



admiring from a distance during lockdown

Almond Valley Heritage Trust

A Scottish company limited by guarantee

Report and Accounts 1st January - 31st December 2020

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 2020

The Trustees present their report and audited financial statements for the year ended 31st December 2020

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. L. Lodge	(until 18/02/20)	Vice Chair
Cllr. A. Miller		
Cllr. A. Adamson	(until 01/12/20)	
Cllr. D. McGuire		
Mr. P Jennings		
Ms. A. Lusty		Vice Chair (appointed 15/03/20)
Mr. W. McMartin		
Mr. W. Simpson		
Mr. S. Kirkpatrick		
Mr. A. Shaw	(from 27/01/21)	

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, Almondvale South, Livingston, EH54 6SN

Professional Advisors

Fairstone Financial T/A Hunter Wealth Management, 2 Maitland St. Edinburgh, EH1 2 5DS

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.

Until the adoption of new Articles of Association, the Trust Board comprised of up to 15 members. Under the former Articles of Association, revised in June 2006, West Lothian Council could nominate up to two of these members. Other persons invited to join the Board as co-opted members were selected to ensure that an appropriate range of interests, experience, and expertise was represented on the Trust’s governing body. The Trustees were elected for a period of three years after which they were to be re-elected at the next Annual General Meeting.

Following adoption of new Articles of Association on 26th September 2018, the Trust Board comprises of up to 12 members, two of whom may be nominated by West Lothian Council. 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. 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 operating income. At 31st December 2020, £104,486 of unrestricted funds were held in a portfolio of investments with Advance (formerly Zurich) which were managed by Fairstone Financial T/A Hunter Wealth Management.

Covid restrictions required the closure of the Almond Valley Heritage Centre in March 2020, and £50,000 of cash was transferred back into the Trust from its investment portfolio. Emergency grants and operating income replenished this reserve and funds remain well above the minimum reserve level for the remainder of the year.

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>2020</u>	<u>2019</u>
January	4,655	4,866
February	4,189	8,523
March	3,323	6,838
April	0	20,011
May	0	14,360
June	0	18,172
July	7,097	20,871
August	13,665	15,106
September	11,305	8,629
October	14,436	8,361
November	3,503	3,515
December	<u>5,087</u>	<u>6,368</u>
Total for year	<u>67,260</u>	<u>135,620</u>

Analysis of visitor numbers by type were as follows:

	<u>2020</u>	<u>2019</u>
Adults	21,774	28,396
Child or Senior	15,387	19,693
School and group visitors	254	19,695
Birthday parties	276	2,158
Friends members	18,493	33,280
Corporate & other passes	9,555	24,776
Promotions & events	351	5,738
Complimentary & carers	<u>1,170</u>	<u>1,884</u>
TOTAL	<u>67,260</u>	<u>135,620</u>

The outbreak, and subsequent measures to control the spread of Covid 19 virus, had a fundamental impact of almost every area of the Trust's activities. Fears over the spread of the virus began to impact on visitor numbers from the start of March, and from the 23rd of March government restrictions required the full closure of Almond Valley Heritage Centre to visitors. After almost three months of closure these restrictions were relaxed sufficiently to allow a restricted reopening from 15th July, with a variety of infection control measures in place. This restricted opening continued until November 21st when West Lothian was placed under level 4 restrictions requiring closure for a further period of three weeks. From the 12th until the 24th December, Almond Valley re-opened under level three restrictions, with travel restrictions that limited the audience to local visitors. A further full lockdown required that Almond Valley remain closed from the 27th December 2020, and remains closed at the time of this report.

The first lockdown, in mid March, came at a time when the Trust's finances were at the lowest point in their annual cycle. At the time of closure, expenditure had already been committed to marketing and other preparation for a new season, in the expectation of earning a significant proportion of annual income over the Easter period. At the time of lockdown there were concerns over the Trust's survival if enforced closure eliminated opportunity to earn income for a prolonged period and reserves became exhausted. As a consequence, recruitment of seasonal staff was discontinued and plans considered for adjustment of working hours or redundancy of other staff.

£50,000 worth of cash was transferred back into the Trust from its portfolio of investments to support cash flow. The launch of the Job Retention Scheme brought some respite, and all but a handful of staff responsible for care of livestock were placed on furlough, receiving 80% of wages. All site maintenance was discontinued, although the efforts of external volunteers ensured that the many large grassed spaces did not revert to a hay field. During the course of the year a total of £194,133 was received under the Coronavirus Job Retention Scheme.

Throughout lockdown periods, the farm team captured stories and images from the farm which were shared through social media, maintaining the support and involvement of regular visitors, albeit virtually. An appeal associated with this social media raised much needed funds to help feed the animals.

