
Report To:	Inverclyde Council as Trustee of Council's Charities	Date:	5 December 2024
Report By:	Honorary Treasurer	Report No:	FIN/88/24/AE/KJ
Contact Officer:	Kevin Jackson	Contact No:	01475 712226
Subject:	Trust Funds Annual Accounts 2023-24		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 The purpose of this report is to ask the Council, in its capacity as the sole trustee (the Trustee) of the Birkmyre Trust and the Watt Institution Trust Fund, to adopt the examined Annual Accounts of the Birkmyre Trust and the Watt Institution Trust Fund for 2023/24.
- 1.3 The financial statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom (the "Code"), the same basis as the Council.
- 1.4 Trustees agreed in March 2023 to allocate 50% of costs or £20,000 (whichever is the lower) from the unallocated balance of the Watt Institution Trust to appoint experts to assist with the valuation of the Trust's heritage assets. Removal of the Dardanelles window was approved and completed May 2024, the cost was funded from elsewhere in the Council and not charged to the Watt Institution Trust during 2024/25. This leaves an unallocated balance of £25,000. The Birkmyre Trust closed the year end with an increase on unallocated funds, the Trust balance at 31 March 2024 was £97,666.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Council, in its capacity as the sole trustee of the Birkmyre Trust and the Watt Institution Trust Fund, review and approve, respectively, the Annual Accounts for the Birkmyre Trust and Watt Institution Trust Fund for the year ended 31 March 2024 included in the attached appendices.

Alan Puckrin
Honorary Treasurer

3.0 BACKGROUND AND CONTEXT

- 3.1 It is a requirement of the Council, in its capacity as the sole trustee of the Birkmyre Trust and the Watt Institution Trust Fund to approve the examined Annual Accounts and ask that the Provost and Treasurer sign and date the Trustee's Annual Report and Balance Sheet. It is good practice that this should be no later than 9 months after the financial year end. These Trusts are not registered charities and accordingly do not require to be filed with an external agency. The Independent Examiner has confirmed that the financial statements present fairly the finances of the Trusts.
- 3.2 The two Trusts concerned are:
- Birkmyre Trust
 - Watt Institution Trust Fund

Birkmyre Trust

- 3.3 The Accounts of the Birkmyre Trust show that the Trust's expenditure exceeded income during the year and a deficit of £37,495 was drawn down from the reserves brought forward, £3,585 was added to the Usable Revenue Reserve and £31,006 was deducted from the Unusable Reserves. In addition, £42,601 was added to the Unusable Reserves as a result of property revaluations in 2023/24.
- 3.4 The Usable Revenue Reserves, available to support services at the discretion of Trustee, now stands at £97,666. The Unusable Revaluation Reserve holds unrealised gains or losses where the amounts would only become available to provide services if the underlying assets were sold and now stands at £1,377,442.

Watt Institution Trust Fund

- 3.5 The Accounts of the Watt Institution Trust Fund show that the Trust's expenditure exceeded income during the year and the deficit of £5,074 was drawn down from the reserves brought forward. The Trust has a balance of £51,851 on its Revenue Reserve available to provide services in accordance with the objects of the Trust.
- 3.6 In June 2022, the Trustee approved the use of £25,500 from the Fund to improve the safety and security of collections at the Watt institution. In March 2023 the Trustee agreed to allocate up to £20,000 from the Fund to carry out a revaluation of the collection over a two-year period. This funding will be drawn down over 2023/25 and leaves an unallocated balance of just over £25,000.
- 3.7 The cost of the removal of the Dardanelles Memorial Fund Window at the Watt Institution was completed in May 2024, the cost of removal has been funded from the Council and will not be recovered from the Trust Fund.
- 3.8 The independent examination of the accounts of the said Trusts has been completed free of charge. In both cases, the certificate will confirm that the financial statements present fairly the finances of the said Trusts for the period.
- 3.9 The financial statements of both Trusts continue to be included within the audited Annual Accounts for Inverclyde Council under the Local Authority Accounts (Scotland) Regulations 2014

4.0 IMPLICATIONS

4.1 The table below shows whether risks and implications apply if the recommendations are agreed:

SUBJECT	YES	NO
Financial	X	
Legal/Risk	X	
Human Resources		X
Strategic (Partnership Plan/Council Plan)		X
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

4.2 Finance

The unallocated balance of the Watt Institution Trust is now at a level that will require close monitoring.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

4.3 Legal/Risk

There are no legal implications arising from this report aside from those highlighted regarding the approval of the accounts. The legal background to the Council's status as sole trustee of the said Trusts is detailed in the appendices to this report. Elected members have separately been given training on the legal duties of charity trustees.

4.4 Human Resources

There are no human resources implications arising from this report.

4.5 Strategic

There are no strategic implications arising from this report.

5.0 CONSULTATIONS

5.1 Legal Services and colleagues within Education & Communities have been consulted on relevant matters.

6.0 LIST OF BACKGROUND PAPERS

6.1 None.

Birkmyre Trust

Annual Report and Financial Statements 2023-24



Year ended 31 March 2024

Contents

Birkmyre Trust Background	2
Trustees' Annual Report	3
Independent Examiner's Report to the Trustees of the Birkmyre Trust	7
Income and Expenditure Statement	8
Balance Sheet as at 31 March 2024.....	9
Movement in Reserves Statement.....	10
Expenditure and Funding Analysis	11
Notes to the Accounts	13
Note 1 Accounting Policies:	13
Note 2 Staff Numbers and Costs:.....	14
Note 3 Related Party Disclosures:.....	14
Note 4 Governance Costs:	14
Note 5 Analysis of Property Plant and Equipment:	14
Note 6 Cash and Cash Equivalents:.....	15
Note 7 Borrowing:	15
Note 8 Payments to Trustees:	15

Birkmyre Trust Background

Adam Birkmyre (1848-1906) of Shallot, Kilmacolm was a generous benefactor to Kilmacolm and donated to them Birkmyre Park. He also paid for the reading room and the library in the village.

In 1889 he purchased land in the middle of the village to provide a public park for the inhabitants of the Parish of Kilmacolm for their "use, benefit, enjoyment and recreation".

The following year after work to lay out footpaths, play areas for children and pitches for sports, Birkmyre Park was formally opened to the public. In addition to the parkland, four cottages on the land were donated.

