



Lost Creatures and Hidden Rivers

Almond Valley Heritage Trust

A Scottish company limited by guarantee

Report and Accounts 1st January - 31st December 2021

Charity No. SC013783
Company No. SC089429

Almond Valley exists to preserve and interpret the history and environment of West Lothian and make this heritage accessible, engaging and enjoyed by all.

Almond Valley Heritage Trust

Trustees report for the year ending 31st December 2021

The Trustees present their report and audited financial statements for the year ended 31st December 2021

Reference and Administrative Information

Charity name:	Almond Valley Heritage Trust
Charity registration number:	SC013783
Company registration number:	SC089429
Registered Office	Almond Valley Heritage Centre Millfield, Livingston, EH54 7AR

Trust Board

Mr W.R.V Percy	Chairman
Ms. A.L. Lusty	Vice Chair
Cllr. A. Miller	
Cllr. D. McGuire	(until 17/03/21)
Mr. P Jennings	(until 13/01/21)
Mr. W. McMartin	(until 17/03/21)
Mr. W. Simpson	
Mr. S. Kirkpatrick	(until 05/07/21)
Mr. I.R.M Crawford	(from 19/04/21)
Mr. S.P. Mills	(from 17/11/21)
Mr. M.C. Sangster	(from 17/11/21)
Mr. A. Shaw	(from 27/01/21)
Ms. V. Tallon	(from 19/01/22)

Senior Management Team

Dr. R. Chesters - Director, Mrs E. Dunsire, Administrator

Auditors

Brian Maloney & Co. Registered Auditors 15a West End, West Calder, EH55 8EH

Bankers

Bank of Scotland, The Centre, Livingston, EH54 6NB

Professional Advisors

Fairstone Financial T/A Hunter Wealth Management, 2 Maitland St. Edinburgh, EH1 2 SDS

Structure, Governance and Management

Governing Document.

Almond Valley Heritage Trust (hereinafter referred to as “the Trust”) is a company limited by guarantee initially incorporated on 27th August 1984 under the name of Livingston Mill Farm Community Project. This name and a new Memorandum of Association and Articles of Association were approved on 11th April 1990. The Trust possesses charitable status. When the Trust was created it incorporated the interests of the Livingston Mill Farm Community Project, and a number of other community initiatives. The current objects of the Trust are detailed in the new Articles of Association adopted on 26th September 2018.

Recruitment and Appointment of the Board of Trustees.

Following adoption of new Articles of Association on 26th September 2018, the Trust Board comprises of up to 12 members. An option exists to invite West Lothian Council to nominate up to two elected members to serve as Trustees. Other persons invited to join the Board as co-opted members are selected to ensure that an appropriate range of interests, experience, and expertise is represented on the Trust’s governing body. Under the Articles of Association, the Trustees are normally elected for a period of four years after which they must be re-elected at the next Annual General Meeting. The Trust has also adopted a mechanism whereby each year one quarter of the Board is subject to re-election.

Trustees Induction and Training.

All new Trustees are given an induction course which covers issues dealt with in the booklet “Guidance for Charity Trustees”, produced by OSCR, together with guidance relating that to the specifics of the Trust, including plans, policies and budgets.

Organisational Structure.

The Trust board meet six times a year. Other informal contact ensures that all remain familiar with the nature of the Trust’s operations and the environment in which the Trust operates. The Trustees appoint a Chief Executive Officer (termed “Director”, but not a member of the board of Trustees), to manage the day to day business of the Trust.

Pay Policy for Senior Staff.

Trustees set the Director’s salary at a level that they consider to be reasonable for a voluntary sector organisation of this scale, as the absence of equivalent organisations in similar circumstances makes more formal bench-marking impractical.

Risk Management.

Trustees consider the risks associated with the policies that are adopted and the decisions that are made. An annual review of the Trust’s Forward Plan encompasses an assessment of risk related to management and governance, operational activities, financial management, external influences and compliance with Regulations. Reserves and Risk Management Policies, which include an analysis of the major risks to which the Trust is exposed, is reviewed annually. An organisation-wide annual risk review process informs an annual review of Health and Safety policy, and health and safety matters are reported upon at every Board Meeting.

Reserves Policy and Going Concern.

In planning a sensible and prudent level of cash reserve, Trustees recognised the effects of seasonal variations in income, the need to accumulate funds for major development works, and the desirability of

holding a reasonable level of reserve funds to safeguard against interruption in business. Prior to the Covid restrictions, Trustees agreed that the level of reserves should not fall below £150,000 at the lowest point of the annual earned income and expenditure cycle. It is anticipated that this level of reserves would maintain the Trust as a viable business for at least three months under circumstances in which Almond Valley was unable to open to visitors and generate income from trading.

The reserve funds are held as a portfolio of investments with Advance which are managed by Fairstone Financial t/a Hunter Wealth Management. At 1st January 2021, £104,486 of unrestricted funds were held in the portfolio of investments. During the course of the year, £50,000 was transferred back to the portfolio of investments. Following a review of risks, and in the light of recent events, it was agreed that £150,000 was no longer a sufficient reserve at the lowest point of the annual earned income and expenditure cycle in order to maintain the viability of the business for three months and that this amount should be increased to £250,000. Consequently a further £100,000 was transferred from the main bank account to the portfolio of investments, the balance of which stood at £267,809 on 31st December 2021.

The full financial results are outlined on pages thirteen to twenty seven of this Report.

Objectives and Activities

Formation of the Trust in 1990 brought together a diverse range of interests from a number of community organisations that had been active on the Livingston Mill site, including a community farm and a museum training project. The objectives, ideals, and character of the trust continue to reflect this parentage, combining commitment to community engagement and learning, with the responsibilities of holding a nationally recognised museum collection.

Almond Valley's mission is:

“..... to preserve and interpret the history and environment of West Lothian, and make this heritage accessible, engaging and enjoyed by all.”

The Trust's charitable objectives are:

- ▶ To advance arts, heritage, culture and science by safeguarding and celebrating the heritage and environment of West Lothian.
- ▶ To preserve the heritage of Scotland's shale oil industry by holding collections and engaging in other museum activities that reflect the national and international significance of the industry.
- ▶ To advance education and promote community well-being through activities that support popular engagement in heritage.

The Trust is a fully Accredited Museum which holds a collection that is recognised as being of national importance to Scotland. The Trust offers a quality visitor experience that has achieved four star status under the VisitScotland grading scheme.

What We Do

The Trust's main activity is the operation and development of Almond Valley Heritage Centre (popularly known simply as "Almond Valley"); a 23 acre site centred around the historic buildings of Livingston Mill and Farm. Since its formation in 1990, the Trust has steadily added to the facilities and attractions of the Almond Valley site, progressively developing its popular appeal as a leisure destination that holds particular attraction to families with young children. Admission charges and other visitor services, such as catering, rides and gift sales, provide the Trust's major source of revenue income.