Emergency funding was first obtained under the Third Sector Resilience Fund which in early April provided a grant of £29,000 from Firstport, and an interest free loan of £140,000 from Social Investment Scotland to be repaid over five years from June 2021. Later that month, recognising the Trust's still perilous position, an emergency grant of £20,000 was received from Museums Galleries Scotland. A £10,000 project grant previously offered by West Lothian Council was redesigned for unrestricted purposes. In May, a further grant of £60,000 was received under the Museums Galleries Scotland

Emergency Fund grant programme, and the same body subsequently awarded grants of £1,130 toward computer equipment under their Digital Resilience programme, and £7,500 towards reopening costs under their Covid adaptation fund.

An application to the National Lottery Heritage Fund in August secured a grant of £89,600 from their Covid Relief fund, intended to cover essential operating costs from August until October. A successful application to the Museums Galleries Scotland Recovery and Resilience fund secured a grant of £276,000, of which 75% (£207,000) was released during the 2020 financial year. This funding was intended to cover core running costs until the end of March 2021 and fund a number of projects that would enhance the future resilience of operations. These included the commissioning of business software with an associated website, and organisational development works including a review of governance. Good progress had been made in all areas by the end of the year.

During the level 4 closure and during subsequent lockdown, a Business Temporary Closure Grant of £750 per week was received and a one-off £10,000 Business Support Contingency Fund, recognising loss of income due to closure of our soft play area.

The re-opening of Almond Valley in mid-July followed a full assessment of risks, and development of new operating procedures to maintain social distancing and enhanced cleaning. This was achieved through the flexible and willing application of core staff to adjusted duties rather than requiring the customary recruitment of additional seasonal workers. Physical measures were put in place around the site to screen service points, to enforce distancing and one-way flow, and encouraging regular washing or sanitation of hands. Software was introduced to enable catering to be ordered directly from tearoom tables. Despite such new safeguards it was impossible to safely offer some usual activities such as soft play, train rides, birthday parties and animal handling. Practical considerations also limited income from secondary spend such as gift and catering sales.

Obligatory on-line booking was introduced to ensure a staged arrival of visitors to minimise queuing, and to restrict the maximum number of visitors on site at any time. This safe maximum capacity was roughly equivalent to half the usual footfall on busiest days. The booking system allowed the visitor mix and other factors to be managed on a day-to-day basis and resulted in the site operating close to capacity on most days during the summer and early autumn.

New socially distanced special events were also developed, replacing the usual indoor interactions with outdoor trail-based activities. During the October school break, many mysteries were encountered on a walk through Witches' Wood, while on the approach to Christmas, a new after-dark illuminated trail encouraged families to join the Paraffin Pixies in their search for Santa. Substantial effort was invested in setting up the illuminated trail therefore it was particularly disappointing that the introduction of level 4 restrictions required the cancellation of several dates and the refund of pre-paid tickets on some days that had been close to being sold-out. The evening events that were permitted to go forward did so under level 3 travel restrictions, and while many living outside the area were forced to cancel, many places were re-sold to those living locally. Opportunity to further recoup investment by continuing evening opening into January were thwarted by the further lockdown.

During these changing conditions, steady progress was made on the developing livestock operations of the farm so as to better engage visitors, and to promote the conservation of rare breeds. In September Almond Valley secured Rare Breeds Survival Trust accreditation as an approved farm park. Other

developments saw the extension of our small flock of alpaca and the introduction of alpaca walking – personal experiences that proved a popular new source of income. Two young reindeer quickly became favourites and played an important part in our after-dark events.

In 2019, the Trust secured funding from the Town Centre Development Fund administered by West Lothian Council towards renewing the waterwheel in Livingston mill, and undertaking related improvements. Work on constructing a new wheel was well advanced when Covid restrictions first struck, but assembly of its timber components within the close confines of the wheel pit seemed best deferred until restrictions are lifted. Electrical and lighting works went ahead in other parts of the mill, satisfying the requirements of the grant.

The advent of the lockdown halted plans to recruit a new Curator, and dispersed the small band of volunteers working to digitise the shale oil museum archives. Despite this, work continued on the development of the new Scottish Shale website, and many hours of unseen effort were invested in this work during the long days of lockdown. The Shale Trail project, defining a walking route linked to on-line interpretation, was completed at the end of the year. Almond Valley was a partner in this joint project led by Edinburgh and Lothians Greenspace Trust, and will maintain the digital elements of the work, integrating this with our own shale website.

Plans for the future

The Boards' attention was firmly focussed on issues of survival during much of the year, and the need to hold virtual meetings further constrained what might be achieved. The challenges of covid restrictions tested the Trust in many ways, revealing both strengths and weaknesses, and calling into question many long-held assumptions. Events demonstrated the value of experience and continuity, but also highlighted the need to plan for succession and enhance organisational resilience at all levels within the Trust.

