

**THE KILLEARN TRUST**  
**TRUSTEES' REPORT AND UNAUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

# THE KILLEARN TRUST

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# THE KILLEARN TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

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 (resigned 3 December 2018)
Mrs P Craigie	- Ex Officio (re-appointed 3 December 2018)
Rev S Sharp	- Ex Officio (appointed 3 December 2018)

**Principal office**

7 Napier Road  
Killearn  
Glasgow  
G63 9PB

**Charity number** SC003347

**Independent examiner**

Wylie & Bisset LLP  
Chartered Accountants  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers**

Bank of Scotland  
136 Buchanan Street  
Balfron  
Glasgow  
G63 OTG

**Solicitors**

Brodies LLP  
110 Queen Street  
Glasgow  
G1 3BX

**Investment advisors**

Tilney Bestinvest  
130 St Vincent Street  
Glasgow  
G2 5SE

**Website** [www.killearn.org.uk/killearntrust.html](http://www.killearn.org.uk/killearntrust.html)

# THE KILLEARN TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2019

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The Trustees present their annual report and financial statements for the year ended 31 March 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.

The legal and administrative information on page one forms part of this report.

#### **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 four open spaces, purchased in order to meet the charity's objectives.

#### **Structure, Governance and Management**

##### **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 J Ptolomey	(appointed 11 June 2018)
Mr A Berrill	- Ex Officio
Mrs P Craigie	- Ex Officio (re-appointed on 3 December 2018 - Head of Killearn Primary School)
Mrs S Hewitt	- Ex Officio (resigned 3 December 2018 - Acting Head of Killearn Primary School)
Rev S Sharp	- Ex Officio (appointed 3 December 2018 - Minister of Killearn Kirk)

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 2019**

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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 external painting and gutter and fascia board replacement. Renovation work, totalling some £134,000, on a vacant property started in September 2018 and was completed by March 2019. The Trust realised £50,000 of investments to cover these costs. The property was re-let in April 2019.

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 £8,900 were made during the year for books for a new reading system at Killearn Primary School, Killearn Golden Years Club 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.

#### **Buchanan Monument**

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

#### **Parish of Killearn Book**

A further 14 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 month's expenditure. At current levels of expenditure this would equate to between £46,573 and £93,147. The Trustees considers 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, with the Trust's general reserves sitting at £742,738 at the year end.

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 £943,923.

As there were no records concerning the origin of the Capital funds, it was decided to use these to offset the expenditure on the major renovation in the year.

# THE KILLEARN TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2019**

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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 charity trustees are responsible for preparing a trustees' annual report and financial statements 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the charity constitution. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees and signed on their behalf by

**Mr J Parker – Chairman**

Date: 30 September 2019

**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 2019, which are set out on pages 6 to 12.

**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.

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 is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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:

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the Accounts Regulations, and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Scott Gillon BA (Hons), FCCA, CA  
**Wylie & Bisset LLP**  
**Chartered Accountants**  
168 Bath Street  
Glasgow  
G2 4TP

Date: 30 September 2019

# THE KILLEARN TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

(Including an Income and Expenditure account)

**FOR THE YEAR ENDED 31 MARCH 2019**

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		Unrestricted funds	Restricted funds	Total 2019	Total 2018
	Notes	£	£	£	£
<b>Income</b>					
Investment income	2	71,011	-	71,011	70,764
Charitable activities	3	192	-	192	310
<b>Total Income</b>		<b>71,203</b>	<b>-</b>	<b>71,203</b>	<b>71,074</b>
<b>Expenditure</b>					
<b>Costs of raising funds</b>					
Investment management costs		9,874	-	9,874	7,783
<b>Charitable activities</b>					
Direct charitable expenditure	4	146,905	27,880	174,785	58,102
Support costs	5	1,634	-	1,634	1,419
<b>Total Expenditure</b>		<b>158,413</b>	<b>27,880</b>	<b>186,293</b>	<b>67,304</b>
<b>Net (expenditure)/income before gains and losses on investments</b>		<b>(87,210)</b>	<b>(27,880)</b>	<b>(115,090)</b>	<b>3,770</b>
<b>Gains/(losses) on investments</b>					
Realised		(1,713)	-	(1,713)	8,792
Unrealised		46,565	-	46,565	(7,930)
<b>Net movement in funds</b>		<b>(42,358)</b>	<b>(27,880)</b>	<b>(70,238)</b>	<b>4,632</b>
Fund balances at 1 April 2018	10	2,759,728	27,880	2,787,608	2,782,976
<b>Fund balances at 31 March 2019</b>	<b>10</b>	<b>2,717,370</b>	<b>-</b>	<b>2,717,370</b>	<b>2,787,608</b>

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The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.



# THE KILLEARN TRUST

## BALANCE SHEET

AS AT 31 MARCH 2019

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	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Investments	7		<b>2,692,982</b>		2,708,746
<b>Current assets</b>					
Stock		-		73	
Debtors	8	<b>5,611</b>		15,515	
Cash at bank and in hand		<b>19,947</b>		<b>91,011</b>	
		<b>25,558</b>		<b>106,599</b>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	9	<b>(1,170)</b>		<b>(27,737)</b>	
<b>Net current assets</b>			<b>24,388</b>		<b>78,862</b>
<b>Net assets</b>			<b>2,717,370</b>		<b>2,787,608</b>
<b>Funds</b>					
Restricted funds	10		-		27,880
Unrestricted funds	10		<b>2,717,370</b>		<b>2,759,728</b>
			<b>2,717,370</b>		<b>2,787,608</b>

Approved by the trustees and signed on their behalf by:

Mrs G Smith – Treasurer

Mr J Parker - Chairman

Date: 30 September 2019

Date: 30 September 2019

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS

**FOR THE YEAR ENDED 31 MARCH 2019**

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### **1 Accounting policies**

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

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements 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), 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 financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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 amounts 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.

