charities should hold appropriate reserves depending on their circumstances and activities. Separate bank accounts hold designated contingency funds which include a specific amount to cover potential redundancy costs and other contingencies. Uncertainty with longer term funding, the cost-of-living crisis and other global issues have created an even greater need for a prudent reserves policy. However, there are no going concern issues at the present time

Legal and Administrative Information

Company Information

The Scottish Charity reference, company contact information, and other administrative details are shown on the foregoing company information schedule.

Constitution

Ayrshire Independent Living Network is a company limited by guarantee and is a registered Scottish charity. Its Memorandum and Articles of Association, which are held by the directors at the registered office, govern the company's activities. Powers of investment and restrictions imposed on the company are also contained within these documents.

Board of Directors

Directors, who are also the charity's Trustees, can be appointed or removed in accordance with the company's Articles.

The following directors served throughout the financial period unless otherwise noted:

Peter Joyce	(Chair)
Mary Ballantyne	(Vice Chair)
Neil Gallagher	
Alison Chalmers	(appointed 09.10.24)
Loretta Galloway	(appointed 01.12.24)
Alan Stevenson, formerly Bunyan-Martin	(resigned 30.09.24)

There have been no changes to the Board since the year-end date.

In accordance with the AILN constitution (Articles of Association), all directors stand down at the AGM and may stand for re-election.

AYRSHIRE INDEPENDENT LIVING NETWORK

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Independent Examiner/Auditor

JRD LLP were re-appointed as Independent Examiner at the company's AGM on 2 December, 2024. AAB Audit and Accountancy Ltd were subsequently appointed as auditor due to the statutory requirement in respect of these financial statements.

Statement of Directors'/Trustees' Responsibilities

The Trustees (who are also directors of Ayrshire Independent Living Network for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company. As well as this they must also include the incoming resources and application of resources of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK 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 charitable company will continue in operation

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Board on 25 March, 2026 and signed on its behalf by.



Peter Joyce
Director/Chair

AYRSHIRE INDEPENDENT LIVING NETWORK

AUDITOR'S REPORT TO THE TRUSTEES OF AYRSHIRE INDEPENDENT LIVING NETWORK

Opinion

We have audited the financial statements of Ayrshire Independent Living Network (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 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 Companies Act 2006, 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Other Matter

The corresponding figures for the year ended 31 March 2024 are unaudited. Our audit was conducted for the purpose of forming an opinion on the financial statements for the year ended 31 March 2025 only, and accordingly, we do not express an opinion on the corresponding figures.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 charitable company'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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Governors are responsible for the other information contained within the annual report. 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. 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 course of 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.

AYRSHIRE INDEPENDENT LIVING NETWORK

AUDITOR'S REPORT TO THE TRUSTEES OF AYRSHIRE INDEPENDENT LIVING NETWORK

Matters on which we are required to report by exception

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

- the information given in the Governors' report 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.

Responsibilities of trustees

As explained more fully in the governors' responsibilities statement, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006, 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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the company's key performance indicators to meet targets;
- Timing and completeness of revenue recognition;
- Recoverability of debtors
- Management judgement applied in calculating provisions; and
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the company needs to comply with for the purpose of trading.

AYRSHIRE INDEPENDENT LIVING NETWORK

AUDITOR'S REPORT TO THE TRUSTEES OF AYRSHIRE INDEPENDENT LIVING NETWORK

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- Enquiries of management about litigation and claims and inspection of relevant correspondence;
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations;
- Reviewing and sampling year end debtor balances to ensure post year end receipts support debtor recoverability;
- Analytical procedures to identify any unusual or unexpected trends or relationship;
- Reviewing minutes of meetings of those charged with governance to identify any matters indicating actual or potential fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditors' report.