It seems clear that the post-covid world will be very different from the one that we have left, and that funding and resources seem likely to be tighter than ever before. Since withdrawal of Council revenue funding, there is need, but also advantage, in following our own objectives rather than delivering services on behalf of the local authority.

Funding as part of the MGS Resilience and Recovery Fund is supporting a fundamental review of the Trust's purpose and function, which will lead to adoption of a new long-term strategic plan. In this process we will question the aims and objectives of the Trust and then consider the best function of governance and management required to achieve these. The ability to compete effectively and earn our own income will remain the essential foundation for progress, but there also seems opportunity and advantage in extending the recognition and influence of our museum activities and the national heritage that our collections represent.

Ongoing organisational progress will be reflected in the continuing physical development of the Almond Valley site. There will be need to confront issues of site boundaries and land ownership, and many opportunities exist to develop new attractions that tell new stories. Central to this physical development might be the creation of a new shale museum building, well suited to the requirement of the collection and archives, but especially adapted to the needs and interests of present and future generations of visitors.

Achieving this ambitious future will require a continued evolution; drawing on new energy, fresh talent and a clarity of vision, but founded on the experience and qualities that have always characterised Almond Valley.

Financial Review

The audited financial statements for the year to 31 December 2020 show total incoming resources of £1,396,542, an increase of £92,434 on last year, and total expenditure of £949,187, a decrease of £390,886 on last year. The net loss on investments of £5,581, (£17,182 gain - year ended 31 December 2019), led to net movement of funds for the year of £441,774, (year ended 31 December 2019 - £18,783 deficit).

Total funds at 31 December 2020 are £2,440,935 comprising unrestricted funds of £2,283,449 and £157,486 restricted funds. Unrestricted "free" funds have increased by £441,774 compared to last year.

Total cash and cash equivalents figure at 31 December 2020 was £790,903, an increase of £646,732 compared to the last balance sheet date of 31 December 2019.

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 current economic uncertainty caused by the Covid-19 pandemic 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.

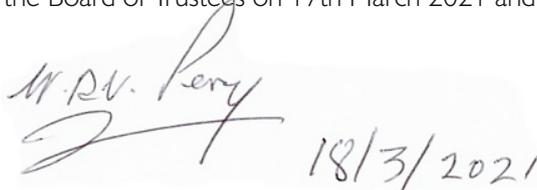
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 17th March 2021 and signed on its behalf by:

W.R.V. Percy



18/3/2021

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

Our Opinion is unmodified

We have audited the financial statements of Almond Valley Heritage Trust (the "charitable company") for the year ended 31 December 2020 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 2020 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

We are required by ISAs (UK) to report in respect of the following matters where:

- the Trustees' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 director's 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 of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Independent Auditor's report (continued)

- ♦ the financial statements are not in agreement with the accounting records and returns; or
- ♦ certain disclosures of director's 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Trustees' Responsibilities Statement on page 10, the directors 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.

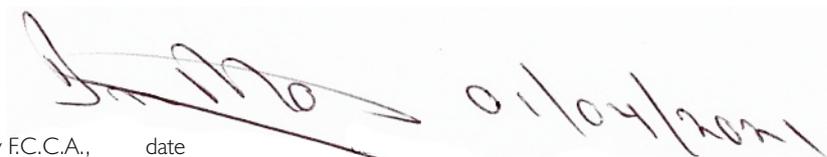
A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report

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. 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, 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 F.C.C.A., 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 2020

Income	Notes	Unrestricted (£)	Restricted (£)	Total Funds 2020 (£)	Total Funds 2019 (£)
Income and Endowments from:					
<i>Donations and legacies</i>	6	26,603	-	26,603	29,629
Income from Charitable Activities:					
<i>Grants & contracts</i>	4,5	219,883	468,864	688,747	65,697
<i>Income from visitor centre operation</i>	5	681,031	-	681,031	1,206,435
Investment Income					
<i>Bank Interest Received</i>		3	-	3	1
<i>Dividends Received from Listed Investments</i>		158	-	158	2,346
Total Income		927,678	468,864	1,396,542	1,304,108
Expenditure					
<i>Charitable activities</i>	17	(475,760)	(472,378)	(948,138)	(1,338,669)
Raising Funds					
<i>Investment manager's fees</i>		(1,049)	-	(1,049)	(1,404)
Total expenditure		(472,378)	(355,878)	(949,187)	(1,340,073)
Net income/(expenditure)		450,869	(3,514)	447,355	(35,965)
Net (losses)/gains on investments		(5,581)	-	(5,581)	17,182
Transfers					
<i>Gross transfers between funds</i>	14	-	-	-	-
Net Movement in Funds	14	445,288	(3,514)	441,774	(18,783)
Reconciliation of Funds					
Total Funds Brought Forward	14	1,838,161	161,000	1,999,161	2,017,944
Total Funds Carried Forward		2,283,449	157,486	2,440,935	1,999,161