The cottages were subsequently converted into what became known as the Pavilion. A feature of this building was the decoration of the Birkmyre name and family emblem on its end walls. The Pavilion served various purposes over the years including a children's nursery and accommodation for the park keepers.

By the turn of the Millennium, and after over 100 years of service, the Pavilion was in need of renovation. Starting in 2005, capital improvements were made to the Pavilion and its surroundings by the local authority.

In 2009, with financial assistance from the Council, a further programme of very extensive refurbishment to the Pavilion was successfully completed. The building now houses modern leisure facilities.

The Trust for the Birkmyre Park was established under the trust disposition of Adam Birkmyre to the Parish of Kilmacolm in 1897.

As the successor local authority Inverclyde Council is the sole Trustee. The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council's financial affairs and, as part of that responsibility, administers the Trust and reports to Council.

Trustees' Annual Report

The Trustees present their report together with the financial statements and the Independent Examiner's report for the year ended 31 March 2024.

Reference and Administrative Information

- Trust Name Birkmyre Trust
- Principal Offices C/o Inverclyde Council, Municipal Buildings, Clyde Square, Greenock PA15 1LY

Current Trustees

- Councillor Pam Armstrong
- Councillor Francesca Brennan
- Councillor Graeme Brooks
- Councillor Paul Cassidy
- Councillor Jim Clocherty
- Councillor John Crowther
- Councillor Christopher Curley
- Councillor James Daisley
- Councillor Ian Hellyer
- Councillor Colin Jackson
- Councillor Kirsty Law
- Councillor Stephen McCabe
- Councillor Michael McCormick
- Councillor Natasha McGuire
- Provost Drew McKenzie
- Councillor Tommy McVey
- Councillor Robert Moran
- Councillor Innes Nelson
- Councillor Lynne Quinn
- Councillor Sandra Reynolds
- Councillor Elizabeth Robertson
- Councillor David Wilson

Other Trustees During The Year

- Councillor Martin McCluskey – Resigned 4 September 2024

Chair

- Provost Drew McKenzie

Honorary Secretary

- Role fulfilled by officers in Inverclyde Council's Legal, Democratic, Digital & Customer Services.

Honorary Treasurer

- Role fulfilled by Alan Puckrin CPFA, Chief Financial Officer (Section 95 Officer).

Bankers

- All monies are held and managed by Inverclyde Council.

Independent Examiner

- Alison Bell ACMA

Structure, Governance and Management

Governing Document

The legal name of the charity is Birkmyre Trust. It is an unincorporated trust governed on the basis of the available evidence of its constitution. The Trust was established in terms of a disposition granted by Adam Birkmyre on 1 November 1897 and recorded in 1908.

In this deed, he conveyed to himself and others, including the Parish Council of Kilmacolm, as trustees of the Trust, an area of ground known as Birkmyre Park, four cottages known as the Park Cottages and some related areas of ground. After his death, Mr. Birkmyre's testamentary trustees conveyed further ground to the Trustees of the Trust in terms of two further dispositions recorded in 1908 and 1916 respectively. The terms of the Trust have been amended by court approved *cy pres* schemes in 1995 and in 2005.

Appointment of Trustees

The councillors of Inverclyde Council are assumed as Trustees on their appointment to the Council. Councillors receive training on the responsibilities of being a Trustee and the accounts of the Trust.

Organisational Structure

The Trustees meet to consider applications for support and that sufficient funding is available. At a special annual meeting of the Council, Trustees consider the income and expenditure levels during the financial year and that suitable arrangements are in place to manage the funds of the Trust.

The Trustees, in order to discharge their responsibilities, rely on the advice and expertise of the officers of Inverclyde Council. The Council provides all administrative support to the Trust including financial, legal and secretarial support. The Council also administers the payments from the Trust.

The Council makes a charge for these services as agreed by the Trustees at the meeting of 4 October 2012. There are no other costs in connection with governance.

Related Parties

Trustees hold this position because they are elected Councillors of Inverclyde Council. Inverclyde Council provides support services to the Trust.

Risk Management

The Council has assessed the major risks to which the Trust is exposed, in particular those related to its operation and finances, and is satisfied that the systems are in place to mitigate the exposure to the major risk.

Management of Funds and Investment Policy

The Trustees rely upon the expertise of officers of Inverclyde Council to manage the investments to ensure the maximum return at least risk to the Trust. In this way, the income stream for the future benefit of the charity is protected while allowing income for the current year's expenditure.

The funds of the Trust are deposited with Inverclyde Council and receive interest at the average market rate for the short-term borrowing. The interest received from Inverclyde Council is shown in the Income and Expenditure Statement.

Objective and Activities

Objective

Its purpose is

"the said park . . . shall be kept open and free (except as mentioned) every day Sundays and holidays included for the use, benefit, enjoyment and recreation of the public for all time coming.

The area of the park so far as not occupied by walks, trees, buildings and other fixtures shall be devoted to the purpose of games and the inhabitants of the Parish of Kilmacolm shall have the sole use of the said area for that purpose"

The end of the financial year is 31 March 2024.

Activities

The Trust meets the costs of the Park and its buildings not otherwise defrayed by the Council, and receives income from chargeable activities. The balance of funds is invested with the Council.

Performance and Achievements

Birkmyre Park Fitness Gym continues to offer state-of-the-art facilities and equipment to the residents and larger community. The partnership with Technogym is still very strong with continuous improvement and equipment being installed in the fitness gym. The facility located within Kilmacolm's Birkmyre Park houses 60+ fitness stations, hosts gym-based classes, offers personal training, Refresh Sauna and Steam room, relaxation stations and more. The recent rebranding of what was the IL Fitness+ membership to what is now the IL One:Life Membership has proven to be well received as numbers continue to grow. The Under 25 membership continues to grow across Inverclyde Leisure. Birkmyre Fitness Gym has always been one of the most successful facilities at getting the younger generations using gyms, we are delighted to say that this has continued with the extension to 25.

The staffing at Birkmyre has once again changed with the most notable being the introduction of Holly Stanton as Centre Manager who is covering Ainsley's Maternity Leave. Holly was previously the Centre Manager at Ravenscraig Activity Centre.