Use of our report

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



Angus McCuaig (Senior Statutory Auditor) for and on behalf of
AAB Audit & Accountancy Limited
Statutory Auditors
133 Finnieston Street
Glasgow
G38HB

Date: 27 March 2026

AAB Audit & Accountancy Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

AYRSHIRE INDEPENDENT LIVING NETWORK

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	Restricted Funds £	Unrestricted Contract Income £	Unrestricted General Funds £	Unrestricted Designated Funds £	Total Funds 2025 £	Total Funds 2024 £
Income						
Donations, legacies & other	213,947		8,896		222,843	164,523
Charitable activities		111,000	227,407		338,407	327,584
Investments						
Total Incoming Resources	213,947	111,000	236,303		561,250	492,107
Expenditure						
Raising funds						
Charitable activities	215,014	124,364	239,605	6,741	585,724	523,512
Other						
Total Resources Expended	215,014	124,364	239,605	6,741	585,724	523,512
Net Income/(Expenditure)	(1,067)	(13,364)	(3,302)	(6,741)	(24,474)	(31,405)
Transfers between funds		13,364	(13,364)			
Net movement in funds	(1,067)		(16,666)	(6,741)	(24,474)	(31,405)
Reconciliation of funds						
Total funds brought forward	37,244		126,050	81,263	244,557	275,962
Total funds carried forward	36,177		109,384	74,522	220,083	244,557

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

An analysis of Income and Expenditure is included at Notes 16 & 20 to the financial statements.

Expenditure is allocated to the above cost categories on the basis of the accounting policy disclosed at Note 1 (e) to the financial statements.

AYRSHIRE INDEPENDENT LIVING NETWORK

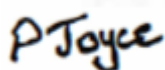
BALANCE SHEET AS AT 31 MARCH 2025

Company Registration No. SC385567 (Scotland)

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	7		10,299		15,643
Current assets					
Debtors and prepayments	8	19,051		22,214	
Cash at bank and in hand	9	<u>257,353</u>		<u>278,051</u>	
		276,404		300,265	
Liabilities					
Creditors: amounts falling due within one year	10	<u>(30,453)</u>		<u>(47,340)</u>	
Net current assets			245,951		252,925
Deferred income	11		(36,167)		(24,011)
Total Net Assets			<u>220,083</u>		<u>244,557</u>
Funds of the charity					
Restricted income funds	13/16		36,177		37,244
Unrestricted income funds:					
General funds	13/16	109,384		126,050	
Designated funds	13/16	<u>74,522</u>		<u>81,263</u>	
Total unrestricted funds			<u>183,906</u>		<u>207,313</u>
Total Charity Funds			<u>220,083</u>		<u>244,557</u>

The financial statements have been prepared in accordance with the Charities and Trustees Investment (Scotland) Act 2005 and the special provisions of Part 15 of the Companies Act 2006 relating to small companies. These constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The financial statements were approved by the Board on 25 March, 2026
and signed on its behalf by:



Peter Joyce
Director/Chairperson

AYRSHIRE INDEPENDENT LIVING NETWORK

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Total Funds 2025 £	Total Funds 2024 £
Net cash used in operating activities	17	(20,698)	(22,144)
Cashflows from investing activities:			
Interest and dividends			
Purchase of fixed assets	7		
Proceeds from sale of assets			
Net cash provided by investing activities			
Cashflows from financing activities:			
Repayment of borrowings			
Net cash provided by financing activities			
Total cashflows in year		(20,698)	(22,144)
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		278,051	300,195
Cash and cash equivalents carried forward	9/18	257,353	278,051

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the prior year.

(a) Basis of accounting

The financial statements are presented in sterling (£) and have been prepared in accordance with 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) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). Ayrshire Independent Living Network meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The comparative information and opening balances for the year ended 31 March 2024 were not subject to audit.

(b) Preparation of accounts on a going concern basis

The financial statements have been prepared on a going concern basis which assumes that the charity will continue to operate for a period of 12 months from the date of approval by the Board. The charity is no longer as reliant on external grant funding and there are more than sufficient unrestricted funds, in conjunction with known grant funding, to enable activities to continue for at least another 12 months. The charity holds a prudent level of reserves (refer to Directors' Report).

(c) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds which have been set aside at the discretion of the trustees for specific purposes.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or grantor.

Transfers between funds are made at the discretion of the trustees taking into consideration any restrictions imposed on funds.

(d) Income

All income is included in the statement of financial activities when the charity is entitled to the income, the amount can be quantified with reasonable accuracy and it is probable that the income will be received. The following specific policies are applied to particular categories of income:

Income from donations & legacies is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a special performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts. Income from donated goods in respect of charity shops is not recognised until the sale occurs and the related cost of sale is not accounted for. While this is a departure from the current SORP, refer to note 1g.