While enjoying a relaxing family day out at Almond Valley, visitors encounter experiences that promote awareness of local identity and may inspire interest in local heritage from an early age. These resources are applied in a more structured way to support formal learning by visiting school groups.

The museum displays of the shale oil museum form part of Almond Valley's appeal and provide a venue for workshops and activities that involve children and families in heritage-related games and activities. Much of the work of the museum however, serves specialist audiences and goes unseen by most visitors to Almond Valley. The Trust's collection from the Scottish shale oil industry is recognised as being of National significance, and the museum is also custodian of the company records of those shale oil companies that became part of the BP group. Since 2010, an ambitious programme of digitisation has been underway to digitise these unique records and make them publicly available through the Trust's scottishshale website. The museum engages in research, recording and publication, and is recognised as the authoritative source of knowledge on the Scottish shale oil industry and its influence both locally and nationally.

Review of the Year

Visitor numbers for the year were as follows

Total visits for month	<u>2021</u>	<u>2020</u>
January	0	4,655
February	0	4,189
March	0	3,323
April	13,300	0
May	12,523	0
June	11,963	0
July	20,017	7,097
August	16,085	13,665
September	8,572	11,305
October	10,029	14,436
November	5,115	3,503
December	<u>6,529</u>	<u>5,087</u>
Total for year	<u>104,133</u>	<u>67,260</u>

Analysis of visitor numbers by type were as follows:

	<u>2021</u>	<u>2020</u>
Adults	34,882	21,774
Child or Senior	26,116	15,387
School and group visitors	0	254
Birthday parties	19	276
Friends members	25,992	18,493
Corporate & other passes	16,137	9,555
Promotions & events	486	351
Complimentary & carers	501	1,170
TOTAL	<u>104,133</u>	<u>67,260</u>

The Trust began 2021 in a reasonably strong financial position, in notable contrast to the critical situation faced when Covid restrictions first forced closure in March 2020. Strong customer demand once restrictions were relaxed enabled worthwhile income to be earned in the latter part of 2020, while rescue funds and other grants underwrote many operating costs.

A further period of enforced Covid restrictions, beginning on the 27th December 2020, meant that Almond Valley was unable to welcome its first visitors of the year until 3rd of April 2021. Although there were no further enforced closures, continuing measures to restrict the spread of Covid limited many activities, added to operating costs, and for a period restricted the daily capacity of the site. Essential advance booking, on-line ordering in the tearoom, and enhanced cleaning regimes remained in place throughout the year, and it continued to be impractical to operate rides, birthday parties, and close-contact activities such as animal handling sessions.

During the period of closure, a proportion of wages were funded through the government Job Retention Scheme, and various grants received through government Business Support Fund schemes. A "Safe Reopening" grant of £7,465 from Museum Galleries Scotland supported the cost of polycarbonate screens, barriers, hand gel dispensers and other materials required to maintain safe Covid practice following reopening in April. At about that time, a general support grant of £64,000 was received under the Visitor Attraction Support Fund administered by VisitScotland

Despite ongoing limitations, visitor numbers were generally close to pre-Covid levels, with the exception of school and other groups who customarily make up a large proportion of visitors during May and June. Social distancing considerations made it impossible to accommodate group visits at that time. The need to encourage social distancing also put paid to many of the seasonal special activities that usually accompany the Easter and May day school holidays. A programme of Astounding Discoveries – drop-in investigations, crafts and games; proved practical and popular during the summer school break. A grant of £21,000 from Museums Galleries Scotland, as part of the government Summer of Play programme, allowed Almond Valley to open after-hours exclusively for disadvantaged families. Working with local charity River Kids, families referred by caring organisations (a total of 1,431 people) enjoyed free admission to Almond Valley, and a buffet supper. This funding also supported part of the Astounding Discoveries programme.

During the October school break, the customary Halloween-themed activities were replaced by "Lost Creatures, Hidden Rivers"; a programme of family activities that included making masks of ice age creatures and divining for buried boulders. The event, which considered examples of historic climate change, was part-funded by a £1,000 grant from Museums Galleries Scotland's COP26 Conversations Fund. As Halloween approached, visitors also enjoyed a pumpkin patch, other seasonal trimmings, and three evenings of after-dark fun in the Witches' Wood.

Throughout the festive season, continuing concerns over Covid transmission meant it remained impractical to offer any activity that included a close-up encounter with Santa Claus. Instead a programme of after-dark evening events allowed families to follow illuminated trails through the trees to Santa's woodland hideaway, guided by the paraffin pixies.

The emergence of the omicron variant of Covid deterred some visits during December, however this new concern was offset by the offer of half-price admission made possible by a grant of £23,000 under the VisitScotland Days Out Incentive fund. This offer was in place from the 4th of November until 5th January 2022, when the fund was depleted. Other support was received during the early part of 2022 to help offset the impact of Omicron.

During the year there were many new arrivals on farm, from Clydesdale horses to a giant tortoise, and many improvements to farm enclosures and amenities. Almond Valley achieved recognition by the Rare Breeds Survival Trust as an "approved farm", recognising our role played in conserving populations of traditional varieties of livestock. Many general improvement works took place around the site, and a grant of £4,176 from the Town Centre Fund administered by West Lothian Council enabled the lighting and electrical systems in Livingston Mill to be renewed and improved.

Early in the year the new web platform for the scottishshale.co.uk website was finally launched, marking the culmination of a lengthy and complex development process. The project was funded largely by a grant from Museums Galleries Scotland, and represents a step-change improvement over its predecessor and an essential foundation for a continuing programme of digitisation, research, and other content creation. A new Curator was appointed to a post that had remained unfilled since the start of lockdown, and a small band of museum volunteers gradually returned to their works. Effort to secure grant funding for a post to support and develop museum-based volunteering proved unsuccessful, although this remains an important objective.

In September 2020 a Recovery and Resilience grant of £276,000 was awarded by Museums Galleries Scotland, which proved critical in maintaining the viability of the Trust over this difficult time, and was of huge benefit in supporting morale. The final instalment of the grant was released in May 2021. The majority of the funding was provided to support operating costs at times when earned income was restricted by Covid restrictions. A smaller part was provided to support development works that would enhance the Trust's resilience in the face of future challenges. The sum awarded was less than the sum requested, consequently MGS were happy to accept some flexibility on how such resilience funds were applied, but identified two priority areas; the creation of a new website with bespoke back-office functionality to support new business processes, and the commissioning of services to review and develop governance and organisational structure.

The new almondvalley.co.uk website was successfully delivered, and circumstances that changed over the course of covid restrictions were reflected in its design. Associated back-office systems continue to evolve.

Consultants were appointed to deliver governance review sessions, and a second consultancy commissioned to undertake a future state and succession planning study. This considered both the development of the board and the senior management team. This second project involved one-to-one interviews, group discussions and individual coaching sessions. The work did not provide a blueprint for progress, but served as a catalyst that ensured the initial objectives of the project were fully realised.