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 2020

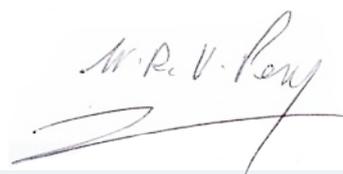
		At 31st December 2020	At 31st December 2019
	note	(£)	(£)
Fixed Assets			
<i>Tangible Fixed Assets</i>	7	1,676,456	1,757,654
<i>Investments</i>	31	104,486	160,956
Total Fixed Assets		<u>1,780,942</u>	<u>1,918,610</u>
Current Assets			
<i>Stocks</i>	8	45,471	42,742
<i>Debtors and Prepayments</i>	9	59,604	51,028
<i>Cash at Bank and in Hand</i>	10	790,903	144,171
Total Current Assets		<u>895,978</u>	<u>237,941</u>
Liabilities			
<i>Creditors: amounts falling due within one year</i>	11	<u>(81,504)</u>	<u>(102,513)</u>
Net Current Assets		<u>814,474</u>	<u>135,428</u>
Total Assets less Current Liabilities		2,595,416	2,054,038
<i>Creditors: amounts falling due after more than one year</i>	12	(154,481)	(54,877)
Net assets		<u>2,440,935</u>	<u>1,999,161</u>
The Funds of the Charity			
<i>Restricted Funds</i>	14	-	161,000
<i>Unrestricted: General Funds</i>	14	2,283,449	1,838,161
Total Charity Funds		<u>2,440,935</u>	<u>1,999,161</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 17th March 2020 and are signed on their behalf by:

Chairman

W.R.V. Percy



18th March 2021

Almond Valley Heritage Trust

Statement of Cashflows

for the year ended 31st December 2020

		Year ended 31st December 2020. (£)	Year ended 31st December 2020. (£)
Cash flows from operating activities	Note		
Cash flows provided by operating activities	28	<u>489,327</u>	<u>48,518</u>
Cash flows from investing activities			
Capital expenditure and financial investments			
<i>Investment income received</i>		161	343
<i>Purchase of tangible fixed assets</i>		(15,432)	(78,568)
<i>Purchase of investments</i>		-	-
<i>Proceeds from sale of investments</i>		50,889	1,063
Cash used in investing activities		<u>35,618</u>	<u>(77,162)</u>
Cash flows from financing activities			
<i>Repayments of borrowing</i>		(25,264)	(43,795)
<i>Interest paid</i>		7,051	9,792
<i>Cash inflows from new borrowings</i>		140,000	-
Cash used in financing activities		<u>121,787</u>	<u>(34,003)</u>
Change in cash and cash equivalents in the year			
<i>Increase / (decrease) in cash and cash equivalents for the year</i>		646,732	(62,647)
<i>Cash and cash equivalents at the beginning of the year</i>		144,171	206,818
Total cash and cash equivalents at the end of the year	29	<u>790,903</u>	<u>144,171</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 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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, 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 18.

Operating Leases.

Operating lease rentals are charged against income on a straight line basis over the period of the lease, see note 27.

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

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.

Pensions

In June 2015 the charity opened a retirement solutions group personal plan which was open to all employees. At 31 December 2020, 27 employees were members of the pension scheme (year ended 31st December 2019 - 26 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 23.

1.) Accounting policies (continued)

Heritage Assets

It is the policy of the charitable Trust not to capitalise Heritage Assets. This is discussed more fully in note 22.

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 (formerly Zurich) 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 2020 (£)	31st December 2019 (£)
Depreciation	96,630	100,046
Impairment of fixed assets	-	12,188
Operating Lease Costs	2,804	5,216
Audit Fees	4,000	3,950
Accountancy and Payroll Fees	<u>4,139</u>	<u>4,660</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 (£)	31st Dec. 2020 (£)	31st Dec. 2019 (£)
<i>Revenue Grants and Payments</i>				
West Lothian Council (WLC) - Service Level Agreement	-	-	-	16,127
WLC - Maintenance Reimbursement	-	21,577	21,577	15,415
<i>Emergency Funds</i>				
WLC - Voluntary Sector Modernisation Grant	10,000	-	10,000	-
WLC - Business Temporary Closure Grant	2,250	-	2,250	-
WLC - Business Temporary Closure Grant, top-up	10,000	-	10,000	-
Museums Galleries Scotland (MGS) extraordinary grant	-	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	-
National Lottery Heritage Fund - Covid Relief Fund	-	89,600	89,600	-
MGS - Recovery and Resilience Fund	-	207,000	207,000	-
HMRC - Coronavirus Job Retention Scheme	194,133	-	194,133	-
Government Grant - 5 year 0% SIS loan	3,500	-	3,500	-
<i>Project Grants</i>				
LEADER: Oil Works Discovery Space (Paraffin Works).	-	-	-	25,655
MGS - Revealing the plot project	-	21,717	21,717	8,500
WLC - Town Centre Fund - Livingston Mill project	-	11,340	11,340	-
MGS - Digital Resilience Fund	-	1,130	1,130	-
	<u>219,883</u>	<u>468,864</u>	<u>688,747</u>	<u>65,697</u>