Investment income is included when received.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

(e) 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.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the auditor's fees and costs linked to the strategic management of the charity which are voluntary other than trustees' travelling expenses reimbursed. Although disclosed separately at note 18, governance costs now form part of charitable expenditure under the current SORP.

(f) Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Minor additions costing below £250 are not capitalised.

Depreciation is provided at the following annual rates calculated to write off the cost of each asset over its expected useful life.

- Fixtures and fittings	15% on a reducing balance
- Computer and office equipment	25% on a straight line basis

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025
1 Accounting policies (continued)
(g) Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

(h) Pension costs and other post-retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. The cost of contributions are charged to the Income & Expenditure account when incurred.

(i) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of twelve months or less from the date of acquisition or opening of the deposit or similar account. Cash balances may be held on deposit from time to time if cashflows can be predicted with reasonable certainty and are therefore classified as a form of investment, separate from short term operating cash balances. AILN administers a number of clients' accounts which are held in trust for the individual clients and do not form part of the charitable company's assets (refer to note 12).

(j) Other basic financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(k) Debtors

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

(l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and

(m) Deferred income

Grants received in advance of the associated work being carried out are deferred only when the donor has imposed preconditions on the expenditure of resources.

(n) Impairments

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(o) Judgements and key accounting estimates

The charity considers on an annual basis the judgements that are made by management when applying accounting policies and also any key estimates that would have the most significant effect on amounts that are recognised in the financial statements. The Board considers there are no such significant judgements or accounting estimates.

2 Staff costs and numbers

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	423,693	369,720
Social security costs	35,728	30,621
Pension costs (note 13)	18,868	14,435
	478,289	414,776

Staff costs by activity are as follows:

Payroll bureau	249,434	269,732
SOS	97,121	75,247
Development	131,734	69,797
	478,289	414,776

The number of employees during the year was 19 (2024: 18) on a head-count basis.

The total employee benefits of the key management personnel (who are listed in the Directors' Report) of the charity were £197,123 (2024: £133,323).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£60,001 - £70,000		1

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

3 Net Income

	2025 £	2024 £
Net income is stated after charging:		
- Depreciation (owned assets)	5,344	5,399
- Auditor's remuneration (note 5)	5,500	
- Pension costs	18,868	14,435
	29,712	19,834

4 Directors Remuneration and Related Party Transactions

All directors are volunteers and not remunerated in accordance with the constitution. During the year there were travel and subsistence costs totalling £1,235 reimbursed to 6 directors (2024: £999 to 4 directors).

No director, key management personnel or their connected parties had any personal interest in any contract or transaction entered into by the charity during the year.

5 Auditor's Remuneration

The auditor's remuneration for the year will be £12,000 for audit services and £nil for non-audit services.

6 Taxation

The company is a registered Scottish charity and no corporation tax liability arises. The company is registered for VAT. Irrecoverable input VAT, attributable to non-business activities, is allocated to the relevant categories of expenditure.

7 Tangible fixed assets

	Fixtures & Fittings £	Computer & Office Equipment £	Total £
Cost			
At 1 April 2024	12,241	54,248	66,489
Additions			
At 31 March 2025	12,241	54,248	66,489
Depreciation			
At 1 April 2024	8,917	41,929	50,846
Charge for the year	498	4,846	5,344
Disposals			
At 31 March 2025	9,415	46,775	56,190
Net book value			
At 31 March 2025	2,826	7,473	10,299
Net book value			
At 31 March 2024	3,324	12,319	15,643

8 Debtors and prepayments

	2025 £	2024 £
Trade debtors	12,424	14,356
Other debtors	718	1,587
Prepaid insurance costs	5,909	4,965
Prepaid computer running costs		1,306
	19,051	22,214

9 Bank and cash balances

	2025 £	2024 £
Bank current accounts	187,483	196,181
Bank contingency accounts	69,723	81,870
Cash balance	147	
	257,353	278,051

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

10 Creditors: amounts falling due within one year	2025	2024
	£	£
HMRC VAT creditor	14,273	13,240
HMRC payroll taxes		7,133
Pension creditor		1,959
Accrued grant repayable		12,683
Accrued holiday pay	9,680	7,913
Other creditors and accrued charges	6,500	4,412
	30,453	47,340

