

**South Ayrshire Council
Charitable Trust Funds**

**2025/26 Trustees' Annual Report
and Financial Statements**

(Unaudited)



South Ayrshire Council Charitable Trust Funds (Unaudited)

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South Ayrshire Council Charitable Trust Funds (Unaudited)

Trustees' Annual Report

The Trustees present their Annual Report and Financial Statements in respect of the following charitable trusts, registered with the Office of the Scottish Charity Regulator (OSCR) and administered on behalf of the Trustees by South Ayrshire Council:

SC012759 McKechnie Library Trust (McKechnie)

SC016728 David Elder Edward Fund (DEEF)

SC025088 South Ayrshire Council Charitable Trusts (SAC CT)

SC045677 South Ayrshire Charitable Trust (SACT)

Principal address

South Ayrshire Council
County Buildings
Wellington Square
Ayr
KA7 1DR

Auditor

Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
United Kingdom
G2 1BT

Trustees

McKechnie Library Trust:

Councillor Alec Clark
Councillor Alan Lamont
Councillor Gavin Scott

Per the McKechnie Library Trust's founding deed, the Trustees are the "Chief Magistrate of Girvan along with the Factor of Bargany Estate". The Trustees are now deemed to be the elected councillors of Girvan and South Carrick ex-officio.

David Elder Edward Fund:

Provost Iain Campbell
Councillor Alec Clark
Jane Bradley, Director of Communities & Transformation

The Trustees are the Provost, one Elected Member and one Chief Officer of South Ayrshire Council.

South Ayrshire Council Charitable Trust Funds (Unaudited)

Trustees' Annual Report (continued)

Trustees (continued)

South Ayrshire Council Charitable Trusts; South Ayrshire Charitable Trust:

Councillor Kenneth Bell	Councillor Hugh Hunter
Councillor Laura Brennan-Whitefield	Councillor Martin Kilbride
Councillor Iain Campbell	Councillor Mary Kilpatrick
Councillor Ian Cavana	Councillor Alan Lamont
Councillor Alec Clark	Councillor Lee Lyons
Councillor Ian Cochrane	Councillor Craig Mackay
Councillor Brian Connolly	Councillor Brian McGinley
Councillor Chris Cullen	Councillor Bob Pollock
Councillor Ian Davis	Councillor Cameron Ramsay
Councillor Julie Dettbarn	Councillor Philip Saxton
Councillor Mark Dixon (until 22 July 2025)	Councillor Gavin Scott
Councillor Martin Dowe	Councillor Bob Shields
Councillor Stephen Ferry	Councillor Duncan Townson
Councillor William Grant	Councillor George Weir
Councillor Wullie Hogg (from 17 October 2025)	

The Trustees are Elected Members of South Ayrshire Council ex-officio. Training is provided to Elected Members on the role and responsibilities of Trustees, both in general and specifically related to the objectives of the Trusts. Training is refreshed following local government elections.

Founding documents and purpose

McKechnie Library Trust:

The founding document is a Disposition and Settlement by Thomas McKechnie dated 7 May 1886. The purpose was the founding and operation of a library and reading rooms in Dalrymple Street, Girvan. This purpose was superseded by the establishment of a local authority public library and the McKechnie Institute building owned by the Trust is now a museum and exhibition centre.

David Elder Edward Fund:

The Trust was set up from the Will of David Elder Edward. The purpose of the Trust is to provide a new art gallery, the acquisition of art, art gallery equipment and the storage thereafter, which works of art shall relate to local area and for such other charitable purposes as they in their sole discretion shall decide.

South Ayrshire Council Charitable Trusts:

The Trust was set up from Trust document. The purposes of the Trust are to fund maintenance of the War Memorial at Turnberry golf course and prizes/ bursaries for specific schools in South Ayrshire.