5.) Income from Charitable Activities

	Unrestricted	Restricted	31st December 2020	31st December 2019
	(£)	(£)	(£)	(£)
Grants and Contracts (see note 4)	219,883	468,864	668,747	65,697
Income from Visitor Centre Operation	681,031	-	681,031	1,206,435
	<u>900,914</u>	<u>468,864</u>	<u>1,369,778</u>	<u>1,272,132</u>

6.) Income from Donations and Legacies

	Unrestricted	Restricted	31st December 2020	31st December 2019
	(£)	(£)	(£)	(£)
Sundry Donations and Other Income	7,530	-	7,530	466
Gift Aid	19,073	-	19,073	29,163
	<u>26,603</u>	<u>-</u>	<u>26,603</u>	<u>29,629</u>

7.) Tangible Fixed Assets

	Buildings Improvements	Site Improvements	Plant & Equipment	Computers	Vehicles	Paraffin Works	Payments on Account and Assets under Construction	Total
<u>Cost</u>	£	£	£	£	£	£	£	£
At 1st January 2020	1,540,184	407,653	978,612	80,051	19,437	360,194	364,482	3,750,613
Additions	-	-	14,245	1,187	-	-	-	15,432
Disposals	-	-	(44,581)	(40,247)	-	-	-	(84,828)
Transfers	-	-	-	-	-	-	(360,194)	(355,949)
At 31st Dec. 2020	<u>1,540,184</u>	<u>407,653</u>	<u>948,276</u>	<u>40,991</u>	<u>19,437</u>	<u>360,194</u>	<u>4,288</u>	<u>3,321,023</u>
<u>Depreciation</u>								
At 1st January 2020	368,639	371,632	788,334	71,014	18,738	14,408	360,194	1,992,959
Disposals	-	-	(44,581)	(40,247)	-	-	-	(84,828)
Charge for Year	30,804	18,011	30,678	2,556	175	14,407	-	96,630
Transfers	-	-	-	-	-	-	(360,194)	(360,194)
At 31st Dec. 2020	<u>399,443</u>	<u>389,642</u>	<u>774,431</u>	<u>33,323</u>	<u>18,913</u>	<u>28,815</u>	<u>-</u>	<u>1,644,567</u>
<u>Net Book Amount</u>								
At 31st Dec. 2020	<u>1,140,741</u>	<u>18,010</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>
At 31st Dec. 2019	<u>1,171,545</u>	<u>36,021</u>	<u>190,278</u>	<u>9,037</u>	<u>699</u>	<u>345,786</u>	<u>4,288</u>	<u>1,757,654</u>

8.) Stocks	31st December 2020 (£)	31st December 2019 (£)
Livestock and Goods for Resale	<u>45,471</u>	<u>42,742</u>
9.) Debtors	31st December 2020 (£)	31st December 2019 (£)
Grants Receivable	32,971	27,915
Trade Debtors	14,810	2,105
Income Tax Receivable (Gift Aid)	9,050	15,126
Prepayments	<u>2,773</u>	<u>5,882</u>
	<u>59,604</u>	<u>51,028</u>
10.) Cash at Bank and In Hand	31st December 2020 (£)	31st December 2019 (£)
Bank: Current Account	789,379	142,242
Cash at Hand	<u>1,524</u>	<u>1,929</u>
	<u>790,903</u>	<u>144,171</u>
11.) Creditors: amounts falling due within one year	31st December 2020 (£)	31st December 2019 (£)
Trade Creditors	6,465	15,760
Tax and Social Security Costs	10,458	31,591
Accruals	3,450	3,450
Loan - Bank of Scotland	38,875	37,109
Loan - Social Investment Scotland	20,417	-
Bank - Credit Card	1,839	3,263
Deferred Grant Income	-	<u>11,340</u>
	<u>81,504</u>	<u>102,513</u>
12.) Creditors: amounts falling due after more than one year	31st December 2020 (£)	31st December 2019 (£)
Due within Two and Five Years		
Loan: Bank of Scotland	34,898	54,877
Loan: Social Investment Scotland	<u>119,583</u>	-
Due after more than Five Years:		
Loan: Bank of Scotland	-	-
Loan: Social Investment Scotland	-	-
	<u>154,481</u>	<u>54,877</u>

13.) Share Capital

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

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. During the financial year there were no transfer of funds. During the previous financial year net funds totalling £400,573 were transferred to unrestricted:general funds. Last year £423,587 was transferred from unrestricted:designated funds to unrestricted, and £23,014 was transferred from unrestricted:general funds to MGS: Revealing the Plot. The reasons for these transfers are outlined separately throughout the purpose of restricted funds section.