The implementation of the Organic Growth Plan strategy throughout Inverclyde Leisure facilities has continued with the successful completion of the Growth Plan for Birkmyre. The document has been created through consultation with the Executive management team, Senior management team, and staff at the facility, all led and coordinated by the Centre Manager. Many objectives were discussed and set which will be the cornerstone in growing and enhancing the proposition at our Facilities. The main change has been the conversion of the old massage room into a state-of-the-art Sauna, Steam and relaxation area (REFRESH). Sauna's and steam rooms are proven to improve circulation, lower blood pressure, reduce stress, clear congestion, promote skin health, aid in workout recovery, loosen stiff joints, burn calories, boost your immune system and remove toxins. The introduction of this space means that members can enjoy the full experience by having a workout in the gym before relaxing and unwinding in Refresh and they can even top it off with a well-deserved tea or coffee at the ever popular Birkmyre café by Nardini. We have also installed Technogym latest creation in the form of their Visio touch screens. Technogym Visio improves your training efficiency and efficacy thanks to a seamless and personalized training experience tailored to your needs, your preferences, and your lifestyle.

Birkmyre Café by Nardini is still proving to be an important partner, which is a great feature of the facility. Alessia and her team are a welcome treat and refuge point after working out in the fitness facility. The café also attracts many visitors to the area which may not normally come, not all with the good intentions of also using the gym!

Within the fitness facility, we have maintained our 2 long-standing external personal trainers. Colin Cox Fitness (run by Colin Cox) and Smart Fitness Solutions (run by Lesley Handley). Both have worked with us at Birkmyre for many years. They are a familiar face for the members, and many of our members utilise them for Personal Training.

The Technogym equipment with the MyWellness system continues to be successful at Birkmyre Fitness Gym. This technology is used as a tool to help motivate and encourage people to achieve their WHT (needs/ wants and goals) by enabling users to track their activity. Staff can update plans and offer advice in text or video form that the members can access through their MyWellness accounts at the gym, or on their mobile phone or laptop/PC wherever they are in the world. This system has and will continue to play a key role in retention at Birkmyre Park Fitness Gym and ensuring everyone is training towards their goals.

Birkmyre Fitness gym views itself very much part of the community in Kilmacolm, and as such our partnerships with the Birkmyre Bears Rugby Club, St Columba's School and local businesses is very important. The Duke of Edinburgh program is also something that we offer for the St Columba's pupils, with a physical activity badge often targeted by many of its pupils.

The Kilmacolm Running Festival again is a key date in the Birkmyre and Inverclyde Leisure calendar. It is the biggest event that we have run and once again we had over 400 competitors across the events. The Half-marathon, 10K, 3K and toddle-waddle is a great community event and a date we hope the public look forward to as much as we do. The support from residents also needs to be mentioned with the Kilmacolm Unofficial Running Club always helping, which is greatly appreciated.

2023-24 has been a very positive year for the facility, The facility continues to strengthen, and we look forward to the future for all aspects of the facility.

Financial ReviewIncome and Expenditure for the Year ended 31 March 2024

The Income and Expenditure Statement on page 8 provides an analysis of the income and expenditure for the twelve months from 1 April 2023 to 31 March 2024.

The Trust incurred expenditure of £65,656 (2022-23: £79,166) covering insurance £469 (2022-23: £551), loan interest £1,737 (2022-23: £1,940), governance costs £333 (2022-23: £333), property costs of £10,074 (2022-23 was £27,000 contribution towards works on the MUGA) and annual depreciation charge £53,043 (2022-22: £49,342). Income of £28,161 (2022-23: £26,734) was received; £23,373 from rents and pitch hires (2022-23: £24,270) and £4,788 (2022-23: £2,464) from interest on short-term deposits with Inverclyde Council.

The deficit for the year of £37,495 (2021-22: £52,432) was deducted from the reserves brought forward: £3,585 was added to the Usable Revenue Reserves (2022-23: £14,552 deducted) and £41,080 was deducted from the Unusable Reserves (2022-23: £37,880 deducted). There was an increase in Unusable Reserves due to revaluations/indexation of £42,601 (2022-23: £77,323).

Assets and Liabilities at 31 March 2024

The balance sheet on page 9 provides an analysis for the Trust of the assets and liabilities as at 31 March 2024.

The reserves of the Trust are £1,389,037 (2022-23: £1,373,857). Usable revenue reserves are £97,666 (2022-23: £94,081), the unusable Revaluation Reserve stands at £1,377,442 (2022-23: £1,335,921) and the unusable Capital Adjustment Account balance is -£86,071 (2022-23: -£56,145).

The carrying value of the land and buildings held by the Trust is £1,318,338 (2022-23: £1,318,706). Within the year, additions of £10,074 were added to the land and buildings held (2022-23: £NIL). Inverclyde Council holds cash of £97,666 (2022-23: £94,081) on behalf of the Trust. The Trust has borrowings for capital investment of £26,967 (2022-23: £38,930) advanced by Inverclyde Council of which £12,486 (2022-23: £11,963) is repayable in the next financial year.

Reserves Policy

The Trust has been in existence for some time and the Trustees consider that its reserves are sufficient.

The Trust has always maintained a healthy balance of revenue reserves and as such there had been to-date no requirement to adopt a formal reserves policy. The free reserves at the financial year-end were £97,666 (2022-23: £94,081).

Future Plans

The Birkmyre Trust will continue to work in partnership with the local authority to support the continued operation of the parkland and buildings in the Park.

Conclusion

The Trust's expenditure exceeded income during the reporting period and the deficit of £37,495 (2022-23: £52,432) has been deducted from the reserves brought forward.

The Trustees look forward with some confidence. The Trust has a balance of £97,666 (2022-23: £94,081) of usable revenue reserves. Funding is in place for the future with income from rents. The buildings have been extensively refurbished and house modern nursery and leisure facilities to serve the local community.

Approved by the Trustees on 5 December 2024 and signed on behalf of all Trustees.

Provost Drew McKenzie

Chair of the Trustees

This Trustees' Report is also counter-signed by the Chief Financial Officer of Inverclyde Council in his capacity as the Honorary Treasurer.

Alan Puckrin CPFA

Honorary Treasurer

Independent Examiner's Report to the Trustees of the Birkmyre Trust

I report on the accounts of the Trust for the year ended 31 March 2024 which are set out on pages 8 to 15.