Plans for the Future

When Covid restrictions were first imposed in the spring of 2020, they extinguished all opportunity to earn income and very soon threatened the survival of the Trust. Thankfully the introduction of the Job Retention Scheme and the availability of rescue funds from various sources stabilised our position and compensated for some of our lost income. The subsequent passage of the pandemic permitted a restricted reopening before a further period of closure at the start of 2021. The unique and unpredictable circumstances allowed significant income to be generated over the period that the centre was able to open, and offered grant funding to underwrite costs at times of the year when we would normally be operating at a loss. As a consequence, the Trust was able to replenish reserves and set aside a significant sum for new development works.

The experience of this turbulent and uncertain period exposed both strengths and vulnerabilities within our organisation, and fuelled consideration of how to plan for a greater resilience in the future. These thoughts linked into ongoing plans for succession in governance and in senior management, recognising that some of those who had been with the Trust since its earliest days would soon need to pass responsibility for Almond Valley to a new generation. This transition will inevitably raise challenges and create disturbance, but also provides opportunity to reflect on current and future needs, and to reshape and equip the staff team to best address these.

During the course of the year a number of new members were welcomed as Trustees, and plans were put in place for further development of the Board, and for succession in its leadership. Plans were also developed for a steady evolution of the senior management team, which will unroll over the next few years

Following withdrawal of local authority funding it was recognised that a more commercial approach to operations was essential in order to generate sufficient income to fund services and the ongoing development of new attractions. Business plans now make a clearer distinction between the needs of income generation and the application of income to fund services, enabling a more targeted approach to delivering our charitable purposes.

Covid rescue and recovery funding received from Museum Galleries Scotland and National Lottery Heritage Fund over the last two financial years offered further recognition of the value and significance of our museum purposes. Acknowledging their responsibilities as an accredited museum, the Board has set aside a large proportion of the year-end surplus to a new fund to create additional museum accommodation. Early in 2022 architects were appointed to explore the feasibility of constructing a major new building at the entrance to the Almond Valley site, which would serve as a new reception point and create new museum space and a range of other facilities. The museum area might be outwith the paid admission zone, making these cultural resources accessible to a still wider audience, and serving as a community hub.

These plans, and plans of any other site development, would be dependent on better security of tenure over the Almond Valley site, and dialogue was initiated with the current landlord, West Lothian Council, to secure appropriate agreement.

Financial Review

The audited financial statements for the year to 31 December 2021 show total incoming resources of £1,459,210, an increase of £62,668 on last year, and total expenditure of £1,232,716, an increase of £283,529 on last year. The net gain on investments of £13,110, (£5,581 loss - year ended 31 December 2020), led to net movement of funds for the year of £239,604, (year ended 31 December 2020 - £441,774).

Total funds at 31 December 2021 are £2,680,539 comprising unrestricted funds of £2,493,347 and restricted funds of £187,192. Unrestricted "free" funds have increased by £209,898 compared to last year.

Total cash and cash equivalents figure at 31 December 2021 was £844,072 an increase of £53,169 compared to the last balance sheet date of 31 December 2020.

The reasons for the results have been outlined in the previous pages of the report. The Trustees believe that the plans they have put in place, along with funding secured for this year and the forthcoming year provide the Trust with a solid platform to survive ongoing economic uncertainty caused by the Covid-19 pandemic and the conflict in Ukraine, and push forward with the plans outlined in this report.

Trustees' responsibilities in relation to the financial statements

The Charity Trustees (who are directors for the purposes of company law and Trustees for the purposes of charity law) are responsible for preparing a Trustees' Annual 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 Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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: and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Statement as to disclosure to our auditors

In so far as the Trustees are aware:

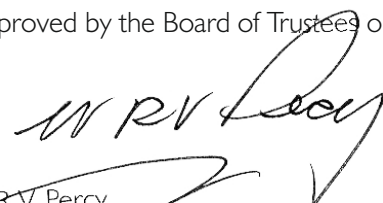
- there is no relevant audit information of which the charitable company's auditor is unaware; and,
- the Trustees have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

A resolution to re-appoint Brian Maloney & Co as the charity's auditors for the ensuing year will be proposed at the forthcoming Annual General meeting.

Approved by the Board of Trustees on 16th March 2022 and signed on its behalf by:


W.R.V. Percy

Independent Auditor's Report to trustees and members of Almond Valley Heritage Trust

Opinion

We have audited the financial statements of Almond Valley Heritage Trust (the "charitable company") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 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 31st December 2021 and of its surplus/deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually or collectively, may cast significant doubt on the 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 use.

Our responsibilities and the responsibilities of the directors 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 auditor's report thereon. The directors 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 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 there is material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit,

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report. We have nothing to report in respect to the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

Independent Auditor's report (continued)

- ♦ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ♦ the financial statements are not in agreement with the accounting records and returns; or
- ♦ certain disclosures of directors' remuneration specified by law are not made; or
- ♦ we have not received all the information and explanations required for our audit; or
- ♦ the directors were not entitled to prepare the financial statements in accordance with the small companies regime, and take advantage of the small companies exemptions in preparing the director's report and the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Trustees' Responsibilities Statement on page 10, the trustees (who are also the directors of the charitable company for the purpose 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 directors 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 directors 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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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.

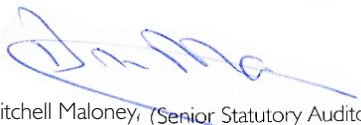
A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report

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:

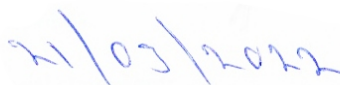
- We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Board and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company and charity legislation) and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- As with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditor's 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, the charitable company's members as a body, and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Brian Mitchell Maloney, (Senior Statutory Auditor)

date



For and on behalf of Brian Maloney & Co., Chartered Certified Accountants, 15A West End, West Calder, EH55 8EH
Brian Maloney is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Almond Valley Heritage Trust

Statement of Financial Activities

(including Income and Expenditure Account)
for the year ended 31st December 2021

Income	Notes	Unrestricted (£)	Restricted (£)	Total Funds 2021 (£)	Total Funds 2020 (£)
Income and Endowments from:					
<i>Donations and legacies</i>	6	26,982	-	26,982	26,603
Income from Charitable Activities:					
<i>Grants & contracts</i>	4,5	190,604	152,886	343,490	688,747
<i>Income from visitor centre operation</i>	5	1,087,149	-	1,087,149	681,031
Investment Income					
<i>Interest Received</i>		-	-	-	3
<i>Listed Investments</i>		1,589	-	1,589	158
Total Income		1,306,324	152,886	1,459,210	1,396,542
Expenditure					
<i>Charitable activities</i>	18	(1,108,161)	(123,180)	(1,231,341)	(948,138)
Raising Funds					
<i>Investment manager's fees</i>		(1,375)	-	(1,375)	(1,049)
Total expenditure		(1,109,536)	(123,180)	(1,232,716)	(949,187)
Net income/(expenditure)		196,788	29,706	226,494	447,355
Net (losses)/gains on investments		13,110	-	13,110	(5,581)
Transfers					
<i>Gross transfers between funds</i>	15	-	-	-	-
Net Movement in Funds	15	209,898	29,706	239,604	441,774
Reconciliation of Funds					
Total Funds Brought Forward	15	2,283,449	157,486	2,440,935	1,999,161
Total Funds Carried Forward		2,493,347	187,192	2,680,539	2,440,935

The statement of financial activities include all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 27 form part of these financial statements.