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 1 Accounting policies (continued)

#### 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.

Further details of each fund are disclosed in note 10.

### 2 Investment income

	2019	2018
	£	£
Rental income	44,283	46,099
Income from listed investments	26,639	24,637
Interest receivable	89	28
	<u>71,011</u>	<u>70,764</u>

### 3 Income from charitable activities

	2019	2018
	£	£
"Parish of Killearn" book	<u>192</u>	310

### 4 Direct Charitable expenditure

	2019	2018
	£	£
Repairs, maintenance & insurance of properties	163,299	37,458
Buchanan Monument maintenance	520	490
Well Green maintenance	60	65
Glebe maintenance	115	50
"Parish of Killearn" books	72	252
Grants to Killearn Primary School	8,500	7,772
Donations	400	1,600
Sundry expenses	127	25
Legal & professional fees	1,692	10,390
	<u>174,785</u>	<u>58,102</u>

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

#### 5 Support costs

	2019	2018
	£	£
Independent examiner's fees	1,364	1,170
Meeting costs	70	49
Honoraria	200	200
	<u>1,634</u>	<u>1,419</u>

#### 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 (2018: none other than honorarium). It was agreed to pay them an honorarium of £100 per annum (2018: £100 per annum). There are no other related party transactions (2018: none).

#### 7 Fixed asset investments

	UK Investment property	UK quoted shares	UK cash in portfolio	Total
	£	£	£	£
Market value at 1 April 2018	1,741,422	908,247	59,077	2,708,746
Acquisitions at cost	-	58,996	-	58,996
Disposals at cost	-	(69,885)	(51,440)	(121,325)
Change in value in year	-	46,565	-	46,565
<b>Market value at 31 March 2019</b>	<u>1,741,422</u>	<u>943,923</u>	<u>7,637</u>	<u>2,692,982</u>
Historic cost at 31 March 2019	66,469	644,244	7,637	718,350
Historic cost at 1 April 2018	66,469	655,133	59,077	708,679
Reconciliation of movements on unrealised gains on investments:				
Unrealised gains at 1 April 2018	1,674,953	253,114	-	1,928,067
Net gains/(losses) on revaluations in year	-	46,565	-	46,565
<b>Unrealised gains at 31 March 2019</b>	<u>1,674,953</u>	<u>299,679</u>	<u>-</u>	<u>1,974,632</u>

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.

#### 8 Debtors

	2019	2018
	£	£
Property agents	3,698	14,715
Prepayments	1,913	800
	<u>5,611</u>	<u>15,515</u>

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2019

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

	2019	2018
	£	£
Accruals	1,170	27,737

#### 10 Analysis of charitable funds

2019 Analysis of Fund Movements	Balances at 1 April 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balances at 31 Mar 2019 £
<b>Unrestricted Funds</b>					
General	831,661	71,203	(158,413)	(1,713)	742,738
Revaluation	1,928,067	-	-	46,565	1,974,632
<b>Total Unrestricted Funds</b>	<b>2,759,728</b>	<b>71,203</b>	<b>(158,413)</b>	<b>44,852</b>	<b>2,717,370</b>
<b>Restricted Funds</b>					
Bequest funds	2,571	-	(2,571)	-	-
Capital funds	25,309	-	(25,309)	-	-
<b>Total Restricted Funds</b>	<b>27,880</b>	<b>-</b>	<b>(27,880)</b>	<b>-</b>	<b>-</b>
<b>Total Funds</b>	<b>2,787,608</b>	<b>71,203</b>	<b>(186,293)</b>	<b>44,852</b>	<b>2,717,370</b>

2018 Analysis of Fund Movements	Balances at 1 April 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balances at 31 Mar 2018 £
<b>Unrestricted Funds</b>					
General	819,099	71,074	(67,304)	8,792	831,661
Revaluation	1,935,997	-	-	(7,930)	1,928,067
<b>Total Unrestricted Funds</b>	<b>2,755,096</b>	<b>71,074</b>	<b>(67,304)</b>	<b>862</b>	<b>2,759,728</b>
<b>Restricted Funds</b>					
Bequest funds	2,571	-	-	-	2,571
Capital funds	25,309	-	-	-	25,309
<b>Total Restricted Funds</b>	<b>27,880</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,880</b>
<b>Total Funds</b>	<b>2,782,976</b>	<b>71,074</b>	<b>(67,304)</b>	<b>862</b>	<b>2,787,608</b>

a) The unrestricted funds are available to be spent for any of the purposes of the charity.

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

# THE KILLEARN TRUST

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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### 11 Net assets over funds

<b>2019</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Investments	2,692,982	-	2,692,982
Debtors	5,611	-	5,611
Cash at bank	19,947	-	19,947
Current liabilities	(1,170)	-	(1,170)
	<u>2,717,370</u>	<u>-</u>	<u>2,717,370</u>
<b>2018</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Investments	2,708,746	-	2,708,746
Stock	73	-	73
Debtors	15,515	-	15,515
Cash at bank	63,131	27,880	91,011
Current liabilities	(27,737)	-	(27,737)
	<u>2,759,728</u>	<u>27,880</u>	<u>2,787,608</u>