South Ayrshire Council Charitable Trust Funds (Unaudited)

Trustees' Annual Report (continued)

Founding documents and purpose (continued)

South Ayrshire Charitable Trust:

The Trust was established by the approval of the South Ayrshire Charitable Trust Deed by South Ayrshire Council on 18 December 2014. The purposes of the Trust are:

- a) the prevention and relief of poverty; and
- b) the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage in South Ayrshire.

Within this Trust, funds are restricted by geographical area (refer below). A further restrictive purpose (for relieving ill-health) was previously in place over certain funds within the Troon area; however, these funds have now been fully disbursed.

Summary of main achievements of the Trusts during the financial year

McKechnie Library Trust:

The McKechnie Institute building is leased to South Ayrshire Council indefinitely, subject to tacit relocation, for the sum of £10 per annum which is not normally requested.

The Trust made no disbursements during the financial year. Funds are held for maintenance of the McKechnie Institute which is leased to South Ayrshire Council on a tenant repairing lease. Accordingly, opportunities for disbursement of the Trust's funds do not frequently present themselves. However, further consideration will be given as to how these funds can best be utilised in the future for the purpose of the Trust.

David Elder Edward Fund:

During the financial year, the Trust incurred expenditure on the enhancement of the visitor experience at Maclaurin Gallery at Rozelle House, a number of exhibitions, commissions and the purchase of artwork, and a series of school visits to Maclaurin Gallery including interactive art and craft activities.

South Ayrshire Council Charitable Trusts:

The Trust made no disbursements during the financial year. However, steps are being actively taken in conjunction with relevant schools in order to ensure that these funds will be utilised in future years for the purposes of the Trust.

South Ayrshire Charitable Trust:

As the Trust's revenue reserves were almost fully exhausted at the end of financial year 2024/25, South Ayrshire Council approved a 2025/26 budget allocation of £50,000 to fund a 'small grants' scheme. The Trustees formally accepted that contribution and approved an allocation to each electoral ward in South Ayrshire. Decisions for the disbursement of funds are delegated to committees of Trustees comprising councillors for each electoral ward, which convened during the year and after consideration of applications and other relevant information, approved the following disbursements in 2025/26:

South Ayrshire Council Charitable Trust Funds (Unaudited)

Trustees' Annual Report (continued)

Summary of main achievements of the Trusts during the financial year (continued)

South Ayrshire Charitable Trust (continued):

	Number	Amount £
Ayr	8	12,140
Prestwick	8	3,754
Troon	3	2,000
Maybole, North Carrick and Coylton	2	750
Girvan and South Carrick	8	5,500
Total	29	24,144

All disbursements were made to various community groups including youth and vulnerable people groups and neighbourhood action groups for a range of projects determined by the committees to be in keeping with the purposes of the Trusts.

Reserves policy

The Trusts have the authority to spend all funds as approved by the Trustees, as restricted by the appropriate geographical area or school. The Trustees' intent is to reduce the Trusts' reserves through the awarding of grants, prizes and bursaries which meet the Trusts' objectives.

At the end of the financial year, unrestricted reserves and reserves with restrictions totalled £321,633 (2024/25: £345,077). A combined deficit of £23,444 was recorded for the financial year (2024/25: deficit of £9,917), primarily due to the decisions taken by the Trustees to expend the Trusts' reserves on their stated objectives and to a lesser extent, the costs of administering the Trusts being greater than income from investments.

The Trusts' reserves are held within South Ayrshire Council's Loans Fund, external investments and cash.

Other information

The Chief Financial Officer of South Ayrshire Council is the designated officer with responsibility for the proper administration of the Trusts' financial affairs and is also responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

The administration of predecessor trusts in the Girvan area to South Ayrshire Charitable Trust transferred to South Ayrshire Council during 2012/13. The process of transferring these predecessor trusts' assets remains challenging, with a considerable volume of supporting evidence required from each Trustee to transfer old investment shareholdings to the current Trustees and consequently release outstanding investment income. Further progress was made during the financial year and the process should to conclude during 2026/27.