Respective Responsibilities of Trustees and Examiner

The Trustees are responsible for the preparation of the accounts in accordance with applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union, and interpreted and adopted by the Code of Practice on local authority accounting in the United Kingdom 2023-24 (The "Code"). The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council's financial affairs and, as part of that responsibility, administers the Trust and reports to Trustees. On the advice of the Honorary Treasurer, the Trustees have determined that an independent examination be conducted. My responsibility is to examine the accounts as requested and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination includes a review of the accounting records kept by the Trust and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material aspect the requirements:

- To keep accounting records, and
- To prepare accounts which accord with the accounting records have not been met, or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Alison Bell ACMA

Income and Expenditure Statement

This statement shows the cost of the operations of the Trust in accordance with accounting standards. It shows the movement in the year on the two reserves held by the Trust; usable reserves that can be applied to fund expenditure, and unusable reserves, the unrealised gains on the revaluation of the Trust's land and buildings.

Total 2022-23		Note	Total 2023-24
£			£
551	Insurance Costs	3	469
0	Property Repairs		0
333	Governance Costs	4	333
49,342	Annual Depreciation Charge	5	53,043
27,000	Other Property Costs		10,074
77,226	Gross Expenditure		63,919
(9,058)	Hire of Pitches		(8,610)
(3,212)	Rental for Nursery School		(2,763)
(12,000)	Rental for Leisure Centre	3	(12,000)
(24,270)	Gross Income		(23,373)
52,956	Cost of Services		40,546
1,940	Interest Paid	3	1,737
(2,464)	Interest Received	3	(4,788)
(524)			(3,051)
52,432	(Surplus) or Deficit on the Provision of Services		37,495
52,432	Net (Increase) or Decrease before Transfers		37,495

Balance Sheet as at 31 March 2024

The balance sheet is a snapshot of the value at the reporting date of the assets and liabilities recognised by the Trust. The net assets of the Trust (assets less liabilities) are matched by the reserves held by the Trust. Reserves are reported in two categories. The first category of reserves is usable reserves i.e. those reserves that the Trust may use to provide services. The second category of reserves is those that the Trust is not able to use to provide services. This category of reserves holds unrealised gains or losses where the amounts would only become available to provide services if the underlying assets are sold (in for example the Revaluation Reserve) and timing differences (as detailed in the Movement in Reserves Statement).

31 March 2023	Note	31 March 2024
£		£
Non-current Assets		
1,318,706	Property, Plant and Equipment 5	1,318,338
Current Assets		
94,081	Cash and Cash Equivalents 6	97,666
Current Liabilities		
(11,963)	Short-term Borrowing 7	(12,486)
Long-term Liabilities		
(26,967)	Long-term Borrowing 7	(14,481)
1,373,857	Net Assets	1,389,037
Reserves		
94,081	Usable Reserves	97,666
1,279,776	Unusable Reserves	1,291,371
1,373,857	Total Reserves	1,389,037
<p>The notes on pages 13 to 16 form part of the accounts. Approved by the Trustees on 5 December 2024 and signed on their behalf by:</p>		
<p>Provost Drew McKenzie Chair of the Trustees</p>		<p>Alan Puckrin CPFA Honorary Treasurer</p>

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Trust, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and 'unusable reserves'. The Movement in Reserves Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and statutory adjustments required to return to amounts chargeable to the fund balance for the year. The net Increase/(Decrease) line shows the statutory Fund Balance movement in the year following those adjustments.

Year ended 31 March 2024

	Fund Balance (£)	Revaluation Reserve (£)	Capital Adjustment Account (£)	Total Reserves (£)
Balance at 1 April	94,081	1,335,921	(56,145)	1,373,857
Movement in reserves in the year				
Total income and expenditure	(37,495)	0	0	(37,495)
Charges for depreciation of non-current assets	53,043	0	(53,043)	0
Addition/Enhancement to Fixed Assets	0	42,601	10,074	52,675
Revaluation adjustment to Revaluation Reserve	0	0	0	0
Statutory provision for the principal repayment of loan charges	(11,963)	0	11,963	0
Total adjustments between accounting basis and funding basis under regulations	41,080	42,601	(31,006)	52,675
Net increase or (decrease) before Transfers to other Statutory Reserves	3,585	42,601	(31,006)	15,180
Difference between fair value depreciation and historical cost depreciation written off to Capital Adjustment Account	0	(1,080)	1,080	0
Balance at 31 March carried forward	97,666	1,377,442	(86,071)	1,389,037

Comparative Figures for Year ended 31 March 2023

	Fund Balance (£)	Revaluation Reserve (£)	Capital Adjustment Account (£)	Total Reserves (£)
Balance at 1 April	108,633	1,261,403	(21,070)	1,348,966
Movement in reserves in the year				
Total income and expenditure	(52,432)	0	0	(52,432)
Charges for depreciation of non-current assets	49,342	0	(49,342)	0
Addition/Enhancement to Fixed Assets	0	77,323	0	77,323
Revaluation adjustment to Revaluation Reserve	0	0	0	0
Statutory provision for the principal repayment of loan charges	(11,462)	0	11,462	0
Total adjustments between accounting basis and funding basis under regulations	37,880	77,323	(37,880)	77,323
Net increase or (decrease) before Transfers to other Statutory Reserves	(14,552)	77,323	(37,880)	24,891
Difference between fair value depreciation and historical cost depreciation written off to Capital Adjustment Account	0	(2,805)	2,805	0
Balance at 31 March carried forward	94,081	1,335,921	(56,145)	1,373,857

Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources by the Trust in comparison with those resources consumed or earned by the Trust in accordance with generally accepted accounting practices. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Income and Expenditure Statement.

Expenditure and Funding Analysis 2023-24

	Expenditure chargeable to the Fund balance (£)	Adjustment between the Funding and Accounting Basis (£)	Net Expenditure in the Income and Expenditure Statement (£)
Net Cost of Service – Trust	(12,497)	53,043	40,546
Financing and Investment (Income) and Expenditure	8,912	(11,963)	(3,051)
(Surplus) or Deficit on the Provision of Service	(3,585)	41,080	37,495
Opening Fund Balance at 1 April	94,081		
Surplus/(Deficit) on Fund Balance in the year	3,585		
Closing Fund Balance at 31 March	97,666		

Note

	Adjustments for Capital purposes (£)	Other Differences (£)	Total Adjustments (£)
Net Cost of Service – Trust	53,043		53,043
Financing and Investment (Income) and Expenditure		(11,963)	(11,963)
Difference between General Fund (Surplus)/Deficit and Income & Expenditure Statement (Surplus)/Deficit on the Provision of Service	53,043	(11,963)	41,080