Almond Valley Heritage Trust

Balance Sheet

at 31st December 2021

		At 31st December 2021	At 31st December 2020
	note	(£)	(£)
Fixed Assets			
<i>Tangible Fixed Assets</i>	7	1,619,114	1,676,456
<i>Intangible Fixed Assets</i>	8	38,179	-
<i>Investments</i>	32	267,809	104,486
Total Fixed Assets		<u>1,925,102</u>	<u>1,780,942</u>
Current Assets			
<i>Stocks</i>	9	58,211	45,471
<i>Debtors and Prepayments</i>	10	47,787	59,604
<i>Cash at Bank and in Hand</i>	11	<u>844,072</u>	<u>790,903</u>
Total Current Assets		950,070	895,978
Liabilities			
<i>Creditors: amounts falling due within one year</i>	12	<u>(110,050)</u>	<u>(81,504)</u>
Net Current Assets		<u>840,020</u>	<u>814,474</u>
Total Assets less Current Liabilities		2,765,122	2,595,416
<i>Creditors: amounts falling due after more than one year</i>	13	(84,583)	(154,481)
Net assets		<u>2,680,539</u>	<u>2,440,935</u>
The Funds of the Charity			
<i>Restricted Funds</i>	15	187,192	157,486
<i>Unrestricted: General Funds</i>	15	2,493,347	2,283,449
Total Charity Funds		<u>2,680,539</u>	<u>2,440,935</u>

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

The financial statements on pages thirteen to twenty seven were approved by the Board of Trustees on 16th of March 2022 and are signed on their behalf by:

Chairman



W.R.V. Percy

16th March 2022

Almond Valley Heritage Trust

Statement of Cashflows

for the year ended 31st December 2021

		Year ended 31st December 2021 (£)	Year ended 31st December 2020. (£)
Cash flows from operating activities	Note		
Cash flows provided by operating activities	29	<u>362,482</u>	<u>489,327</u>
Cash flows from investing activities			
<i>Dividends and interest received from investments</i>		1,589	161
<i>Purchase of property, plant and equipment</i>		(44,128)	(15,432)
<i>Purchase of intangible fixed assets</i>		(57,269)	-
<i>Purchase and proceeds of investments</i>		(150,213)	50,889
Net Cash provided by/(used in) investing activities		<u>(250,021)</u>	<u>35,618</u>
Cash flows from financing activities			
<i>Repayments of borrowing</i>		(63,882)	(25,264)
<i>Interest paid</i>		4,590	7,051
<i>Cash inflows from new borrowings</i>		-	140,000
Net Cash provided by/(used in) financing activities		<u>(59,292)</u>	<u>121,787</u>
Reconciliation of Net cash flow to Movement in bank and cash balances			
<i>Increase / (decrease) in cash and cash equivalents for the year</i>		53,169	646,732
<i>Cash and cash equivalents at the beginning of the year</i>		790,903	144,171
Total cash and cash equivalents at the end of the year	30	<u>844,072</u>	<u>790,903</u>

Notes to the Accounts

1.) Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with the 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 1st January 2019) - (Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Articles of Association and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

The Trustees are of the view that the charity is a going concern on the basis that there enough 'free' reserves and secured grant funding for the next year. Despite the current Covid-19 pandemic, and conflict in Ukraine,, the trustees are of the opinion that there are no material uncertainties about the charity's ability to continue in the foreseeable future. A statement of Cashflows is detailed on page fifteen.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donated services and facilities

Donated items are recorded at nil value due to the prohibitive cost of obtaining a valuation.

Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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 set up by the trustees to earmark assets from the general fund for a specific purpose. Restricted funds are subjected to the statement to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- (i) Costs of raising funds include the costs of managing the investments.
- (ii) Expenditure on charitable activities includes the costs of events, curatorial and other educational activities to further the purposes of the charity and their associated support costs.
- (iii) Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.) Accounting policies (continued)

Allocation of Support Costs

Support costs are those functions that assist the work of the charity but not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the Trust's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 19.

Operating Leases.

Operating lease rentals are charged against income on a straight line basis over the period of the lease, see note 28.

Tangible Fixed Assets

Depreciation of fixed assets are stated at cost less depreciation. The cost of minor additions or those costing below £1,000 are not capitalised.

Building Improvements	2%	straight line
Computers and electronic equipment	25%	reducing balance
Plant, equipment, displays, fittings, furnishings & railway	15%	reducing balance
Vehicles	25%	reducing balance
Site Improvements	33.33%	straight line
Assets Under Construction	0%	
Paraffin Works	4%	straight line

Website Development

It is the policy of the charitable company to amortise website development costing more than £2,000 over three years, being the estimated useful economic life as assessed by the trustees.

Amortisation of intangible fixed assets are stated at cost less amortisation as follows:

Website development	3 years
---------------------	---------

Stock

Goods for resale, and livestock, are valued at the lower of cost and net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes short term highly liquid investment with short maturity.

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 provisions are normally recognised at their settlement amount after any trade discounts due.

Financial Instruments

The Trust 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 measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.) Accounting policies (continued)

Pensions

In June 2015 the charity opened a retirement solutions group personal plan which was open to all employees. At 31 December 2021, 22 employees were members of the pension scheme (year ended 31st December 2020 - 27 employees). The charity also operates two separate self administered defined contribution schemes on behalf of two employees who are not members of the group personal pension plan. Further details pertaining to the pension schemes is detailed in note 24.

Heritage Assets

It is the policy of the charitable Trust not to capitalise Heritage Assets. This is discussed more fully in note 23.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding-up is limited to £1.

Investments

The charity holds assets in an Advance investment portfolio managed by Hunter Wealth Management. These assets are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using a mid-market value. Net gains and losses arising on revaluations and disposals during the period are included in the Statement of Financial Activities.

Impairment of Fixed Assets

At each reporting end date, the charitable company review the carrying amounts of its tangible fixed assets to determine whether there is an indication that these assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.) Net income/(expenditure) for year is stated after charging:

	31st December 2021 (£)	31st December 2020 (£)
Depreciation	101,470	96,630
Amortisation	19,090	-
Operating Lease Costs	2,685	2,804
Audit Fees	4,160	4,000
Accountancy and Payroll Fees	<u>6,019</u>	<u>4,139</u>

3.) Taxation

The charitable company is exempt from corporation tax on its charitable activities. The charitable company is registered for VAT. Much of the income is exempt or outwith the scope of VAT. Consequently, it is not possible to recover all of the VAT paid on expenditure.