At 31 March 2026, £1,622 of income was received but remained uncashed and not accounted for in the Statement of Receipts and Payments on page 6. When the transfer of shareholdings is complete, all uncashed income will be appropriately accounted for in the Statement of Receipts and Payments in that financial year.

South Ayrshire Council Charitable Trust Funds (Unaudited)

Trustees' Annual Report (continued)

Other information (continued)

The investment in 3½% War Stock was redeemed but not received as the stock is still held in the names of former trustees. Accordingly, this is shown in the Statement of Balances on page 7 as the stock held remains an asset of South Ayrshire Charitable Trust.

To be signed on behalf of the Trustees (audited financial statements only)

South Ayrshire Council Charitable Trust Funds (Unaudited)

Statement of Receipts and Payments for the year ended 31 March 2026

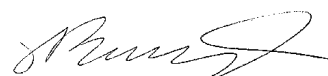
	Note	SC012759 (McKechnie): Unrestricted £	SC016728 (DEEF): Unrestricted £	SC025088 (SAC CT): Restricted £	SC045677 (SACT): Restricted £	Total 2025/26 £
Receipts:						
Investment income	6, 9	285	37,671	3,239	1,261	42,456
Charitable activities	7	-	-	-	50,000	50,000
Total receipts		285	37,671	3,239	51,261	92,456
Payments:						
Charitable activities	7	-	(81,591)	-	(24,144)	(105,735)
Governance costs	10	(228)	(5,547)	(253)	(4,137)	(10,165)
Total payments		(228)	(87,138)	(253)	(28,281)	(115,900)
Surplus/ (deficit)		57	(49,467)	2,986	22,980	(23,444)
Comparative information						
	Note	SC012759 (McKechnie): Unrestricted £	SC016728 (DEEF): Unrestricted £	SC025088 (SAC CT): Restricted £	SC045677 (SACT): Restricted £	Total 2024/25 £
Receipts:						
Investment income	6, 9	165	27,453	1,828	804	30,250
Charitable activities	7	-	-	-	2,535	2,535
Total receipts		165	27,453	1,828	3,339	32,785
Payments:						
Charitable activities	7	-	(15,108)	-	(17,860)	(32,968)
Governance costs	10	(229)	(5,519)	(264)	(3,722)	(9,734)
Total payments		(229)	(20,627)	(264)	(21,582)	(42,702)
Surplus/ (deficit)		(64)	6,826	1,564	(18,243)	(9,917)

South Ayrshire Council Charitable Trust Funds (Unaudited)

Statement of Balances as at 31 March 2026

	Note	SC012759 McKechnie £	SC016728 DEEF £	SC025088 SAC CT £	SC045677 SACT £	Total 2025/26 £
Investments	9	2,586	604,690	-	14,867	622,143
Bank and cash:						
Unrestricted funds		3,521	250,296	-	-	253,817
Restricted funds	2	-	-	40,399	23,649	64,048
Permanent endowment funds	3	-	-	3,768	-	3,768
Total current assets		3,521	250,296	44,167	23,649	321,633
Total assets		6,107	854,986	44,167	38,516	943,776
Comparative information						
	Note	SC012759 McKechnie £	SC016728 DEEF £	SC025088 SAC CT £	SC045677 SACT £	Total 2024/25 £
Investments	9	2,586	512,714	-	14,867	530,167
Bank and cash:						
Unrestricted funds		3,464	299,763	-	-	303,227
Restricted funds	2	-	-	37,413	669	38,082
Permanent endowment funds	3	-	-	3,768	-	3,768
Total current assets		3,464	299,763	41,181	669	345,077
Total assets		6,050	812,477	41,181	15,536	875,244

*To be signed on behalf of the Trustees
(audited financial statements only)*



Tim Baulk BA Acc CPFA
Chief Financial Officer
South Ayrshire Council

24 June 2026

South Ayrshire Council Charitable Trust Funds (Unaudited)

Notes to the Financial Statements

1 Basis of financial statements

These financial statements have been prepared on a receipts and payments basis in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended). The financial statements are prepared on a going concern basis as the Trustees consider that the Charitable Trusts are financially sustainable for the foreseeable future.