Purpose of Restricted Funds

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 subsequently released to support remaining works and running costs in the next financial year.

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 a grant 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 - 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. None of the costs relating to the work performed by the previous web developer were recoverable from the grant provider. Therefore grant income and costs allocated to this fund in previous years have been transferred from unrestricted : general funds. A new web developer was appointed during the year ended 31 December 2019 and the project is due to completed in April 2021.

WLC - Maintenance Fund

Reimbursement by West Lothian Council of expenditure incurred in an annual package of works associated with the upkeep of buildings and site at Almond Valley. Funding cannot be carried forward from one year to another. A grant debtor of £15,415 has been provided to accounts for the reclaimable maintenance expenditure relating to the year ended 31 December 2020.

14.) Analysis of Charitable Funds

	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

The analysis of charitable funds for the year ended 31 December 2019, the comparative period, is as follows

Analysis of Charitable Funds for year ended 31 December 2019:

	As at 1st January 2019	Transfer of Funds	Incoming Resources	Outgoing Resources	Gains/(Losses) on investments	As at 31/12/19
	(£)	(£)	(£)	(£)	(£)	(£)
Analysis of movement of restricted funds						
WLC Maintenance Fund	-	-	15,415	(15,415)	-	-
MGS - Revealing the Plot	(12,574)	23,014	8,500	(18,940)	-	-
LEADER - Oil Works Discovery Space	149,345	-	25,655	(14,000)	-	161,000
Total	136,771	23,014	49,570	(48,355)	-	161,000
Analysis of movements in unrestricted funds						
Designated Fund - Site Development	24,796	(24,796)	-	-	-	-
Designated Fund - Tearoom Extension	252,895	(252,895)	-	-	-	-
Designated Fund - Engine House Toilets	145,896	(145,896)	-	-	-	-
General Fund	1,457,586	400,573	1,254,538	(1,291,718)	17,182	1,838,161
Total	1,881,173	(23,014)	1,254,538	(1,291,718)	17,182	1,838,161
Total Funds	2,017,944	-	1,340,108	(1,340,073)	17,182	1,999,161

Purpose of Funds

Designated Funds

Designated funds represent funds earmarked for specific purposes by the Trustees. The Trustees are of the opinion that the designation of site development, tearoom extension and engine house toilet funds do not reflect the current strategic direction of the charity and therefore all funds brought forward at 1 January 2019 were transferred to unrestricted : general funds.

Site Development

As explained above, the opening balance of £24,796 brought forward from 1 January 2019 was transferred to unrestricted : general funds.

Tearoom Extension

As explained above, the opening balance of £252,895 brought forward from 1 January 2019 was transferred to unrestricted : general funds.

Engine-house Toilets

As explained above, the opening balance of £145,896 brought forward from 1 January 2019 was transferred to unrestricted : general funds.

15.) 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 start 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.

16.) Trustees Remuneration and Related Party Transactions

No members of the Board of Trustees received remuneration during the year ended 31 December 2020, (year ended 31 December 2019 - £nil). Travel costs amounting to £124 were reimbursed to one member of the board of Trustees (year ended 31 December 2019 - £545 - one trustee). No accommodation costs were reimbursed during the year ended 31 December 2020 (year ended 31 December 2019 - £nil). During the year, no further expense claims were reimbursed to any Trustee for any other purpose (year ended 31st December 2019 - £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 2019 - £nil). No charity Trustee received any other benefit or received

17.) Analysis of Expenditure on Charitable Activities

	Delivering the user experience (£)	Maintaining the user experience (£)	Curatorial works (£)	31st December 2020 (£)	31st December 2019 (£)
Shop Stock Costs	14,920	-	-	14,920	48,310
Catering and Confectionery Costs	51,360	-	-	51,360	123,263
Birthday Party Costs	658	-	-	658	5,532
Farm Costs	18,838	-	-	18,838	20,438
Home-grown Produce Costs	309	-	-	309	457
Play Area Costs	635	-	-	635	204
Salaries and National Insurance (inc'd pension)	443,699	-	22,731	466,430	643,415
Staff Travel and Training	1,926	-	-	1,926	3,202
Telephone and Internet Charges	5,286	-	1,321	6,607	6,548
Post, Stationery, Adverts	18,224	-	4,556	22,780	42,710
Professional Fees	1,939	-	-	1,939	28,271
Heating, Lighting and Water	38,674	-	9,669	48,343	51,368
Site & Plant Maintenance (incl'd salaries)	-	46,425	-	46,425	64,363
Rent	185	-	-	185	185
Insurance	14,518	-	-	14,518	9,717
Janitorial Costs	11,151	-	2,788	13,939	21,822
Museum Budgets	-	-	1,327	1,327	3,457
Event and Service Costs	9,389	-	-	9,389	9,306
Depreciation (including impairment of fixed assets)	47,816	48,814	-	96,630	112,234
Governance Costs (see note 18)	124	-	-	124	545
Support Costs (see note 18)	130,856	-	-	130,856	143,322
	<u>810,507</u>	<u>95,239</u>	<u>42,392</u>	<u>948,138</u>	<u>1,338,669</u>