Comparative Figures for 2022-23

	Expenditure chargeable to the Fund balance (£)	Adjustment between the Funding and Accounting Basis (£)	Net Expenditure in the Income and Expenditure Statement (£)
Net Cost of Service – Trust	3,614	49,342	52,956
Financing and Investment (Income) and Expenditure	10,938	(11,462)	(524)
(Surplus) or Deficit on the Provision of Service	14,552	37,880	52,432
Opening Fund Balance at 1 April	108,633		
Surplus/(Deficit) on Fund Balance in the year	(14,552)		
Closing Fund Balance at 31 March	94,081		

Note

	Adjustments for Capital purposes (£)	Other Differences (£)	Total Adjustments (£)
Net Cost of Service – Trust	49,342		49,342
Financing and Investment (Income) and Expenditure		(11,462)	(11,462)
Difference between General Fund (Surplus)/Deficit and Income & Expenditure Statement (Surplus)/Deficit on the Provision of Service	49,342	(11,462)	37,880

Notes to the Accounts

Note 1 Accounting Policies:

Basis of Preparation

The financial statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24 (the "Code"). The Code is based on International Financial Reporting Standards with interpretation appropriate to the public sector. The principal policies adopted in the preparation of the financial statements are set out below.

Going Concern

The accounts have been prepared on a "going concern" basis as it is expected revenue reserves will provide sufficient resources to finance future liabilities.

Incoming Resources

All incoming resources are included in the Income and Expenditure Statement when the Trust is entitled to the income. All incoming resources are applied to usable reserves funds. Interest is included when receivable.

Resources Expended

All expenditure is included in the Income and Expenditure Statement on an accruals basis and is recognised when there is a legal or constructive obligation to pay.

Charges to Revenue for Non-current Assets

Depreciation, revaluation and impairment losses are charged to record the cost of holding fixed assets during the year. Depreciation is charged on a straight-line basis over the useful life of the assets. No depreciation is charged in the year of acquisition; a full year's depreciation is charged in the year of disposal.

Cash and Cash Equivalents

Cash is represented by deposits with the Council repayable immediately. The Trust has no cash equivalents. The Council acts as the banker for the Trust and all transactions are made via the Council's accounts.

Debtors

Debtors are recognised at the settlement amount due.

Borrowing

The amounts presented on the balance sheet are the outstanding principal repayable plus any accrued interest. The interest chargeable to the Income and Expenditure Statement is the amount payable for the year.

Property, Plant and Equipment

Assets that have physical substance and are held for use in the supply of services, for rental to others or for administrative purposes and that are expected to be used for more than one financial year are classified as Property.

Plant and Equipment. Assets, including donated assets are included at fair value (that would be paid for the asset in its existing use) and are revalued sufficiently regularly to ensure their carrying value is not materially different from their fair value at the year-end (but as minimum every five years) by external independent professional valuers. The last valuation was conducted at 31 March 2021 with indexation applied in 2022-23 and 2023-24. Decreases in valuation are matched by debits to the Revaluation Reserve to recognise unrealised losses.

Reserves

The Trust has two reserve funds. The Usable Reserves (Revenue) is a fund available to support services at the discretion of Trustees.

The Unusable Reserves (Revaluation) holds unrealised gains or losses where the amounts would only become available to provide services if the underlying assets are sold and the Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

Comparative Figures and Taxation

Figures for 2022-23 are shown as appropriate for purposes of comparison. Irrecoverable tax is included in the expense or income to which it refers.

Taxation

The Birkmyre Trust is included by HMRC as part of Inverclyde Council. The Trust is not liable to income tax or capital gains tax. VAT is recovered by Inverclyde Council.

Note 2 Staff Numbers and Costs:

The Birkmyre Trust has no staff. All support functions are provided by Inverclyde Council.

Note 3 Related Party Disclosures:

During the year, Inverclyde Council recharged insurance premiums of £469 to the Trust (2022-23: £551). Interest of £4,788 was received from, and interest of £1,737 was paid to, Inverclyde Council (2022-23: £2,464 and £1,940). As at 31 March 2024, Inverclyde Council held £97,666 for the Trust (2022-23: £94,081). The Trust owed £26,967 to Inverclyde Council (2022-23: £38,930).

The Trust received a rental of £12,000 (2022-23: £12,000) from Inverclyde Leisure as independently determined by the District Valuer. The leisure company is responsible for all running and maintenance costs under the lease.

Note 4 Governance Costs:

Inverclyde Council provides management services to the Trust at £333 (2022-23: £333). The independent examination has been conducted on a "no-charge" basis and accordingly no accrual has been made for the examiner's fees.

Note 5 Analysis of Property Plant and Equipment:

The figure in the balance sheet on page 9 reflects the depreciated current value of the land and buildings of the Trust.

2022-23 £		2023-24 £
	Valuation	
1,339,822	At 1 April	1,417,145
0	Additions in year	10,074
0	Disposals in year	0
77,323	Other Adjustments/Transfers	42,601
1,417,145	At 31 March	1,469,820
	Depreciation and Impairment	
49,097	At 1 April	98,439
49,342	Depreciation charge for the year	53,043
0	Other Adjustments/Transfers	0
98,439	At 31 March	151,482
1,318,706	Balance Sheet as at 31 March 2024	1,318,338

Note 6 Cash and Cash Equivalents:

The Council acts as the banker for the Trust and all transactions incoming and outgoing are made via the Council's accounts. The balance is repayable on demand. Interest is paid on balances.

2022-23		2023-24	
£		£	£
108,633	Balance at 1 April		94,081
Net Cash Inflow from Operating Activities			
(52,956)	Net surplus/(deficit) on the cost of services	(30,472)	
49,342	Adjustments for non-cash movements	53,043	22,571
Net Cash Outflow from Investing Activities			
0	Expenditure on property, plant & equipment	(10,074)	
2,464	Interest received	4,788	(5,286)
Net Cash Inflow from Financing Activities			
0	Receipts of long-term borrowing	0	
(11,462)	Repayment of long-term borrowing	(11,963)	
(1,940)	Interest paid on borrowing	(1,737)	(13,700)
94,081	Balance at 31 March		97,666

Note 7 Borrowing:

The Trust has secured long-term borrowing to fund capital investment on the buildings. The borrowing was undertaken in the two financial years 2011 and 2012 and is repayable over a period of 15 years. The fair value is shown in the table below, assessed on inputs that are observable for the liability.