2 Restricted funds

The Trusts' restricted funds are analysed as follows:

	2026 £	2025 £
SC025088 SAC CT	40,399	37,413

The Trust's funds are restricted in line with the purposes of the Trust, i.e. to fund maintenance of the War Memorial at Turnberry golf course and for prizes/ bursaries for specific schools in South Ayrshire.

SC045677 SACT:

Ayr	6,360	634
Prestwick	2,244	35
Troon	3,869	-
Kyle	5,832	-
Maybole, North Carrick and Coylton	5,101	-
Girvan and South Carrick	243	-
Total SC045677 SACT	23,649	669

The Trust's funds are restricted geographically to the above electoral wards.

Total restricted funds	64,048	38,082
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3 Permanent endowment funds

Permanent endowment funds are held with South Ayrshire Council for the benefit of the Trusts as a capital fund. In keeping with the Trusts' reserves policy, redeemed investments continue to be effectively held as a permanent endowment. Income earned from these funds is available for the charitable purposes and is added to unrestricted funds.

4 Taxation

The Trusts are not liable to either income or capital gains tax on their charitable activities. Irrecoverable VAT is included as part of the expense to which it relates.

South Ayrshire Council Charitable Trust Funds (Unaudited)

Notes to the Financial Statements (continued)

5 Trustees' remuneration and expenses

No remuneration or expenses were paid to the Trustees or any connected persons during either the current or prior financial year.

6 Related party transactions

The McKechnie Institute is leased to South Ayrshire Council on a full tenant repairing lease. The rental charge of £10 per annum is not currently requested from the lessee.

The Trusts received interest income of £27,116 from South Ayrshire Council during the financial year (2024/25: £16,394) as analysed below. All financial transactions are made through South Ayrshire Council's bank accounts.

	2026 £	2025 £
SC012759 McKechnie	285	165
SC016728 DEEF	22,331	13,679
SC025088 SAC CT:		
Interest on revenue balances	3,076	1,673
Interest on capital balances	163	155
Total SC025088 SAC CT	3,239	1,828
SC045677 SACT:		
Ayr	427	586
Prestwick	130	48
Troon	187	-
Kyle	214	-
Maybole, North Carrick and Coynton	199	-
Girvan and South Carrick	104	88
Interest on revenue balances	1,261	722
Contribution from South Ayrshire Council	50,000	-
Total SC045677 SACT	51,261	722
Total income from related party transactions	77,116	16,394

South Ayrshire Council Charitable Trust Funds (Unaudited)

Notes to the Financial Statements (continued)

	2026 £	2025 £
7 Charitable activities		
Income:		
SC045677 SACT:		
Contribution to Funds from South Ayrshire Council	50,000	-
Reimbursement of unspent prior year grant award	-	2,535
	<hr/>	<hr/>
Total SC045677 SACT	50,000	2,535
	<hr/>	<hr/>
Expenditure:		
SC016728 DEEF:		
Rozelle House: enhancement of visitor experience	38,312	11,052
Exhibitions, commissions and artwork	41,568	-
Schools arts and crafts activities	1,711	4,056
	<hr/>	<hr/>
Total SC016728 DEEF	81,591	15,108
	<hr/>	<hr/>
SC045677 SACT:		
Ayr	12,140	13,360
Prestwick	3,754	2,500
Troon	2,000	-
Maybole, North Carrick and Coylton	750	-
Girvan and South Carrick	5,500	2,000
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Total SC045677 SACT	24,144	17,860
	<hr/>	<hr/>
Total charitable activities: expenditure	105,735	32,968
	<hr/>	<hr/>

8 Bank and cash balances

During the financial year the Trusts' bank and cash balances were held and administered by South Ayrshire Council on behalf of the Trustees.