Expenditure on charitable activities was £948,138 (year ended 31 December 2019 - £1,338,669) of which £475,760 was unrestricted (year ended 31 December 2019 - £1,290,314) and £472,378 was restricted (year ended 31 December 2019 - £48,355).

18.) 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 2020 (£)	General Support 2019 (£)	Governance Function 2020 (£)	Governance Function 2019 (£)	Total 2020 (£)	Total 2019 (£)	Basis of Apportionment
Wages and National Insurance	105,170	112,562	-	-	105,170	112,562	allocated on time
Trust Administration	2,683	2,816	-	-	2,683	2,816	direct
Lease and Rental Charges	2,804	5,216	-	-	2,804	5,216	direct
Bank Charges	1,509	4,326	-	-	1,509	4,326	direct
Loan Interest	10,551	9,792	-	-	10,551	9,792	direct
Audit and Accountancy Fees	8,139	8,610	-	-	8,139	8,610	direct
Trustee Travel Reimbursements	-	-	124	545	124	545	governance
	<u>130,856</u>	<u>130,856</u>	<u>124</u>	<u>545</u>	<u>130,980</u>	<u>143,867</u>	

19.) 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. 2020 (£)	Total for year ended 31st Dec. 2019 (£)
Costs	(810,507)	(95,239)	(42,392)	(948,138)	(1,338,669)
Grants	-	-	-	-	-
Admission Charges	352,292	-	-	352,292	512,481
	<u>(458,215)</u>	<u>(95,239)</u>	<u>(42,392)</u>	<u>(595,846)</u>	<u>(826,188)</u>
Grant Support	-	-	-	-	16,127
Net cost funded from other income	<u>(458,215)</u>	<u>(95,239)</u>	<u>(42,392)</u>	<u>(595,846)</u>	<u>(810,061)</u>

20.) Staff Costs and Numbers

	Total for year ended 31st Dec. 2020 (£)	Total for year ended 31st Dec. 2019 (£)
Salaries and Wages	526,737	702,752
Social Security Costs	35,844	41,106
Employment Allowance	(4,000)	(3,000)
Pension Costs	13,019	15,119
Total	<u>571,600</u>	<u>755,977</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 £ 83,459 (year ended 31 December 2019 - £89,959). 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>2020</u>	<u>2019</u>
Chief Executive	1	1
Management Team	5	5
Catering Staff	8	17
Part-time and Temporary Staff	13	20
Museum Staff	1	1
Total	<u>28</u>	<u>44</u>

The average headcount during the period was 33 staff, (2019 - 50 staff).

21.) Analysis of Net Assets between Funds

	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>

The analysis of net assets between funds for the year ended 31 December 2019, the comparative period, is as follows:

	General Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total Funds (£)
Tangible Fixed Assets	1,757,654	-	-	1,757,654
Investments	160,956	-	-	160,956
Current Assets	76,941	-	161,000	237,941
Current Liabilities	(102,513)	-	-	(101,513)
Non Current Liabilities	(54,877)	-	-	(54,877)
Net Assets at 31st December 2019	<u>1,838,161</u>	<u>-</u>	<u>161,000</u>	<u>1,999,161</u>

22.) 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 2020, the collection consisted of approximately 5,000 items or groups of items representing a total value of £74,097. 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 2020, items valued at £1,327 were added to the museum collection by purchase (£1,997 in year ended 31 December 2019), collection items valued at £nil were donated (£250 in year to 31 December 2019). 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 Dec 2020	Year ended 31 Dec. 2019	Year ended 31 Dec. 2018	Period ended 31 Dec. 2017	Year ended 31 Mar. 2017	Year ended 31 Mar. 2016
	£	£	£	£	£	£
Opening Balance	72,097	69,850	68,335	66,335	63,676	30,375
Heritage Assets Acquired by Purchase	1,327	1,997	1,515	1,250	1,825	1,421
Heritage Assets Acquired by Donation (at Curator's Estimated Value)	-	250	-	750	834	31,880
Heritage Assets Disposals	-	-	-	-	-	-
Closing Balance	<u>73,424</u>	<u>72,097</u>	<u>69,850</u>	<u>68,335</u>	<u>66,335</u>	<u>63,676</u>

23.) Pension

During the year, the charitable company contributed £3,115 (year ended 31 December 2019 - £3,115) into two separate self administered defined contribution pension schemes for two employees (year ended 31 December 2019 - 2) and £9,918 (year ended 31 December 2019 - £12,017) 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 £2,153 due at the year end (year ended 31 December 2019 - £2,489). No contributions were due in respect to the two separate self-administered plans (year ended 31 December 2019 - £nil).