2022-23		2023-24	
£		£	
Amounts due within 12 Months			
11,462	At 1 April		11,963
0	New Borrowings		0
11,963	Transfer from Debt over 12 Months		12,486
(11,462)	Repayments to Inverclyde Council		(11,963)
11,963	Balance at 31 March		12,486
Amounts due over 12 Months			
38,930	At 1 April		26,967
0	New Borrowings		0
(11,963)	Transfer to Debt under 12 Months		(12,486)
26,967	Balance at 31 March		14,481

Note 8 Payments to Trustees:

No Trustee, or any people related to a Trustee, were remunerated during the year. Nor was there any requirement for any expenses to be paid.



Watt Institution Trust Fund

Annual Report and Financial Statements 2023-2024



Year ended 31 March 2024

Table of Contents

Watt Institution Trust Fund Background.....	2
Trustees' Annual Report	3
Independent Examiner's Report.....	7
Income and Expenditure Statement.....	8
Balance Sheet as at 31 March 2024.....	9
Notes to the Accounts	10
Note 1 Accounting Policies.....	10
Note 2 Related Party Disclosures.....	10
Note 3 Staff Numbers and Costs.....	11
Note 4 Payments to Trustees	11
Note 5 Supplies and Services	11
Note 6 Income	11
Note 7 Governance Costs	11
Note 8 Cash and Cash Equivalents	11
Note 9 Creditors.....	11

Watt Institution Trust Fund Background

Greenock Corporation took over responsibility for running the Watt Library, McLean Museum, Art Gallery and Watt Hall (known collectively as the Watt Institution) from the Watt Trust in 1973.

In July 1984, the existing Trustees of three bodies - the Committee of Management of the Greenock Library; the Committee of Management of the Watt Hall and Museum and Greenock Art Gallery; and the James McLean Trust - were discharged from their relative trust obligations and the whole Trust estate was invested in the former Inverclyde District Council.

The Court of Session, at that time, declared a Scheme of Administration for the future management and use of the assets and funds invested in the Trust and all of the land and buildings and moveable assets transferred to the Council at that time.

The Council is responsible for holding the land and buildings in trust as a memorial to the late James Watt LLD and to use it as a library, museum and hall for the benefit of the inhabitants of Greenock.

Additionally, the Council is to hold and apply the whole of the moveable property the investments from time to time representing the same and the income thereof in trust for the maintenance, preservation, repair, improvement and furnishing of the land and buildings and of the fixtures and fittings and for the provision, safekeeping and repair of suitable books and objects for the Library and Museum.

The Watt Institution Trust Fund has its own funds which are to be used for similar purposes and any expenditure from this Fund must meet the conditions listed above.

As the successor local authority Inverclyde Council is the sole Trustee. The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council's financial affairs and, as part of that responsibility, administers the Trust and reports to Council.

Trustees' Annual Report

The Trustees present their report together with the financial statements and the Independent Examiner's report for the year ended 31 March 2024.

Current Trustees

- Councillor Pam Armstrong
- Councillor Francesca Brennan
- Councillor Graeme Brooks
- Councillor Paul Cassidy
- Councillor Jim Clocherty
- Councillor John Crowther
- Councillor Christopher Curley
- Councillor James Daisley
- Councillor Ian Hellyer
- Councillor Colin Jackson
- Councillor Kirsty Law
- Councillor Stephen McCabe
- Councillor Michael McCormick
- Councillor Natasha McGuire
- Councillor Drew McKenzie
- Councillor Tommy McVey
- Councillor Robert Moran
- Councillor Innes Nelson
- Councillor Lynne Quinn
- Councillor Sandra Reynolds
- Councillor Elizabeth Robertson
- Councillor David Wilson

Other Trustees During The Year

- Councillor Martin McCluskey – Resigned 4 September 2024

Chair

- Provost Drew McKenzie

Honorary Secretary

- Role fulfilled by officers in Inverclyde Council's Legal, Democratic, Digital and Customer Services.

Honorary Treasurer

- Role fulfilled by Alan Puckrin CPFA, Chief Financial Officer (Section 95 Officer).

Bankers

- All monies are held and managed by Inverclyde Council.

Independent Examiner

- Alison Bell ACMA

Structure, Governance and ManagementStructure

The name of the Trust is the Watt Institution Trust Fund. The Trust is an unincorporated trust governed on the basis of the available evidence of its constitution. The Trust in its current form was established under a court approved *cy pres* scheme in July 1984.

Appointment of Trustees

The councillors of Inverclyde Council are assumed as Trustees on their appointment to the Council. Councillors receive training on the responsibilities of being a Trustee and the accounts of the Trust.

Organisational Structure

The Trustees meet to consider applications for support and that sufficient funding is available. At a special annual meeting of the Council, Trustees consider the income and expenditure levels during the financial year and that suitable arrangements are in place to manage the funds of the Trust.

The Trustees, in order to discharge their responsibilities, rely on the advice and expertise of the officers of Inverclyde Council. The Council provides all administrative support to the Trust including financial, legal and secretarial support. The Council also administers the payments from the Trust.

The Council makes a charge for these services as agreed by the Trustees at the meeting of 4 October 2012. There are no other costs in connection with governance.

Related Parties

Trustees hold this position because they are elected councillors of Inverclyde Council. Inverclyde Council provides support services to the Trust.

Management of Funds and Investment Policy

The Trustees rely upon the expertise of officers of Inverclyde Council to manage the investments to ensure the maximum return at least risk to the Trust.

The funds of the Trust are deposited with Inverclyde Council and receive interest at the average market rate for the short-term borrowing. The interest received from Inverclyde Council is shown in the Income and Expenditure Statement.

Objectives and ActivitiesObjectives

Its purpose is to hold and apply the investments and income thereof for the maintenance, preservation, repair,

improvement and furnishing of the land and buildings and of the fixtures and fittings and for the provision, safekeeping and repair of suitable books and objects for the Library and Museum.

Activities

The Trust meets the costs of the Watt Institution not otherwise defrayed by the Council and invests the balance of funds with the Council.

Performance and Achievements

In line with policy adopted by the Council and the terms of the Trust, the Watt Institution Trust Fund supported the continued operation of the museum, art gallery and library in the Watt Institution in partnership with the local authority.

Museum Achievements

The McLean Museum and Art Gallery was awarded Full Accredited Museum Status under the UK wide professional standard for museums in November 2023. In Scotland, the Accreditation scheme is administered by Museums Galleries Scotland, as the sector body for museums.

