

**LADY MARGARET SKIFFINGTON TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007
SCOTTISH CHARITY NUMBER: SC 035635**

LADY MARGARET SKIFFINGTON TRUST

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LADY MARGARET SKIFFINGTON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2007

Reference and Administrative Information

Scottish Charity Number: SC 035635
Operational Address: 52 Crossgate, Cupar Fife, KY15 5JX

Trustees

The following persons have served as Trustees during the year ended 31 March 2007 and since the year end.

R.A.G. Bennett
A.W.Y. Wright
R. Gourlay

Secretaries and Address of Administrative Office

Bennetts,
Solicitors,
52 Crossgate,
Cupar,
Fife, KY15 5JX

Independent Examiner

Ian J. Cameron,
Henderson Loggie,
Royal Exchange,
Panmure Street,
Dundee, DD1 1DZ

Principal Bankers

Clydesdale Bank plc,
16 St. Catherine Street,
Cupar,
Fife, KY15 4HH

Investment Advisers

Brewin Dolphin Securities Limited,
5 Giltspur Street,
London,
EC1A 9BD

LADY MARGARET SKIFFINGTON TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2007

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 31 March 2007. The financial statements have been prepared in accordance with the accounting policies set out on page 7 and comply with the Charity's Trust Deed, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 2005.

Objectives

The principal objective of the Charity is to provide benefit for the blind in East Fife and persons who come to East Fife for training and rehabilitation by the provision of facilities so that their conditions of life may be improved. In furtherance thereof but not otherwise the Charity shall seek:

- to benefit blind persons so as to ameliorate their quality of life;
- to support training and rehabilitation;
- to conserve, preserve and protect for the benefit of the public the woodland and other areas of Innergellie Estate which are retained by the Charity and not leased or otherwise utilised;
- to establish a scented garden or gardens containing roses and other flowers and herbs; and
- to furnish and maintain a room which contains material and colours which can be explained and appreciated by such persons.

Structure, Governance and Management

The Charity is an unincorporated trust, established by a Deed of Trust dated 2 and 3 June 2004 and recorded in the books of Council and session on 7 June 2004. The Scottish Charity number is SC 035635.

The Charity is administered under the supervision of the Trustees. The Trustees meet as required, normally quarterly. The day to day administration is carried out by the Secretaries.

The Trustees are in the course of preparing an induction pack and developing induction procedures for potential new Trustees to make this an informative and effective process.

Review of the Activities and Future Developments

During the year the Trustees worked to establish a systematic basis for making future charitable donations and an appropriate strategy for the Trust. Actual charitable donations were increased by £1,308 to £4,696 and governance costs were reduced by £3,982 to £4,459.

As the grant making strategy develops the Trustees envisage an increase in spending on charitable activities and a further reduction in governance costs. Two large scale grants in excess of £25,000 were distributed after the year end and further significant requests from suitable donees are under consideration.

Reserves Policy and Risk Management

The Reserves represent the unrestricted funds arising largely from the legacy. The Trustees are satisfied that the balances of the General Fund and Revaluation Reserve are satisfactory given the income expected to arise.

The Trustees have assessed the major risks to which the Charity is exposed, in particular those relating to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the Charity's exposure to the major risks.

LADY MARGARET SKIFFINGTON TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2007

Investment policy

The investment policy of the Trustees is to follow a conservative approach taking into account the advice of their investment advisers. The portfolio reflects this policy and Trustees are satisfied with the performance to date.

Statement of Trustees' Responsibilities

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements, which they are responsible for preparing, comply with the Charities Accounts (Scotland) Regulations 2006 and the terms of the Charity's Founding Deed. The applicable law also sets out the Trustees' responsibilities for the preparation and content of the Trustees' Annual Report.

Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:



R.A.G. Bennett (Trustee)

19 December 2007



A.W.Y. Wright (Trustee)

LADY MARGARET SKIFFINGTON TRUST

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF LADY MARGARET SKIFFINGTON TRUST

I report on the accounts of the trust for the year ended 31 March 2007 which are set out on pages 5 to 10.

Respective responsibilities of the Trustees and Examiner

The 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 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 Statement

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 trust 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 the course of 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 2006 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.