24.) 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.

25.) Capital Commitments

At 31st December 2020 the charitable company had no contracted commitments (year ended 31 Dec. 2019 - £nil).

26.) 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.

27.) Operating Lease Commitments

Annual commitments under operating leases are as follows:

	year ending 31st December 2020 (£)	year ending 31st December 2019 (£)
Amounts due within one year	2,389	2,389
Amounts due within one and two years	2,242	2,389
Amounts due within two and five years	1,922	4,164
Amounts due after more than five years	-	-
	<u>6,553</u>	<u>8,942</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.

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

	year ended 31st December 2020 (£)	year ended 31st December 2019 (£)
Net Movement in Funds		
Adjustments for:	441,774	(18,785)
Interest received	(3)	(1)
Dividends	(158)	(2,346)
Depreciation charges	96,630	100,046
Impairment of fixed assets	-	12,188
Loss/(Gains) on investments	5,581	(17,182)
Decrease/(Increase) in Stocks	(2,729)	(12,584)
Decrease/(Increase) in Debtors	(8,576)	(10,400)
Increase/(Decrease) in Creditors	(43,192)	(2,418)
	<u>489,327</u>	<u>48,518</u>

Net Cash provided by Operating Activities

29.) Analysis of Cash and Cash Equivalents

	year ended 31st December 2020 (£)	year ending 31st December 2019 (£)
Cash at hand	790,903	144,171
Notice deposits (less than 12 months)	-	-
Overdraft facility repayable on demand	-	-
	<u>790,903</u>	<u>144,171</u>

30.) Analysis of Changes in Net Debt

	At 1 Jan. 2020 £	Cashflows £	Other non-cash changes £	At 31 Dec. 2020 £
Cash and cash equivalents				
Cash	144,171	646,732	-	790,903
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>144,171</u>	<u>646,732</u>	<u>-</u>	<u>790,903</u>
Borrowings				
Debt due within one year	(37,109)	37,109	(59,292)	(59,292)
Debt due after one year	(54,877)	-	(99,604)	(154,481)
	<u>(91,986)</u>	<u>37,109</u>	<u>(158,896)</u>	<u>(213,773)</u>
Total	<u>52,185</u>	<u>683,841</u>	<u>(158,896)</u>	<u>577,130</u>

31.) Investments

Listed Investments	year ended	year ended
	31st December 2020	31st December 2019
	(£)	(£)
Fair Value at beginning of year	160,956	142,821
Purchase/transfers during the year	(50,311)	-
Fees charged	(1,049)	(1,404)
Dividends/Interest	161	2,346
Movement on unrealised gains/(losses)	(9,442)	17,145
Movement on realised gains/(losses)	3,861	37
Market value at end of period	<u>104,176</u>	<u>160,945</u>
Investments held in cash	<u>310</u>	<u>11</u>
Fair value at end of period	<u>104,481</u>	<u>160,956</u>
Book cost of investments	<u>100,216</u>	<u>150,527</u>

The asset allocation within the investments were as follows:

UK holdings	18,095	31,626
Overseas holdings	86,081	129,319
Cash held for reinvestment	310	11
	<u>104,481</u>	<u>160,956</u>

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

ASI Balanced Growth Platform I Acc.	1,607	10,482
Aviva Inv Multi asset I 2	23,998	31,013
Aviva Inv Multi asset III 2	11,486	19,757
Axa Global Distribution Z Acc	12,369	19,913
Premier Multi-Asset Growth & Income C Acc	20,620	29,811
SEI Balanced Sterling Wealth A GBP	9,675	18,733
Vanguard Life Strategy 60% Equity A Acc	<u>24,421</u>	<u>31,235</u>

32.) Deferred Grant Income

	31st December 2020	31st December 2019
	(£)	(£)
WLC - Town Centre Improvement Fund - Livingston Mill	<u>-</u>	<u>11,340</u>

During the financial year, a grant of £11,340 from West Lothian Council relating to the Livingston Mill "Re-turning the Wheel" project was released to the statement of Financial Activities/Income and Expenditure account from deferred grant income in the balance sheet. In the previous financial year a West Lothian Council service level agreement payment of £16,127 was released to the Statement of Financial Activities/Income and Expenditure account from the balance sheet.