The McLean Museum had previously held provisional Accredited status. The award of full status reflects the extensive work that has been undertaken to raise standards of collections care and access at the museum, alongside increased audience engagement in recent years.

Ongoing investment and focus is required to maintain the museum's Accreditation, which not only recognises compliance with sector standards, but is essential in order for the museum to leverage external funding from major funders including the National Lottery Heritage Fund and Museums Galleries Scotland.

The Watt Institution's National Lottery Heritage Fund (NLHF) Watt Voices project will conclude in November 2024, following an extension to the project timeline granted by NLHF earlier in 2024. This project has seen a transformative reinterpretation of the displayed collections; innovative community engagement; and has tackled directly narratives around Inverclyde's historic links to the Transatlantic Slave Trade.

In January 2024 funding was secured from Museums Galleries Scotland for a 12 month Digital Learning & Engagement Officer (Natural Sciences) post. The remit of this post is focused on increasing access to one of the Watt's largest and most important founding collection. To date, use of this collection by visiting members of the

public, educators, and colleagues across the wider sector has increased markedly. The post-holder is also responsible for digitizing our extensive collection of herbaria (pressed plants and flowers), most of which were collected locally around 150 years ago. Outcomes from this project element are now being used to demonstrate the impact of climate change and loss of bio-diversity within the area in the intervening years.

The NLHF-funded Creativity Space within the Watt Institution continues to be used weekly by community groups. This includes people with early onset dementia, wellbeing initiatives to support those dealing with mental health issues and social isolation, and groups and activities associated with the Inverclyde Culture Collective (Creative Scotland funded). CLD have also begun to use the space as a base for classes with vulnerable adults and those New to Scotland.

A new NHLF-funded Egypt Gallery opened in a gallery space adjacent to the Watt Hall. This new display has generated much interest amongst the public as well as subject-specialist academics/researchers, highlighting the importance of the Watt's Egypt Collections. The gallery has enabled the Watt team to increase the volume of collection objects on raised the profile of another element of the museum's founding collections. Social media engagement has enabled world-wide requests for information and/or to visit by both the public and academic/researchers.

During 2024 six temporary exhibitions have been curated across the art gallery, Watt Hall, Watt Library and Community Voices spaces. *Wonder*, an exhibition of work from the Watt's fine art collection curated by the artist Alison Wat is currently installed in the art gallery, alongside the Watt's collection of works by the Scottish Impressionists William McTaggart; the story of the Old West Kirk is told in the Community Voices space; an exhibition on the Greenock artist, engraver, political cartoonist and caricaturist William Niven is in the Watt Hall; and within the library a pop exhibition exploring the story of Witches in Inverclyde followed a showcase exhibition by the artist Carolyn Sutton called *Witches In Words Not Deeds*, which provided a focus for International Day 2024. These exhibitions were also accompanied by a series of lectures and events programmed across Inverclyde.

In terms of activities and events, Bookbug sessions on a Saturday morning in the Watt Hall continue to be a great success with high numbers regularly attending. 'Watty Bear' activities for children and young families continue to

draw large and repeat numbers of participants, and the regular collections 'quiz' offer is changed on a quarterly basis.

The Watt Institution team contributed directly to the Council's success at the 2023 COSLA awards, producing an animated presentation exploring Inverclyde's Historic Links to the Transatlantic Slave Trade. The Council went on to win the Excellence award for 'Strengthening Communities and Local Democracy.'

The Archive Service continues to run a successful volunteer programme in support of making the information held within the archives accessible to the public.

The Watt Institution supports Inverclyde Heritage Network in running Inverclyde's Heritage Day as part of Local and Community History Month in May. The event gives groups and individuals with an interest in heritage the chance to get together and promote their work to new and existing audiences.

Financial Review

Income and Expenditure for the Year ended 31 March 2024

The Income and Expenditure Statement on page 8 provides an analysis for the Trust of the income and expenditure for the twelve months from 1 April 2023 to 31 March 2024.

Running costs in 2022-23 were £7,314 (2022-23: £896) and £333 (2022-23: £333) on governance costs. There were no contributions made by the council to cover historic costs this year (2022-23: £0). Income of £2,573 (2022-23: £1,267) was received from interest on short-term deposits with Inverclyde Council.

The deficit of £5,074 (2022-23: surplus of £38) was deducted from the reserves of £56,925 to give a carry forward balance of £51,851.

Assets and Liabilities at 31 March 2024

The balance sheet on page 9 provides an analysis for the Trust of the assets and liabilities as at 31 March 2024.

The reserves of the Trust are £51,851 (2022-23: £56,925) and are all held by Inverclyde Council.

Reserves Policy

The Trust has been in existence for some time and the Trustees consider that its reserves are sufficient.

The Trust has always maintained a healthy balance of Revenue Reserves and as such there had been to-date no requirement to adopt a formal reserves policy. The free reserves at the financial year-end were £51,851 (2022-23: £56,925).

Future Plans

The Watt Institution Trust Fund will continue to work in partnership with the local authority to support the operations of the museum, art gallery and library in the Watt Institution.

In June 2022 the Trustees approved a proposal to use £25,500 from the Fund to improve the safety and security of collections at the Watt Institution of which £13,000 remains outstanding. These funds will address storage of historic taxidermy specimens held in the Watt's collections. Recent input from the National Museums of Scotland has informed a revised approach to collections care in this specific area.

In March 2023 the Trustees agreed to allocate up to 50% of the costs or £20,000, whichever is the lower, from the unallocated Trust balance towards the appointment of suitably experienced experts to assist in the valuation of the Trust's heritage assets. £7,014 of this was spent by the Trust in 2023/24 with further costs to come in 2024/25.

The Dardanelles window in the Watt Library was removed in May 2024. The planning application cost was charged to the Trust in 2023/24 and the remaining costs will be charged to the Trust in 2024/25.

Conclusion

The Trust's expenditure exceeded income during the reporting period and the deficit of £5,074 (2022-23: surplus of £38) has been deducted from the reserves brought forward. The Watt Institution Trust Fund has a balance of £51,851 (2022-23: £56,925) of Revenue Reserves of which £28,000 is allocated to specific projects.

Approved by the Trustees on 5 December 2024 and signed on behalf of all Trustees.

This Trustees' Report is also counter-signed by the Chief Financial Officer of Inverclyde Council in his capacity as the Honorary Treasurer.