4.) Grants & Contracts Income

	Unrestricted (£)	Restricted (£)	2021 (£)	2020 (£)
<i>Revenue Grants and Payments</i>				
WLC - Maintenance Reimbursement	-	10,889	10,889	21,577
<i>Covid Emergency and Recovery Funds</i>				
WLC - Voluntary Sector Modernisation Grant	-	-	-	10,000
WLC - Business Temporary Closure Grants	53,500	-	53,500	2,250
WLC - Business Temporary Closure Grant, top-up	-	-	-	10,000
VisitScotland - Visitor Attraction Support Fund	64,000	-	64,000	-
Museums Galleries Scotland (MGS) extraordinary grant	-	-	-	20,000
MGS - Covid Emergency Fund	-	-	-	60,000
MGS - Covid Adaption Fund	-	-	-	7,500
Firstport - Third Sector Resilience Fund	-	-	-	29,000
National Lottery Heritage Fund - Covid Relief Fund	-	-	-	89,600
MGS - Recovery and Resilience Fund	-	69,000	69,000	207,000
HMRC - Coronavirus Job Retention Scheme	69,604	-	69,604	194,133
Government Grant - 5 year 0% SIS loan	3,500	-	3,500	3,500

4.) Grants & Contracts Income (continued)

	Unrestricted (£)	Restricted (£)	Total 2021 (£)	Total 2020 (£)
<i>Project Grants</i>				
MGS - Revealing the plot project	-	16,356	16,356	21,717
WLC - Town Centre Fund - Livingston Mill project	-	4,176	4,176	11,340
MGS - Digital Resilience Fund	-	-	-	-
MGS - Sunny Adventures	-	21,000	21,000	-
VisitScotland - Days Out Incentive Fund	-	23,000	23,000	-
MGS - Safe Reopening in 2021	-	7,465	7,465	-
MGS - Lost Creatures and Hidden Rivers	-	1,000	1,000	-
MGS - Digital Resilience Fund	-	-	-	1,130
	<u>190,604</u>	<u>152,886</u>	<u>343,490</u>	<u>688,747</u>

5.) Income from Charitable Activities

	Unrestricted (£)	Restricted (£)	Total 31st December 2021 (£)	Total 31st December 2020 (£)
Grants and Contracts (see note 4)	190,604	152,886	343,490	688,747
Income from Visitor Centre Operation	<u>1,087,149</u>	-	<u>1,087,149</u>	<u>681,031</u>
	<u>1,277,753</u>	<u>152,886</u>	<u>1,430,639</u>	<u>1,369,778</u>

6.) Income from Donations and Legacies

	Unrestricted (£)	Restricted (£)	Total 31st December 2021 (£)	Total 31st December 2020 (£)
Sundry Donations and Other Income	4,900	-	4,900	7,530
Gift Aid	<u>22,082</u>	-	<u>22,082</u>	<u>19,073</u>
	<u>26,982</u>	-	<u>26,982</u>	<u>26,603</u>

7.) Tangible Fixed Assets

Cost	Buildings Improvements £	Site Improvements £	Plant & Equipment £	Computers £	Vehicles £	Paraffin Works £	Payments on Account and Assets under Construction £	Total £
At 1st January 2021	1,540,184	407,653	948,276	40,991	19,437	360,194	4,288	3,321,023
Additions	-	13,051	19,964	11,113	-	-	-	44,128
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
At 31st Dec. 2021	<u>1,540,184</u>	<u>420,704</u>	<u>968,240</u>	<u>52,104</u>	<u>19,437</u>	<u>360,194</u>	<u>4,288</u>	<u>3,365,151</u>

Depreciation

At 1st January 2021	399,443	389,642	774,431	33,323	18,913	28,815	-	1,644,567
Disposals	-	-	-	-	-	-	-	-
Charge for Year	30,804	22,361	29,071	4,695	131	14,408	-	101,470
Transfers	-	-	-	-	-	-	-	-
At 31st Dec. 2021	<u>430,247</u>	<u>412,003</u>	<u>803,502</u>	<u>38,018</u>	<u>19,044</u>	<u>43,223</u>	-	<u>1,746,037</u>

Net Book Amount

At 31st Dec. 2021	<u>1,109,937</u>	<u>8,701</u>	<u>164,738</u>	<u>14,086</u>	<u>393</u>	<u>316,971</u>	<u>4,288</u>	<u>1,619,114</u>
At 31st Dec. 2020	<u>1,140,741</u>	<u>18,011</u>	<u>173,845</u>	<u>7,668</u>	<u>524</u>	<u>331,379</u>	<u>4,288</u>	<u>1,676,456</u>

8.) Intangible Fixed Assets

	Website development (£)
As at 1st January 2021	-
Additions	<u>57,269</u>
As at 31st December 2021	<u>57,269</u>
<u>Amortisation</u>	
As at 1st January 2021	-
Charge for the year	<u>19,090</u>
As at 31st December 2021	<u>19,090</u>
<u>Net Book Amount</u>	
At 31st December 2021	<u>38,179</u>
At 31st December 2020	<u>-</u>

9.) Stocks

	31st December 2021 (£)	31st December 2020 (£)
Livestock and Goods for Resale	<u>58,211</u>	<u>45,471</u>

10.) Debtors

	31st December 2021 (£)	31st December 2020 (£)
Grants Receivable	12,598	32,971
Trade Debtors	20,242	14,810
Income Tax Receivable (Gift Aid)	9,196	9,050
Prepayments	<u>5,751</u>	<u>2,773</u>
	<u>47,787</u>	<u>59,604</u>

11.) Cash at Bank and In Hand

	31st December 2021 (£)	31st December 2020 (£)
Bank: Current Account	842,755	789,379
Cash at Hand	<u>1,317</u>	<u>1,524</u>
	<u>844,072</u>	<u>790,903</u>

12.) Creditors: amounts falling due within one year

	31st December 2021 (£)	31st December 2020 (£)
Trade Creditors	17,446	6,465
Tax and Social Security Costs	13,280	10,458
Accruals	5,484	3,450
Loan - Bank of Scotland	34,898	38,875
Loan - Social Investment Scotland	35,000	20,417
Bank - Credit Card	<u>3,942</u>	<u>1,839</u>
	<u>110,050</u>	<u>81,504</u>

13.) Creditors: amounts falling due after more than one year

	31st December 2021 (£)	31st December 2020 (£)
Due within Two and Five Years	-	-
Loan: Bank of Scotland	-	34,898
Loan: Social Investment Scotland	84,583	119,583
Due after more than Five Years:	-	-
Loan: Bank of Scotland	-	-
Loan: Social Investment Scotland	-	-
	<u>84,583</u>	<u>154,481</u>

14.) Share Capital

The charity is limited by guarantee and as such does not have a share capital.