11 Deferred income	2025	2024
	£	£
South Ayrshire Council	9,873	15,859
Scottish Government	3,277	8,152
Dementia Befriending Income	23,017	
	36,167	24,011

12 Funds Held as Agent

AILN provided payroll and financial services support to over 408 individual clients, of which 343 received a full managed service. This managed service involves an individual client account being opened which is held in trust by AILN on behalf of each client. As at 31 March 2025, AILN held funds in trust for these clients totalling £2,410,333 (2024: £2,221,353). During the year total funding of approximately £8.5m (£7.6m) was received over these individual client accounts. The related funders, the 3 Ayrshire local authorities and ILF, closely monitor these accounts. AILN acts as agent, rather than a principal, in the operation of these accounts as it is the third parties who control the use of the funds and who authorise payments from those funds. Thus, in accordance with the relevant accounting standards, the bank balances held in trust have not been recognised as an asset of the charitable company in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

13 Analysis of Net Assets Between Funds

	Restricted Funds	Unrestricted General Funds	Unrestricted Designated Funds	Total Funds
	£	£	£	£
Fixed Assets			10,299	10,299
Current Assets	82,024	130,157	64,223	276,404
Current Liabilities	(9,680)	(20,773)		(30,453)
Deferred Income	(36,167)			(36,167)
Net Assets	36,177	109,384	74,522	220,083

Restricted Funds

Capacity Building & Development - funded by Scottish Government and previously Big Lottery.

Dementia Befriending - this is funded by Big Lottery to support people living with early stage dementia.

Micro Enterprise - funding is being provided by South Ayrshire Council to support a pilot programme which aims to support the setting up of local small enterprises that offer care-based support services for older and disabled people.

Other Restricted Funds - these comprised a donation of £10,750 from Ayrshire Chamber of Commerce during 2021/22 which was fully spent during 2024/25 and unspent National Lottery funding in respect of website development costs of £5,500 brought forward from the 2023 accounts.

Unrestricted Funds

The SOS service, previously grant based, went to competitive tender during a prior financial year and has since represented unrestricted contract income (subject to VAT). Any remaining balance is transferred to the unrestricted general fund at the year-end.

Payroll Services - the charity carries out payroll and related services on behalf of its clients (subject to VAT).

Designated Funds

A contingency fund was previously established for potential rationalisation costs, pension commitments and other contingencies. Other designated funds represent the net book value of fixed assets after depreciation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

14 Financial commitments

At 31 March 2025 the company had the following total minimum future commitments under non-cancellable leases:

	Land and buildings 31.03.25	Other 31.03.25	Land and buildings 31.03.24	Other 31.03.24
Expiry date:	£	£	£	£
In less than one year	21,947		25,219	
Between one and two years		15,378		
Between two and five years				20,742
In more than five years				
	21,947	15,378	25,219	20,742

15 Analysis of Expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	Other costs	Total Costs 2025 £	Total Costs 2024 £
Restricted Funds							
Staff costs		261,577				261,577	142,557
Rent and facility charges		18,993				18,993	10,427
Postage and stationery		3,377				3,377	1,152
AGM and meeting costs				3,545		3,545	2,735
Staff expenses		6,982				6,982	2,240
Computer running and website costs		8,254				8,254	4,281
Staff training							3,380
Legal and professional fees			1,700			1,700	1,463
Health and wellbeing project costs		100				100	849
		299,283	1,700	3,545		304,528	169,084
Unrestricted Funds							
Staff costs		208,498				208,498	272,219
Rent and facility charges		6,226				6,226	20,070
Water rates		410				410	2,228
Insurance		5,875				5,875	4,968
Telephone		2,458				2,458	2,143
Postage and stationery		6,416				6,416	7,452
Trustees' expenses				1,235		1,235	999
AGM and meeting costs				723		723	
Staff expenses		46				46	2,336
Staff training			5,369			5,369	6,584
Repairs and renewals		1,218				1,218	518
Computer running and website costs		10,579				10,579	9,099
Promotional costs							1,205
Catering		390				390	252
Sundry expenses		5,409				5,409	1,775
Subscriptions		1,243				1,243	482
Auditor's fees				5,500		5,500	
Statutory Accounts/Independent Examiner's Fees				1,000		1,000	1,250
Other accountancy fees			660			660	550
Legal and professional fees			334			334	1,636
Bad debts		16				16	80
Bank charges		100				100	
		248,884	6,363	8,458		263,705	335,846
Designated Funds							
Staff costs		8,214				8,214	
Postage and stationery		1,117				1,117	631
Computer running and website costs		2,816				2,816	5,883
Legal and professional fees							6,669
Depreciation			5,344			5,344	5,399
		12,147	5,344			17,491	18,582
Total		560,314	13,407	12,003		585,724	523,512

