

**THE KILLEARN TRUST**  
**TRUSTEES' REPORT AND UNAUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

# THE KILLEARN TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr J Parker - Chairman Mrs K Pollock - Secretary Mrs G Smith - Treasurer Mr J Fallas Mr J Ptolomey (appointed 11 June 2018) Mr A Berrill - Ex Officio Mrs S Hewitt - Ex Officio (appointed 11 September 2017) Minister of Killearn Kirk – vacancy at present - Ex Officio
<b>Charity number</b>	SC003347
<b>Independent examiner</b>	French Duncan LLP 133 Finnieston Street Glasgow G3 8HB
<b>Bankers</b>	Bank of Scotland 136 Buchanan Street Balfron Glasgow G63 OTG
<b>Solicitors</b>	Brodies LLP 110 Queen Street Glasgow G1 3BX
<b>Investment advisors</b>	Tilney Bestinvest 130 St Vincent Street Glasgow G2 5SE
<b>Website</b>	<a href="http://www.killearn.org.uk/killearntrust.html">www.killearn.org.uk/killearntrust.html</a>

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# THE KILLEARN TRUST

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# THE KILLEARN TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2018

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The Trustees present their report and accounts for the year ended 31 March 2018.

The Trustees confirm that the Trustees' Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

#### **Objectives and activities**

The Trust is a registered Scottish Charitable Incorporated Organisation (SCIO).

The main objective of the Trust is to inaugurate and/or assist either financially or in any other way any scheme, purpose, society or object which in any way promote the moral, social and intellectual welfare of the inhabitants of the Parish of Killearn. This is largely achieved through the provision of affordable housing to deserving individuals from the Killearn area and donations to worthwhile causes within the community. The trust is also involved in local conservation and environmental issues.

The Trust owns nine residential properties and three open spaces, purchased in order to meet the charity's objectives.

#### **Trustees**

The Trust is run by the Trustees and those who served the charity during the year were as follows:

Mr J Parker	- Chairman
Mrs K Pollock	- Secretary
Mrs G Smith	- Treasurer
Mr J Fallas	
Mr A Berrill	- Ex Officio
Mrs P Craigie	- Ex Officio (resigned on 11 September 2017 as on temporary secondment)
Mrs S Hewitt	- Ex Officio (appointed 11 September 2017 - Acting Head of Killearn Primary School)
Rev L Messeder	- Ex Officio (resigned 31 August 2017 on retirement as Minister of Killearn Kirk)

Mr J Ptolomey was appointed a Trustee on 11 June 2018.

Rev. Stuart Sharp has been appointed Minister of Killearn Kirk and will be inducted on 15 November 2018. He will be invited to the meeting on 3 December 2018. It is anticipated that the Rev. Sharp will be appointed a Trustee on the date and that Mrs Hewitt will resign and be replaced by Mrs Craigie, who has returned to her post as head of Killearn Primary School.

The Trustees have quarterly meetings with the day to day running of the Trust delegated to the Secretary and Treasurer. An honorarium of £100 each is paid to the Secretary and Treasurer each year. The other trustees are unpaid but are occasionally refunded for small amounts of expenditure.

Elected Trustees come up for election every four years. Ex Officio Trustees are Trustees based on the position they hold within the village, namely Minister for Killearn Kirk, Killearn Primary School Head Teacher and one of the Councillors for the Forth and Endrick Ward of Stirling Council.

The Trust has reviewed its policies relating to induction and training to comply with the new guidelines and recommendations from the Office of the Scottish Charity Regulator. This has ensured that its policies are sufficient to meet the training needs of its Trustees and that the charity continues to maintain the highest possible standards of service delivery.

# THE KILLEARN TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### **Risk**

The Trustees have assessed the major risks to which the Trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Achievements and performance**

#### **Properties**

Routine repairs and maintenance were carried out to all nine properties. There has been extra expenditure on some of the properties including woodworm treatment, a new bathroom and new windows. One property became vacant at the end of September 2017. A quotation for renovation work on this property totalling some £138,000 has been accepted and work started in September 2018. It will be necessary for the Trust to realise some investments to cover these costs.

The Trust's factors, Redpath Bruce LLP, continue to be accountable for all matters relating to the properties including rent collection and payment of invoices.

### **Funding**

Grants totalling £9,372 were made during the year for white boards at Killearn Primary School, two local Balfour High School final year pupils who are going on Project Trust assignments to Guyana and Myanmar, Killearn Golden Years Club, Strathblane and Strathendrick District Welfare Fund and the Killearn 10K race.

### **Open Spaces**

The Glebe continued to be made available for social functions, the annual fireworks display and other village activities. There was additional expenditure for cutting down and replacing trees in The Square. During the year, a local family trust transferred the Killearn tennis courts to the Trust at no cost. The courts are operated by the Killearn Tennis Club.

### **Buchanan Monument**

The Trust has continued to maintain the grounds of the Buchanan Monument.

### **Parish of Killearn Book**

A further 24 copies of the third edition of the Parish of Killearn book have been sold during the year.