15.) Analysis of Charitable Funds

	As at 1st January 2021	Transfer of Funds	Incoming Resources	Outgoing Resources	Gains/(Losses) on investments	As at 31/12/21
	(£)	(£)	(£)	(£)	(£)	(£)
Analysis of movements in restricted funds						
WLC Maintenance Fund	-	-	10,889	(10,889)	-	-
MGS - Recovery & Resilience	-	-	69,000	(30,222)	-	38,778
MGS - Revealing the Plot	-	-	16,356	(13,256)	-	3,100
MGS - Safe Reopening in 2021	-	-	7,465	(7,465)	-	-
MGS - Sunny Adventures	-	-	21,000	(21,000)	-	-
MGS - Lost Creatures and Hidden Rivers	-	-	1,000	(1,000)	-	-
VisitScotland - Days Out Incentive Fund	-	-	23,000	(23,000)	-	-
WLC - Town Centre Fund - Mill	9,639	-	4,176	(2,065)	-	11,750
MGS - Digital Resilience Fund	847	-	-	(283)	-	564
LEADER - Oil Works Discovery Space	147,000	-	-	(14,000)	-	133,000
		-			-	
Total	157,486	-	152,886	(123,180)	-	187,192
Analysis of movements in unrestricted funds						
General Fund	2,283,449	-	1,306,324	(1,109,536)	13,110	2,493,347
Total	2,283,449	-	1,306,324	(1,109,536)	13,110	2,493,347
Total Funds	2,440,935	-	1,459,210	(1,232,716)	13,110	2,680,539

The analysis of charitable funds for the year ended 31 December 2020, the comparative period, is as follows

Analysis of Charitable Funds for year ended 31 December 2020:

	As at 1st January 2020	Transfer of Funds	Incoming Resources	Outgoing Resources	Gains/(Losses) on investments	As at 31/12/20
	(£)	(£)	(£)	(£)	(£)	(£)
Analysis of movements in restricted funds						
WLC Maintenance Fund	-	-	21,577	(21,577)	-	-
MGS - Extraordinary Grant Fund	-	-	20,000	(20,000)	-	-
MGS - Covid Emergency Fund	-	-	60,000	(60,000)	-	-
MGS - Covid Adaption Fund	-	-	7,500	(7,500)	-	-
Firstport - Third Sector Resilience Fund	-	-	29,000	(29,000)	-	-
NLHF - Covid Relief Fund	-	-	89,600	(89,600)	-	-
MGS - Recovery and Resilience Fund	-	-	207,000	(207,000)	-	-
MGS - Revealing the Plot	-	-	21,717	(21,717)	-	-
WLC - Town Centre Fund - Mill	-	-	11,340	(1,701)	-	9,639
MGS - Digital Resilience Fund	-	-	1,130	(283)	-	847
LEADER - Oil Works Discovery Space	161,000	-	-	(14,000)	-	147,000
		-			-	
Total	161,000	-	468,864	(472,378)	-	157,486
Analysis of movements in unrestricted funds						
General Fund	1,838,161	-	927,678	(476,809)	(5,581)	2,283,449
Total	1,838,161	-	927,678	(476,809)	(5,581)	2,283,449
Total Funds	1,999,161	-	1,396,542	(949,187)	(5,581)	2,440,935

General Funds

The general fund represents income received and expenditure incurred in respect of the day to day running of the charity. Decision making on how general fund income and expenditure is utilised is at the discretion of the Trustees.

Purpose of Restricted Funds

WLC Maintenance Fund

Reimbursement by West Lothian Council of expenditure incurred in works associated with the upkeep of the buildings and site at Almond Valley, covering the financial year from April to the following March. Funding cannot be carried over from one year to another.

MGS Extraordinary Grant Fund

A Museums Galleries Scotland fund to provide immediate financial assistance at the onset of the Covid-19 pandemic.

MGS Covid Emergency Fund

A Museums Galleries Scotland fund to support revenue costs during the Covid-19 pandemic.

MGS Covid Adaption Fund

A Museums Galleries Scotland fund to purchase equipment and consumables to enable safe re-opening to visitors after the first lockdown.

Firstport Third Sector Resilience Fund

A grant awarded by Firstport to support third sector organisations during the initial impact of the pandemic.

NLHF Covid Relief Fund

A grant awarded by National Lottery Heritage Fund to support running costs from 01/07/20 to 01/10/20.

MGS Recovery and Resilience Fund

A Museums Galleries Scotland grant of £207,000 (being 75% of a total award of £276,000) to support revenue costs during Covid restrictions between November 2020 and March 2021, and also funding improvements that would improve future sustainability. Defined objectives included the development of administrative software with an associated website, and organisational development works including a governance review. At the end of the year, the objectives of the first phase of work had been met. The remaining 25% of the grant (£69,000) was released during the year following expenditure on approved purposes.

MGS - Revealing the Plot

A project funded from the Museum and Galleries Scotland's Recognition Fund to create a new web presence for the Museum of the Scottish shale oil industry, contributing 91% of costs up to £50,000. The project was completed in April 2021.

MGS - Safe Reopening in 2021

Funding from Museums Galleries Scotland to support the additional cost of materials and equipment required to reopen in compliance with Covid restrictions.

MGS Digital Resilience Fund

A Museum Galleries Scotland fund to support home working and other digital responses to the Covid pandemic. The grant funded purchase of two laptops. Depreciation of 25% reducing balance method has been applied to capital expenditure.

LEADER - Oil Works Discovery Space ("The Paraffin Works")

A grant fund operated by LEADER which has created an innovative play and learning space in Charlesfield, based on the processes of the shale oil industry, that will reflect local identity and attract additional visitors. Depreciation at 4% straight line method has been applied to capital expenditure.

WLC - Town Centre Fund, Livingston Mill

A project partially funded by two awards from West Lothian Council's Town Centre Capital Grants fund towards capital improvements at Livingston Mill, including refurbishment of the waterwheel. Depreciation of 15% reducing balance method has been applied as the expenditure was capital in nature.

MGS - Lost Creatures and Hidden Rivers

Funding awarded from Museum Galleries Scotland COP26 conversations fund towards a programme of events exploring climate change issues.

MGS - Sunny Adventures

Grant awarded by Museums Galleries Scotland under the "Summer of Fun" programme involving learning activities and special out-of-hours openings for disadvantaged families in which the cost of admission and catering were covered by the grant.

VisitScotland Days Out incentive Fund

A fund administered by VisitScotland that enabled admission to be offered at half price during November and December.

16.) Loans and Floating Charges

On 29th November 2013, a bond and floating charge was secured on the whole of the property at Mill Farm, Millfield, Livingston Village in favour of the Bank of Scotland prior to a loan advance of £250,000 provided to Almond Valley Heritage Trust on 29th April 2014. This loan is repayable over 8 years at a fixed rate interest of 8.89% per annum. A loan advance of £140,000 was provided by Social Investment Scotland Ltd. on 19th of June 2020 to aid cashflow over the course of the Covid crisis. The loan is repayable over 5 years with no repayments due in the first year of the loan. Loan repayments started on the 13th month of the loan i.e. on the 30th June 2021. There are no bonds or floating charges held over the assets of the charitable company in favour of Social Investment Scotland Ltd as a result of securing this loan. A Government grant and loan interest of £3,500 have been included in the financial statements to reflect that the Government are paying the interest payment on the loan, despite the fact that the charitable company are paying 0% interest.