16 Analysis of Statement of Financial Activities																	
RESTRICTED FUNDS						DESIGNATED FUNDS						UNRESTRICTED FUNDS				TOTAL FUNDS	
	Capacity Building & Development	Dementia Befriending	Micro Enterprise Fund	Other Fund	Total Restricted Funds 2025	Total Restricted Funds 2024	Designated Contingency Fund	Designated Capital Fund	Designated Contingency Fund	Total Designated Funds 2025	Total Designated Funds 2024	Unrestricted Contract Income	SOS General Fund	Unrestricted Funds 2025	Total Unrestricted Funds 2024	Total Funds 2025	Total Funds 2024
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Income																	
Donations, legacies & other																	
Scottish Government	105,675				105,675	84,075										105,675	84,075
DWP Kickstart																980	980
NAC Health and Wellbeing Fund			750		750	1,500					500				980	750	2,000
NAC Parent Employability Program				6,404	6,404											6,404	
Scottish Funding Council						3,380											3,380
National Lottery Community Fund						37,590										37,590	36,609
South Ayrshire Council						61,390										61,390	29,999
Employment Allowance																	5,000
Donations and Other Income			2,138		2,138						500					5,000	5,000
			40,478		40,478	61,390	6,404				1,000					6,004	500
									</								

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

17 Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net movement in funds	(24,474)	(31,405)
Add back depreciation charge	5,344	5,399
Add back (gain)/loss on asset disposals		
Deduct interest income		
Deduct gains / Add back losses on investments		
(Increase)/Decrease in stocks	3,163	(12,827)
(Increase)/Decrease in debtors		
Increase/(Decrease) in deferred income	12,156	18,870
Increase/(Decrease) in creditors	(16,887)	(2,181)
Net cash used in operating activities	(20,698)	(22,144)

18 Analysis of cash and cash equivalents

	2025	2024
	£	£
Cash in hand	147	
Cash at bank	257,353	278,051
Overdraft facility repayable on demand		
Total cash and cash equivalents	257,500	278,051

19 Analysis of changes in net debt

	At 01.04.24	Cashflows	Debt Ageing	At 31.03.25
Cash in hand		147		147
Cash at bank	278,051	(20,698)		257,353
Overdraft facility payable on demand				
	278,051	(20,551)		257,500
Loans falling due within one year				
Loans falling due after more than one year				
Finance lease obligations				

AYRSHIRE INDEPENDENT LIVING NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Income and Expenditure Account

		2025		2024	
	Notes	£	£	£	£
Income					
Donations, legacies & other	16	222,843		164,523	
Charitable activities	16	338,407		327,584	
Bank interest					
			561,250		492,107
Expenditure					
Staff Costs	2	478,289		414,776	
Rent and Facility Charges	14	25,219		30,497	
Water Rates		410		2,228	
Insurance		5,875		4,968	
Telephone		2,458		2,143	
Postage and Stationery		10,910		9,235	
Advertising					
Directors' Expenses	4	1,235		999	
AGM and Meeting Costs		4,268		2,735	
Staff Expenses		7,028		4,576	
Staff Training		5,369		9,964	
Repairs and Renewals		1,218		518	
Computer Running and Website Costs		21,649		19,263	
Promotional Costs				1,205	
Catering		390		252	
Sundry Expenses		5,409		1,775	
Subscriptions		1,243		482	
Auditor's Fees	5	5,500			
Statutory Accounts/Independent Examiner's Fees	5	1,000		1,250	
Other Accountancy Fees	5	660		550	
Legal and Professional Fees		2,034		9,768	
Health and Wellbeing project costs		100		849	
Bad debts		16		80	
Bank charges	0	100			
Depreciation	7	5,344		5,399	
			585,724		523,512
Excess (Expenditure)/Income for Year			(24,474)		{31,405}