### **Financial review**

The Trustees are responsible for the Trust's internal financial controls which aim to give reasonable assurance that issues are identified as they arise and are dealt with appropriately in an effective and timely manner. The Trustees meet quarterly to review administration of the owned properties, the financial performance of its investments and to assess donation requests from local groups and individuals.

It is the policy of the Trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The acquisition and disposal of investments, together with the management of the Trust's portfolio, was carried out by the Trust's advisers, Tilney Bestinvest. The market value of the investments at the year end was £908,247.

Capital funds will be available to spend on capital projects. All other funds are unrestricted at present.

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# THE KILLEARN TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **Plans for the future**

The future plans of the Trust will be to continue to provide affordable housing to deserving individuals from the Killearn area and to make donations to worthwhile causes within the community including conservation and environmental issues.

### **Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources for that period.

In preparing those accounts 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in existence.

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

On behalf of the board of Trustees

**Mr J Parker – Chairman**

Dated: 31 October 2018

# THE KILLEARN TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE KILLEARN TRUST

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I report on the accounts for the year ended 31 March 2018, which are set out on pages 5 to 10.

This report is made solely to the charity's Trustees, as a body, in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report

#### **Respective responsibilities of Trustees and examiner**

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Accounts Regulations). The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with Regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the Accounts Regulations, and
  - (ii) to prepare accounts which accord with the accounting records and with FRS 102 – Accounting and Reporting by Charities amended by Update Bulletin 1 - and comply with the Regulation 8 of the Accounts Regulations have not been met, or
  
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Antony J Sinclair CA**

For and on behalf of  
**French Duncan LLP**

133 Finnieston Street  
Glasgow  
G3 8 HB

Dated: 13 November 2018

# THE KILLEARN TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2018

		Unrestricted funds	Restricted funds	Total 2018	Total 2017
	Notes	£	£	£	£
<b>Income</b>					
Investment income	2	70,764	-	70,764	70,659
Charitable activities	3	310	-	310	378
<b>Total Income</b>		<b>71,074</b>	<b>-</b>	<b>71,074</b>	<b>71,037</b>
<b>Expenditure</b>					
<b>Costs of raising funds</b>					
Investment management costs		7,783	-	7,783	8,837
<b>Charitable activities</b>					
Direct charitable expenditure	4	58,102	-	58,102	41,050
Support costs	5	1,419	-	1,419	1,336
<b>Total Expenditure</b>		<b>67,304</b>	<b>-</b>	<b>67,304</b>	<b>51,223</b>
<b>Net income before gains and losses on investments</b>		<b>3,770</b>	<b>-</b>	<b>3,770</b>	<b>19,814</b>
<b>Gains/(losses) on investments</b>					
Realised		8,792	-	8,792	23,757
Unrealised		(7,930)	-	(7,930)	76,667
<b>Net movement in funds</b>		<b>4,632</b>	<b>-</b>	<b>4,632</b>	<b>120,238</b>
Fund balances at 1 April 2017		2,755,096	27,880	2,782,976	2,662,738
<b>Fund balances at 31 March 2018</b>		<b>2,759,728</b>	<b>27,880</b>	<b>2,787,608</b>	<b>2,782,976</b>

There were no movements on restricted funds during the year ended 31 March 2018.

The notes on pages 7 to 10 form part of these accounts.

# THE KILLEARN TRUST

## BALANCE SHEET

AS AT 31 MARCH 2018

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	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>	<b>8</b>				
Investments			<b>2,708,746</b>		2,614,674
<b>Current assets</b>					
Stock		<b>73</b>		324	
Debtors	<b>9</b>	<b>15,515</b>		17,984	
Cash at bank and in hand		<b>91,011</b>		158,921	
		<u><b>106,599</b></u>		<u>177,229</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	<b>10</b>	<u><b>(27,737)</b></u>		<u>(8,927)</u>	
<b>Net current assets</b>			<u><b>78,862</b></u>		<u>168,302</u>
<b>Net assets</b>			<u><b>2,787,608</b></u>		<u>2,782,976</u>
<b>Funds</b>	<b>11</b>				
Restricted funds			<b>27,880</b>		27,880
Unrestricted funds			<u><b>2,759,728</b></u>		<u>2,755,096</u>
			<u><b>2,787,608</b></u>		<u>2,782,976</u>

The notes on pages 7 to 10 form part of these accounts.

The accounts were approved by the Trustees on 31 October 2018.

Mrs G Smith - Treasurer

Mr J Parker - Chairman

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **1 Accounting policies**

#### **1.1 Basis of preparation**

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Killearn Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Trustees consider there are no material uncertainties about the Trust's ability to continue as a going concern.

#### **1.2 Income resources**

Donations, legacies and other forms of voluntary income are recognised as income when receivable, except insofar as they are incapable of financial measurement.

#### **1.3 Expenditure**

All expenditure is included on an accrual basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The Trust is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

#### **1.4 Investments**

Quoted investments are valued at Market Value. The property investments are held as social investments. These have been valued by the Trustees.