17.) Trustees Remuneration and Related Party Transactions

No members of the Board of Trustees received remuneration during the year ended 31 December 2021, (year ended 31 December 2020 - £nil). Travel costs amounting to £396 were reimbursed to one member of the board of Trustees (year ended 31 December 2020 - £124 - one trustee). No accommodation costs were reimbursed during the year ended 31 December 2021 (year ended 31 December 2020 - £nil). During the year, no further expense claims were reimbursed to any Trustee for any other purpose (year ended 31st December 2020 - £nil).

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period (year ended 31st December 2020 - £ nil). No charity Trustee received any other benefit or received payment for professional services supplied to the charity during the period, (year ended 31st December 2020 - £ nil).

18.) Analysis of Expenditure on Charitable Activities

	Delivering the user experience (£)	Maintaining the user experience (£)	Curatorial works (£)	31st December 2021 (£)	31st December 2020 (£)
Shop Stock Costs	28,795	-	-	28,795	14,920
Catering and Confectionery Costs	102,175	-	-	102,175	51,360
Birthday Party Costs	-	-	-	-	658
Farm Costs	29,922	-	-	29,922	18,838
Home-grown Produce Costs	67	-	-	67	309
Play Area Costs	478	-	-	478	635
Discounted admission funded by grant	32,534	-	-	32,534	-
Salaries and National Insurance (inc'd pension)	470,856	-	27,576	498,432	466,430
Staff Travel and Training	2,072	-	-	2,072	1,926
Telephone and Internet Charges	6,178	-	1,544	7,722	6,607
Post, Stationery, Adverts	11,055	-	2,764	13,819	22,780
Professional Fees	16,712	-	-	16,712	1,939
Heating, Lighting and Water	40,358	-	10,089	50,447	48,343
Site & Plant Maintenance (incl'd salaries)	-	136,410	-	136,410	46,425
Rent	185	-	-	185	185
Insurance	17,443	-	-	17,443	14,518
Janitorial Costs	10,858	-	2,714	13,572	13,939
Museum Budgets	-	-	1,967	1,967	1,327
Event and Service Costs	10,848	-	-	10,848	9,389
Depreciation (including impairment of fixed assets)	67,395	53,165	-	120,560	96,630
Governance Costs (see note 19)	396	-	-	396	124
Support Costs (see note 19)	146,785	-	-	146,785	130,856
	<u>995,112</u>	<u>189,575</u>	<u>46,654</u>	<u>1,231,341</u>	<u>948,138</u>

Expenditure on charitable activities was £1,231,341 (year ended 31 December 2020 - £948,138) of which £1,108,161 was unrestricted (year ended 31 December 2020 - £475,760) and £123,180 was restricted (year ended 31 December 2020 - £472,378).

19.) Analysis of Support and Governance Costs

The Trust initially identifies the costs of the support functions. It then identifies which costs related to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable objectives undertaken in the year. Refer to the table below for the basis of apportionment and the analysis of support and governance costs.

	General Support 2021 (£)	General Support 2020 (£)	Governance Function 2021 (£)	Governance Function 2020 (£)	Total 2021 (£)	Total 2020 (£)	Basis of Apportionment
Wages and National Insurance	117,623	105,170	-	-	117,623	105,170	allocated on time
Trust Administration	3,658	2,683	-	-	3,658	2,683	direct
Lease and Rental Charges	2,685	2,804	-	-	2,685	2,804	direct
Bank Charges	4,550	1,509	-	-	4,550	1,509	direct
Loan Interest	8,090	10,551	-	-	8,090	10,551	direct
Audit and Accountancy Fees	10,179	8,139	-	-	10,179	8,139	direct
Trustee Travel Reimbursements	-	-	396	124	396	124	governance
	<u>146,785</u>	<u>130,856</u>	<u>396</u>	<u>124</u>	<u>147,181</u>	<u>130,980</u>	

20.) Summary Analysis of Expenditure and Related Income for Charitable Activities

	Delivering the User Experience (£)	Maintaining the User Experience (£)	Curatorial Works (£)	Total for year ended 31st Dec. 2021 (£)	Total for year ended 31st Dec. 2020 (£)
Costs	(995,112)	(189,575)	(46,654)	(1,231,341)	(948,138)
Grants	-	-	-	-	-
Admission Charges	540,066	-	-	540,066	352,292
	<u>(455,046)</u>	<u>(189,575)</u>	<u>(46,654)</u>	<u>(691,275)</u>	<u>(595,846)</u>
Grant Support	-	-	-	-	-
Net cost funded from other income	<u>(455,046)</u>	<u>(189,575)</u>	<u>(46,654)</u>	<u>(691,275)</u>	<u>(595,846)</u>

21.) Staff Costs and Numbers

	Total for year ended 31st Dec. 2021 (£)	Total for year ended 31st Dec. 2020 (£)
Salaries and Wages	627,764	526,737
Social Security Costs	43,928	35,844
Employment Allowance	(4,000)	(4,000)
Pension Costs	15,539	13,019
Total	<u>683,231</u>	<u>571,600</u>

No employee received emoluments of more than £60,000. Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds. The total employee benefits of the key management personnel of the Trust was £93,062 (year ended 31 December 2020 - £83,459). Details of the payments made to Trustees are outlined in note 16 of the financial statements. The average number of employees during the year, calculated on the basis of full time equivalents was as follows:

	<u>2021</u>	<u>2020</u>
Chief Executive	1	1
Management Team	5	5
Catering Staff	15	8
Part-time and Temporary Staff	18	13
Museum Staff	1	1
Total	<u>40</u>	<u>28</u>

The average headcount during the period was 38 staff, (2020 - 33 staff).

22.) Analysis of Net Assets between Funds

	General Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total Funds (£)
Tangible Fixed Assets	1,465,791	-	153,323	1,619,114
Intangible Fixed Assets	4,360	-	33,819	38,179
Investments	267,809	-	-	267,809
Current Assets	950,020	-	50	950,070
Current Liabilities	(110,050)	-	-	(110,050)
Non Current Liabilities	(84,583)	-	-	(84,583)
Net Assets at 31st December 2021	<u>2,493,347</u>	<u>-</u>	<u>187,192</u>	<u>2,680,539</u>

The analysis of net assets between funds for the year ended 31 December 2020, the comparative period, is as follows:

	General Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total Funds (£)
Tangible Fixed Assets	1,518,970	-	157,486	1,676,456
Investments	104,486	-	-	104,486
Current Assets	895,978	-	-	895,978
Current Liabilities	(81,504)	-	-	(81,504)
Non Current Liabilities	(154,481)	-	-	(154,481)
Net Assets at 31st December 2020	<u>2,283,449</u>	<u>-</u>	<u>157,486</u>	<u>2,440,935</u>

23.) Heritage Assets

Almond Valley is a fully Accredited Museum. This accreditation process involves external examination of museum policies and a verification that they meet nationally agreed standards. The museum policies governing the acquisition and disposal of collection items define the types of objects that may be accessioned into the collection, makes clear the expectation that all will be held in perpetuity, but provides a process by which items might be disposed of under exceptional circumstances. The museum collection is maintained principally for its contribution to knowledge and culture. Trustees do not consider such "heritage assets" to be operational assets and therefore do not include these in the balance sheet.