Provost Drew McKenzie
Chair of the Trustees

Alan Puckrin CPFA
Honorary Treasurer

Independent Examiner's Report

I report on the accounts of the Trust for the year ended 31 March 2024 which are set out on pages 8 to 11.

Respective Responsibilities of Trustees and Examiner

The Trustees are responsible for the preparation of the accounts in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and interpreted and adopted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24 (The CODE). The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council's financial affairs and, as part of that responsibility, administers the Trust and reports to Trustees. On the advice of the Honorary Treasurer, the Trustees have determined that an independent examination be conducted. My responsibility is to examine the accounts as requested and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination includes a review of the accounting records kept by the Trust and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material aspect the requirements:

- To keep accounting records, and
- To prepare accounts which accord with the accounting records have not been met, or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

Alison Bell ACMA

Income and Expenditure Statement

This statement shows the costs of the operations of the Trust in accordance with accounting standards. It shows the movement in the year on the reserves held by the Trust that can be applied to fund expenditure.

Usable Reserves: Revenue 2022-23		Note	Usable Reserves: Revenue 2023-24
£			£
	Expenditure		
896	Supplies and Services	5	7,314
333	Governance Costs	7	333
0	Income	6	0
1,229	Cost of Services		7,647
	Financing and Investment Income and Expenditure		
0	Interest paid		0
(1,267)	Interest received	2	(2,573)
(38)	(Surplus) or Deficit on the Provision of Services		5,074
0	Other Income and Expenditure		0
(38)	(Increase) or Decrease in the Year		5,074
(56,887)	Balance at 1 April		(56,925)
(56,925)	Balance at 31 March Carried Forward		(51,851)
<p>The Watt Institution Trust Fund has no recognised gains or losses other than the results for the year as set out above. All of the activities of the fund are classed as continuing. The notes on pages 10 to 11 form part of these financial statements.</p>			

Balance Sheet as at 31 March 2024

The Balance Sheet is a snapshot of the value at the reporting date of the assets and liabilities recognised by the Trust. The net assets of the Trust (assets less liabilities) are matched by the reserves held by the Trust. These usable reserves are available to the Trustees to provide services.

31 March 2023		Notes	31 March 2024
£			£
	Current Assets		
56,925	Cash and Cash Equivalents	8	51,851
	Current Liabilities		
0	Creditors	9	0
56,925	Net Assets		51,851
	Reserves		
56,925	Usable Reserves: Revenue		51,851
56,925	Total Reserves		51,851
<p>The notes on pages 10 to 11 form part of these accounts. Approved by the Trustees on 5 December 2024 and signed on their behalf by:</p>			
<p>Provost Drew McKenzie Chair of the Trustees</p>		<p>Alan Puckrin CPFA Honorary Treasurer</p>	

Notes to the Accounts

Note 1 Accounting Policies

Basis of Preparation

The financial statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24 (The "Code"). The "Code" is based on International Financial Reporting Standards with interpretation appropriate to the public sector. The principal policies adopted in the preparation of the financial statements are set out below.

Going Concern

The accounts have been prepared on a "going concern" basis as it is expected that future revenue reserves will provide sufficient resources to finance future liabilities.

Incoming Resources

All incoming resources are included in the Income and Expenditure Statement when the Trust is entitled to the income. All incoming resources are applied to usable reserves funds. Interest is included when receivable.

Resources Expended

All expenditure is included in the Income and Expenditure Statement on an accruals basis and is recognised when there is a legal or constructive obligation to pay.

Cash and Cash Equivalents

Cash is represented by deposits with the Council repayable on demand. The Trust has no cash equivalents.

Reserves

The Trust has a single reserve fund. The Usable Reserves (Revenue) is a fund available to support services at the discretion of Trustees.

Comparative Figures

Figures for 2022-23 are shown as appropriate for purposes of comparison.

Taxation

Watt Institution Trust Fund is included by HMRC as part of Inverclyde Council. The Trust is not liable to income tax or capital gains tax. VAT is recovered by Inverclyde Council.

Note 2 Related Party Disclosures

Interest of £2,573 was received from the local authority (2022-23: £1,267). As at 31 March 2024, Inverclyde Council held £51,851 for the Trust (31 March 2023: £56,925).

As part of the management arrangements of the Scheme of Administration, Inverclyde Council remains responsible for all costs and any income relating to the Watt Institution and is entitled to the unrestricted use of its assets.

Under accounting standards and the associated guidance, arrangements that convey the right to use an asset require to be accounted for as a lease even where they do not have the legal form of a lease. The local authority has assumed the risks and rewards of ownership and the arrangements have the substance of a finance lease. The Watt Institution and its collections require to be disclosed on the balance sheet of the local authority and accordingly are not included in the Trust Fund's accounts. The holding value of these assets in the Council's Annual Accounts is £4.9 million (2022-23: £5.1 million) for the buildings and £19.0 million (2022-23: £19.2 million) for its collections of heritage assets. The most significant heritage assets were revalued for the Council's 2022-23 Annual Accounts and further valuations took place in 2023-24.

Note 3 Staff Numbers and Costs

The Trust does not employ any staff (see note 7).

Note 4 Payments to Trustees

No Trustee or any connected person was remunerated during the year, nor was there any requirement for any expenses to be paid.

Note 5 Supplies and Services

There were revaluation costs of £7,014 and £300 for the planning application for the removal of the Dardannelles window (supplies and services costs in 2022-23 were £896 for storage and transportation).

Note 6 Income

There was no income in 2023-24 (2022-23 £0).

Note 7 Governance Costs

Inverclyde Council provides support services to the Trust at a fee of £333 (2022-23: £333). The independent examination has been conducted on a “no-charge” basis and accordingly no accrual has been made for the examiner’s fees.

Note 8 Cash and Cash Equivalents

The Council acts as the banker for the Trust and all transactions incoming and outgoing are made via the Council’s bank accounts. The balance is repayable on demand. Interest is paid on balances.

2022-23 £		2022-23 £
56,887	Balance at 1 April	56,925
	Net Cash (Outflow) from Operating Activities	
(1,229)	Net surplus/(deficit) on the cost of services	(7,647)
0	Adjustments for non-cash movements	0
	Net Cash Inflow from Investing Activities	
1,267	Interest Received	2,573
0	Net Cash Inflow from Financing Activities	0
56,925	Balance at 31 March	51,851

Note 9 Creditors

There were no creditors as at 31 March 2024.



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