Ian J Cameron FCCA

Henderson Loggie
Chartered Accountants
Royal Exchange
Panmure Street
Dundee
DD1 1DZ

19 December 2007

LADY MARGARET SKIFFINGTON TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2007

	Notes	General Fund £	Reval'n Reserve £	Total Funds 2007 £	Total Funds 2006 £
Incoming resources					
Incoming resources from generated funds:					
Investment income					
Interest receivable	4	3,974	-	3,974	2,787
Investment income	10	49,782	-	49,782	43,668
Total incoming resources		<u>53,756</u>	<u>-</u>	<u>53,756</u>	<u>46,455</u>
Resources expended					
Costs of generating funds					
Investment management costs		293	-	293	588
Charitable Activities	5	4,696	-	4,696	3,388
Governance costs	6	4,459	-	4,459	8,441
Total resources expended		<u>9,448</u>	<u>-</u>	<u>9,448</u>	<u>12,417</u>
Net incoming/(outgoing) resources before transfers					
		44,308	-	44,308	34,038
Transfers between funds		-	-	-	-
Net incoming/(outgoing) resources		44,308	-	44,308	34,038
Realised gains		612	-	612	-
Realised losses		-	-	-	-
Other Recognised Gains and Losses		-	56,760	56,760	521,650
Net Movement in funds		44,920	56,760	101,680	555,688
Reconciliation of funds:					
Balances brought forward		1,674,246	527,920	2,202,166	1,646,478
Balances carried forward		<u>1,719,166</u>	<u>584,680</u>	<u>2,303,846</u>	<u>2,202,166</u>
		General Fund £	Reval'n Reserve £	Total Funds 2007 £	Total Funds 2006 £
Represented By:					
Fixed Assets		1,595,374	584,680	2,180,054	2,123,294
Current Assets		131,561	-	131,561	85,746
Current Liabilities		(7,769)	-	(7,769)	(6,874)
		<u>1,719,166</u>	<u>584,680</u>	<u>2,303,846</u>	<u>2,202,166</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

LADY MARGARET SKIFFINGTON TRUST

BALANCE SHEET AS AT 31 MARCH 2007

	Notes	£	2007 £	£	2006 £
Fixed assets					
Tangible assets	7		3,000		3,000
Investments	11		2,177,054		2,120,294
			<u>2,180,054</u>		<u>2,123,294</u>
Current assets					
Income Tax recoverable		621		539	
Cash on deposit and in hand		130,940		85,207	
		<u>131,561</u>		<u>85,746</u>	
LIABILITIES					
Creditors: amounts falling due within one year					
Accruals		7,769		6,874	
		<u>7,769</u>		<u>6,874</u>	
Net current assets			123,792		78,872
Total assets less current liabilities			<u>2,303,846</u>		<u>2,202,166</u>
Unrestricted funds					
Revaluation Reserve			584,680		527,920
General Fund			1,719,166		1,674,246
Total Charity funds			<u>2,303,846</u>		<u>2,202,166</u>

These accounts were approved by the Trustees on 19 December 2007 and were signed on their behalf by:


R.A.G. Bennett
Trustee


A.W.Y. Wright
Trustee

LADY MARGARET SKIFFINGTON TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of investments and are in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 2005.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets comprise land and are carried at cost as reflected in the bequest.

No depreciation has been charged on the land.

Items are capitalised where the purchase price exceeds £500.

1.3 Investments

Investments are included at market value at the year end. Realised gains and losses on disposal of investments are charged or credited to the General Fund in the Statement of Financial Activities. Unrealised gains and losses are charged or credited to the Revaluation Reserve in the Statement of Financial Activities.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities in the year in which they are receivable.

1.5 Resources expended

All resources expended are included on an accruals basis and are recognised when there is a legal or constructive obligation to pay. The Charity is not registered for Value Added Tax and accordingly all expenditure is shown gross of irrecoverable Value Added Tax.

1.6 Cash Flow Statement

The Charity is entitled to the exemptions available in the Charities Accounts (Scotland) Regulations 2006 and is therefore not required to prepare a cash flow statement.

2 Taxation

No provision has been made for payment of tax in these accounts due to the charitable status.

LADY MARGARET SKIFFINGTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

3 Employees and Trustees and their remuneration

The average weekly number of employees during the year was none (2006 none).

Staff costs of the above during the year including employers national insurance amounted to £nil (2006 £nil).

	2007 £	2006 £
Total remuneration paid to Trustees	-	-
Total reimbursement of Trustees expenses	214	766
	<u>214</u>	<u>766</u>

Related party transactions

Legal fees amounting to £2,000 were paid to a firm in which Trustee R. A. G. Bennett is sole practitioner. Accountancy fees amounting to £1,833 were paid to a firm in which Trustee A. W. Y. Wright is a former partner. All of the above fees were on standard commercial terms.