Due to the specialist nature of the collecting areas defined in the collecting policy, it is unlikely that the museum will ever acquire objects of substantial financial value. At the end of December 2021, the collection consisted of approximately 5,000 items or groups of items representing a total value of £74,674. Full details of the collection are recorded in the Trust's Accession Register. Other than one object with an estimated value of £15,000, and six with values between £1,000 and £10,000, all objects were valued at less than £1,000, with the vast majority of objects (more than 95% of the collection) being valued at less than £50. Valuations are derived from purchase cost at acquisition, or a Curator's estimate of the value of donated objects. During the year ending 31st December 2021, items valued at £1,250 were added to the museum collection by purchase (£1,327 in year ended 31 December 2020), collection items valued at £nil were donated (£nil in year to 31 December 2020). No collection items were disposed of over that period, and no change in value occurred in respect of impairment of collection items.

	Year ended 31 Mar. 2021	Year ended 31 Dec 2020	Year ended 31 Dec. 2019	Year ended 31 Dec. 2018	Period ended 31 Dec. 2017	Year ended 31 Mar. 2017
	£	£	£	£	£	£
Opening Balance	73,424	72,097	69,850	68,335	66,335	63,676
Heritage Assets Acquired by Purchase	1,250	1,327	1,997	1,515	1,250	1,825
Heritage Assets Acquired by Donation (at Curator's Estimated Value)	-	-	250	-	750	834
Heritage Assets Disposals	-	-	-	-	-	-
Closing Balance	<u>74,674</u>	<u>73,424</u>	<u>72,097</u>	<u>69,850</u>	<u>68,335</u>	<u>66,335</u>

24.) Pension

During the year, the charitable company contributed £4,488 (year ended 31 December 2020 - £3,115) into two separate self administered defined contribution pension schemes for two employees (year ended 31 December 2020 - 2) and £11,027 (year ended 31 December 2020 - £9,918) into a retirements solutions group pension plan administered by Royal London for the remaining staff. In respect of the Royal London plan there were outstanding pension contributions of £2,413 due at the year end (year ended 31 December 2020 - £2,153). £1,373 was due in respect to the two separate self administered plans at the year end (year ending 31 December 2020 - nil)

25.) Non Audit Services

In common with many other organisations of its size and nature, the Trust uses its auditors to assist with the preparation of the statutory financial statements.

26.) Capital Commitments

At 31st December 2021 the charitable company had no contracted commitments (year ended 31 Dec. 2020 - £nil).

27.) Taxation

The charitable company is exempt from corporation tax on its charitable activities.

The charitable company is registered for VAT. Much of the income is exempt or outwith the scope of VAT. Consequently it is not possible to recover all of the VAT paid on expenditure.

28.) Operating Lease Commitments

Annual commitments under operating leases are as follows:

	year ending 31st December 2021 (£)	year ending 31st December 2020 (£)
Amounts due within one year	2,242	2,389
Amounts due within one and two years	1,696	2,242
Amounts due within two and five years	226	1,922
Amounts due after more than five years	-	-
	<u>4,164</u>	<u>6,553</u>

The operating lease commitment relates to the lease of seven credit card machines and one franking machine.

The amounts have been stated net of VAT and do not include non-recoverable VAT.

29.) Reconciliation of Net Income/(Expenditure) to net cash flow from operating activities

	year ended 31st December 2021 (£)	year ended 31st December 2020 (£)
Net Movement in Funds	239,604	441,774
Adjustments for:		
Interest received	-	(3)
Dividends	(1,589)	(158)
Depreciation and Amortisation charges	120,560	96,630
Loss/(Gains) on investments	(13,110)	5,581
Decrease/(Increase) in Stocks	(12,740)	(2,729)
Decrease/(Increase) in Debtors	11,817	(8,576)
Increase/(Decrease) in Creditors	17,940	(43,192)
Net Cash provided by Operating Activities	<u>362,482</u>	<u>489,327</u>

30.) Analysis of Cash and Cash Equivalents

	year ended 31st December 2021 (£)	year ending 31st December 2020 (£)
Cash at hand		
Notice deposits (less than 12 months)	844,072	790,903
Overdraft facility repayable on demand	-	-
	<u>844,072</u>	<u>790,903</u>

31.) Analysis of Changes in Net Debt

	At 1 Jan. 2021 £	Cashflows £	Other non-cash changes £	At 31 Dec. 2021 £
Cash and cash equivalents				
Cash	790,903	53,169	-	844,072
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>790,903</u>	<u>53,169</u>	<u>-</u>	<u>844,072</u>
Borrowings				
Debt due within one year	(59,292)	59,292	(69,898)	(69,898)
Debt due after one year	(154,481)	-	69,898	(84,583)
	<u>(213,773)</u>	<u>59,292</u>	<u>-</u>	<u>(154,481)</u>
Total	<u>577,130</u>	<u>112,461</u>	<u>-</u>	<u>689,591</u>

32.) Investments

Listed Investments	year ended	year ended
	31st December 2021	31st December 2020 as restated
	(£)	(£)
Fair Value at beginning of year	104,186	160,956
Purchases/(Disposals) during the year	150,000	(50,601)
Fees charged	(1,375)	(1,049)
Dividends/Interest	1,589	161
Movement on Investments	<u>13,110</u>	<u>(5,581)</u>
Market value at end of period	<u>267,510</u>	<u>103,886</u>
Investments held in cash	<u>300</u>	<u>300</u>
Fair value at end of period	<u>267,810</u>	<u>104,186</u>
Book cost of investments	<u>258,663</u>	<u>100,216</u>

The asset allocation within the investments were as follows:

UK holdings	31st Dec.2021	31st Dec. 2020
	(£)	as restated (£)
UK holdings	47,751	17,805
Overseas holdings	219,759	86,081
Cash held for reinvestment	<u>300</u>	<u>300</u>
	<u>267,810</u>	<u>104,186</u>

The following holdings comprise more than 5% of the investment portfolio:

ASI Balanced Growth Platform I Acc.	23,904	1,607
Aviva Inv Multi asset I 2	46,028	23,998
Aviva Inv Multi asset III 2	34,791	11,486
Axa Global Distribution Z Acc	36,546	12,369
Premier Multi-Asset Growth & Income C Acc	44,479	20,620
SEI Balanced Sterling Wealth A GBP	32,984	9,675
Vanguard Life Strategy 60% Equity A Acc	<u>48,852</u>	<u>24,421</u>