9 External investments

	2026 £	2025 £
SC012579 McKechnie:		
£2,586.46 nom value 3½% War Stock (redeemed but not received)	<hr/> 2,586	<hr/> 2,586

South Ayrshire Council Charitable Trust Funds (Unaudited)

Notes to the Financial Statements (continued)

	2026 £	2025 £
SC016728 DEEF:		
Alliance Trust Ord GBP0.25	101,660	98,600
AstraZeneca Ord USD0.25	176,280	135,048
Aviva	9,841	9,100
BAE Systems	35,200	24,952
Carnival	4,166	2,954
City of London Investment	18,830	15,820
Lloyds Banking Group	6,871	5,363
Marks & Spencer Ord GBP0.25	5,159	5,407
Mercantile Investment	14,400	13,590
Murray International Trust	43,875	34,060
National Grid Ord GBP0.11395	15,704	12,488
Persimmon Ord GBP0.10	6,411	7,149
Rolls Royce Group	650	650
Rolls Royce Group	13,018	8,614
Royal Dutch Shell EUR0.07	61,735	48,675
Securities Trust of Scotland	15,680	16,730
Standard Life UK Smaller Companies	34,556	35,410
Tate & Lyle Ord GBP0.25	4,699	6,717
Tesco	8,965	6,297
Vodafone Group Ord USD0.11428571	3,707	2,385
Cash account	23,283	22,705
Total DEEF investments	604,690	512,714
SC045677 SACT:		
2088 BMO UK High Income Trust plc (Comp 3A Ordinary and 1B Ordinary)	6,911	6,911
£1,100 nominal value 3% London County Consolidated Stock	616	616
£7,340 nominal value 3½% War Stock (redeemed but not received)	7,340	7,340
Total SACT investments	14,867	14,867
Total investments	622,143	530,167

Investments in respect of both McKechnie and SACT relate to the Girvan area. The investment in 3½% War Stock was redeemed but not received as the stock is still held in the names of former trustees. An estimated value has been applied, based on the valuation at the point when the investment was redeemed in 2015.

The valuation of the investment in BMO UK High Income Trust plc is estimated, based on the last valuation received at 31 March 2024.

South Ayrshire Council Charitable Trust Funds (Unaudited)

Notes to the Financial Statements (continued)

The valuation of the investment in 3% London County Consolidated Stock is estimated, based on the last valuation available when the stock was delisted in 2020.

	2026 £	2025 £
Interest received on external investments:		
SC016728 DEEF	15,339	13,774
SC045677 SACT	-	83
Total interest received on external investments	15,339	13,857

10 Governance costs

	2026 £	2025 £
SC012759 McKechnie:		
Preparation of financial statements	153	154
Audit fee	75	75
Total SC012759 McKechnie	228	229
SC016728 DEEF:		
Legal and administrative costs	1,732	1,975
Preparation of financial statements	3,290	3,019
Audit fee	525	525
Total SC016728 DEEF	5,547	5,519
SC025088 SAC CT:		
Preparation of financial statements	178	189
Audit fee	75	75
Total SC025088 SAC CT	253	264
SC045677 SACT:		
Legal and administrative costs	1,800	1,000
Preparation of financial statements	1,812	2,197
Audit fee	525	525
Total SC045677 SACT	4,137	3,722
Total governance costs	10,165	9,734

South Ayrshire Council Charitable Trust Funds (Unaudited)

Notes to the Financial Statements (continued)

Governance costs are allocated based on a combination of staff time spent on legal, administrative and financial tasks and the volume of transactions for each Trust.

11 McKechnie Institute

The McKechnie Institute is a heritage asset. A valuation was obtained for the property as at 31 March 2026 for accounting purposes only following the introduction of IFRS 16 Leases, with the valuation was based on the annual value of the lease for a nominal sum. Consequently, the value of the asset is not presently recognised on the Trust's Balance Sheet.

South Ayrshire Council Charitable Trust Funds (Unaudited)

**Independent Auditor's Report to the Trustees of South Ayrshire Council
Charitable Trust Funds and the Accounts Commission**

TO BE INSERTED UPON COMPLETION OF THE AUDIT PROCESS