Expenses amounting to £214 were reimbursed to one Trustee towards the cost of meetings and travel.

4 Interest receivable

	2007 £	2006 £
Gross interest receivable	3,564	2,654
Net interest receivable	328	106
Income tax recoverable	82	27
	<u>3,974</u>	<u>2,787</u>

5 Charitable activities

	2007 £	2006 £
Grants to institutions:		
WRVS Good Neighbours Project	2,418	-
Blind, Advice, Support, Employment Group, East Fife	600	-
	<u>3,018</u>	<u>-</u>
Grants to blind individuals	1,325	744
Upkeep of woodland walk	353	2,644
	<u>4,696</u>	<u>3,388</u>

Two grants were paid to blind individuals to assist with specialist support services (2006 one grant).

LADY MARGARET SKIFFINGTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

6 Governance costs

	2007 £	2006 £
Expenses of travel and meetings	214	420
Legal fees	2,000	3,883
Accountancy fees	1,833	2,900
Audit fees	(176)	1,175
Independent examination fee	588	-
Bank charges	-	63
	<u>4,459</u>	<u>8,441</u>

Legal and accountancy fees are regarded as Support costs.

7 Tangible fixed assets

	Land and buildings £
Cost or valuation	
At 1 April 2006 & at 31 March 2007	3,000
Depreciation	
At 1 April 2006 & at 31 March 2007	-
Net book value	
At 31 March 2007	3,000
At 31 March 2006	3,000

8 Creditors: amounts falling due within one year

	2007 £	2006 £
Accruals	<u>7,769</u>	<u>6,874</u>

9 Capital commitments and Contingent liabilities

Capital expenditure contracted for but not provided in the accounts amounted to £nil.

The Trustees are not aware of any contingent liabilities.

LADY MARGARET SKIFFINGTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

10 Dividends and interest on investments

	2007	2006
	£	£
Government Stocks		
Treasury 4.75% 2015	4,750	
Treasury 4.75% 2010	4,750	
Treasury 4% 2009	4,000	
	<u>13,500</u>	13,734
Listed Securities		
Alliance Trust	5,222	4,074
Bankers Investment Trust	5,119	4,455
Barclays	-	101
Edinburgh Investment Trust	8,843	6,007
Foreign & Colonial Investment Trust	3,850	3,465
Glaxosmithkline	-	24
Monks Investment Trust	1,577	1,411
Murray International Trust	2,094	1,926
RIT Capital Partners	698	698
Scottish Mortgage Inv Trust	4,049	3,938
Scottish Investment Trust	4,824	3,780
Severn Trust	-	55
Templeton	6	-
	<u>36,282</u>	<u>29,934</u>
	<u>49,782</u>	<u>43,668</u>

11 Investments

	Market Value 01/04/06	(Disposal) Proceeds	Gains/ (losses)	Market Value 31/03/07
	£	£	£	£
Government Stocks				
Treasury 4.75% 2015 - £100,000	102,970	-	(4,586)	98,384
Treasury 4.75% 2010 - £100,000	102,709	-	(2,876)	99,833
Treasury 4% 2009 - £100,000	99,087	-	(1,302)	97,785
	<u>304,766</u>	<u>-</u>	<u>(8,764)</u>	<u>296,002</u>
Listed Securities				
Alliance Trust - 5,600 ord	211,848	-	(4,648)	207,200
Bankers Investment Trust - 54,000 ord	206,955	-	20,925	227,880
Edinburgh Investment Trust - 45,000 ord	193,500	-	22,725	216,225
Foreign & Col. Inv. Trust - 77,000 ord	212,905	-	13,475	226,380
Monks Investment Trust - 83,000 ord	240,700	-	415	241,115
Murray International Trust - 11,600 ord	71,804	-	2,900	74,704
RIT Capital Partners - 22,500 ord	236,925	-	(10,800)	226,125
Scottish Mortgage Inv Trust - 44,250 ord	232,091	-	9,957	242,048
Scottish Investment Trust - 45,000 ord	208,800	-	10,575	219,375
Templeton Emerging Markets - 210/- ord	-	(612)	612	-
	<u>1,815,528</u>	<u>(612)</u>	<u>66,136</u>	<u>1,881,052</u>
	<u>2,120,294</u>	<u>(612)</u>	<u>57,372</u>	<u>2,177,054</u>

The historical cost of investments at 31 March 2007 was £1,592,374