#### **1.5 Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.6 Debtors and prepayment**

Debtors comprise rentals due to be paid to the Trust by the property agents, minor rent arrears and amount paid in advance for expenses.

#### **1.7 Cash at bank**

This comprises cash held by the Trust's bankers.

#### **1.8 Liabilities and provisions**

This comprises estimates due by the Trust for services received but not yet paid for.

#### **1.9 Financial Instruments**

The Trust only has financial assets and liabilities of a kind that qualify as basic financial instruments.

#### **1.10 Accumulated funds**

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

General funds are used for payment of grants and donations, the maintenance of properties, professional fees in connection with the Trust's assets and any other expenses that arise.

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 2 Investment income

	<b>Total</b>	Total
	<b>2018</b>	2017
	£	£
Rental income	<b>46,099</b>	47,404
Income from listed investments	<b>24,637</b>	21,656
Interest receivable	<b>28</b>	1,599
	<b>70,764</b>	70,659

### 3 Income from charitable activities

	<b>2018</b>	2017
	£	£
"Parish of Killearn" book	<b>310</b>	378

### 4 Direct Charitable expenditure

	<b>Total</b>	Total
	<b>2018</b>	2017
	£	£
Repairs, maintenance & insurance of properties	<b>37,458</b>	19,869
Buchanan Monument maintenance	<b>490</b>	540
Well Green maintenance	<b>65</b>	130
Glebe maintenance	<b>50</b>	160
"Parish of Killearn" books	<b>252</b>	305
Grants to Killearn Primary School	<b>7,772</b>	5,000
Donations	<b>1,600</b>	3,100
Sundry expenses	<b>25</b>	25
Legal Fees	<b>10,390</b>	11,921
	<b>58,102</b>	41,050

### 5 Support costs

	<b>Total</b>	Total
	<b>2018</b>	2017
	£	£
Independent examiner's fees	<b>1,170</b>	1,104
Meeting costs	<b>49</b>	32
Honoraria	<b>200</b>	200
	<b>1,419</b>	1,336

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or expenses during the year other than the Honorary Secretary and Treasurer. It was agreed to pay them an honorarium of £100 per annum. There are no other related party transactions.

#### 7 Employees

There were no employees during the year.

#### 8 Fixed asset investments

	UK Investment property	UK quoted shares	UK cash in portfolio	Total
	£	£	£	£
Market value at 1 April 2017	1,741,422	820,230	53,022	2,614,674
Acquisitions at cost	-	116,237	6,055	<b>122,292</b>
Disposals at cost	-	(20,290)	-	<b>(20,290)</b>
Change in value in year	-	(7,930)	-	<b>(7,930)</b>
<b>Market value at 31 March 2018</b>	<b>1,741,422</b>	<b>908,247</b>	<b>59,077</b>	<b>2,708,746</b>
Historic cost at 31 March 2018	66,469	655,133	59,077	780,679
Historic cost at 1 April 2017	66,469	559,186	53,022	678,677

Reconciliation of movements on unrealised gains on investments:

Unrealised gains at 1 April 2017	1,674,953	261,044	-	1,935,997
Net gains/(losses) on revaluations in year	-	(7,930)	-	(7,930)
<b>Unrealised gains at 31 March 2018</b>		<b>253,114</b>		<b>1,928,067</b>

The properties have not been revalued in recent years. The Trust has been carrying out a programme of up-grading the residential properties and will consider obtaining a professional revaluation in due course. The Trustees consider that the valuation at which the properties are disclosed is reasonable.

#### 9 Debtors

	2018	2017
	£	£
Property agents	<b>14,557</b>	<b>16,174</b>
Rent debtor	<b>158</b>	<b>910</b>
Prepayments	<b>800</b>	<b>900</b>
	<b>15,515</b>	<b>17,984</b>

#### 10 Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals	<b>27,737</b>	<b>8,927</b>

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 11 Funds

	Balances at 1 April 2016 & 2017	Movement in year	Balances at 31 Mar 2017 & 2018
	£	£	£
<b>Unrestricted Funds</b>			
General	819,099	12,562	831,661
Revaluation	1,935,997	(7,930)	1,928,067
	<u>2,755,096</u>	<u>4,632</u>	<u>2,759,728</u>
<b>Restricted Funds</b>	£	£	£
Capital funds	25,309	-	25,309
Bequest funds	2,571	-	2,571
	<u>27,880</u>	<u>-</u>	<u>27,880</u>

The capital and bequest funds are the original contributions to the Trust and sundry amounts donated in subsequent years.

#### 12 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 March 2018 are represented by:			
Investments	2,708,746	-	2,708,746
Current assets	78,719	27,880	106,599
Creditors: amounts falling due within one year	(27,737)	-	(27,737)
	<u>2,759,728</u>	<u>27,880</u>	<u>2,787,608</u>
Fund balances at 31 March 2017 are represented by:			
Investments	2,614,674	-	2,614,674
Current assets	149,349	27,880	177,229
Creditors: amounts falling due within one year	(8,927)	-	(8,927)
	<u>2,755,096</u>	<u>27,880</u>	<u>2,782,976</u>