

LADY MARGARET SKIFFINGTON TRUST

REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

SCOTTISH CHARITY NUMBER: SC 035635

**Henderson Black & Co.
Chartered Accountants, St. Andrews**

LADY MARGARET SKIFFINGTON TRUST

CONTENTS

Page

Legal and administrative information

1

Trustees' Annual Report

2 - 3

Independent Examiner's Report

4

Statement of financial activities

5

Balance sheet

6

Notes to the financial statements

7 - 10

LADY MARGARET SKIFFINGTON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2012

Reference and Administrative Information

Scottish Charity Number: SC 035635
Operational Address: 35 Bonnygate, Cupar Fife, KY15 4BU

Trustees

The following persons have served as trustees during the year ended 31 March 2012 and since the year end.

Robin A.G. Bennett
Andrew W.Y. Wright
Robert P. Gourlay
Walter G. Hill
Alasdair D. Hood

Secretaries and Address of Administrative Office

Murray Donald Drummond Cook LLP,
Solicitors,
35 Bonnygate,
Cupar,
Fife, KY15 4BU

Independent Examiner

Ian A. J. Palfrey, FCCA,
Henderson Black & Co,
Chestney House,
Market Street,
St. Andrews, Fife, KY16 9PF

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 2012

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2012. 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 (as amended) 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 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.

In addition, it is an objective of the charity 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.

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 SC035635.

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 have prepared induction packs and induction procedures for potential new trustees to make this an informative and effective process.

Review of the Activities and Future Developments

The value of the charity's investment portfolio decreased during the year, reflecting the realisation of funds for charitable spending shortly after the year end. At the end of the year the Charity's investments were valued at £2,606,073 (2011 £2,611,041) and there was cash on deposit of £82,474 (2011 £52,842). The charity received investment income and bank interest totalling £57,536 (2011 £53,430). The trustees spent £98,384 (2011 £36,052) on charitable activities, incurred governance costs of £4,081 (2011 £4,928) and investment management costs of £315 (2011 £294).

Grants for various aids and facilities to individuals distributed in the year totalled £13,661 (2011 £10,623). The trustees have been happy to fund improvements to the lives of a steadily increasing number of applicants. The trustees paid £16,108 (2011 £14,330) to the WRVS to support much appreciated volunteer car transport for the visually impaired. The charity has committed to fund this for a further three years. There was expenditure of £55,000 on a new facility for the visually impaired at Elmwood College approved in the previous year. This was the charity's largest single grant of funds to date.

The Skiffington Cottage, in the grounds of the college, was opened by the Rt Hon Gordon Brown MP on 1 December 2011. It provides a location for the demonstration of decorative and equipment aids for the visually impaired. The college also has a sensory garden, the establishment of which was also funded in part by the charity.

LADY MARGARET SKIFFINGTON TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2012

The charity continues to discuss with interested parties the establishment of other sensory gardens in East Fife. The charity now has a web site www.skiffington.org.uk which it is hoped will make its operations more readily known to those who are interested.

At Innergellie South Wood, planting of wild flowers did not take place as planned in 2011 but it is hoped will proceed in Autumn 2012. There are also plans to manage the wood more actively. It has become an attraction for residents and school and nursery parties in the East Neuk.

Reserves Policy and Risk Management

The reserves carried forward at the year end amount to £2,630,786 and represent the unrestricted funds arising largely from the legacy. Included within this total is £3,000 of fixed assets for use in the charitable activities. The trustees aim to retain reserves capable of producing sufficient income to fund the activities of the charity.

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.

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

Law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial period which give a true and fair view of the charity's financial activities during the period and of its financial position at the period end. In preparing the financial statements, giving a true and fair view, the trustees are required to:

1. select suitable accounting policies and then comply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Approved by the trustees and signed on their behalf on 24 September 2012 by;


R.A.G. Bennett (Trustee)


A.W.Y. Wright (Trustee)

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

I report on the accounts of the charity for the year ended 31 March 2012 which are set out on pages 5 to 10.

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 charity 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 (as amended). 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.

This report is made to the trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken so that I might state to the 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 trustees for my work or for this report.

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 A. J. Palfrey FCCA.,
Partner
Henderson Black & Co
Chartered Accountants

149 Market Street
St. Andrews
Fife
KY16 9PF

24 September 2012

LADY MARGARET SKIFFINGTON TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2012

	Notes	General Fund £	Reval'n Reserve £	Total Funds 2012 £	Total Funds 2011 £
Incoming resources					
Incoming resources from generated funds:					
Investment income					
Interest receivable	4	-	-	-	4
Investment income	9	57,536	-	57,536	53,426
Total incoming resources		57,536	-	57,536	53,430
Resources expended					
Costs of generating funds					
Investment management costs		315	-	315	294
Charitable Activities	5	98,384	-	98,384	36,052
Governance costs	6	4,081	-	4,081	4,928
Total resources expended		102,780	-	102,780	41,274
Net incoming/(outgoing) resources before transfers		(45,244)	-	(45,244)	12,156
Transfers between funds		6,048	(6,048)	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		(39,196)	(6,048)	(45,244)	12,156
Gains/(losses) on investments assets	10	2,567	14,940	17,507	258,823
Net Movement in funds		(36,629)	8,892	(27,737)	270,979
Reconciliation of funds:					
Balances brought forward		1,778,282	880,241	2,658,523	2,387,544
Balances carried forward		1,741,653	889,133	2,630,786	2,658,523
Represented By:					
Fixed Assets		1,719,940	889,133	2,609,073	2,614,041
Current Assets		82,474	-	82,474	52,842
Current Liabilities		(60,761)	-	(60,761)	(8,360)
		1,741,653	889,133	2,630,786	2,658,523

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

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 2012

	Notes	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	7		3,000		3,000
Investments	10		2,606,073		2,611,041
			<u>2,609,073</u>		<u>2,614,041</u>
Current assets					
Cash on deposit and in hand		82,474		52,842	
		<u>82,474</u>		<u>52,842</u>	
Liabilities					
Creditors: amounts falling due within one year					
Creditors		55,000		-	
Accruals		5,761		8,360	
		<u>60,761</u>		<u>8,360</u>	
Net current assets			21,713		44,482
Total assets less current liabilities			<u>2,630,786</u>		<u>2,658,523</u>
Unrestricted funds					
General Fund			1,741,653		1,778,282
Revaluation Reserve			889,133		880,241
Total Charity funds			<u>2,630,786</u>		<u>2,658,523</u>

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

These accounts were approved by the Trustees on 24 September 2012 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 2012

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 (as amended) 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 (as amended) 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 2012

3 Employees and Trustees and their remuneration

The average weekly number of employees during the year was none (2011 none).

Staff costs of the above during the year including employers national insurance amounted to £nil (2011 £nil).

	2012 £	2011 £
Total reimbursement of Trustees expenses	501	192
	<u>501</u>	<u>192</u>

Related party transactions

Expenses amounting to £266 were reimbursed to Trustee R. Gourlay, who is blind, towards the cost of meetings and travel. Expenses amounting to £235 were reimbursed to Trustee R. Bennett.

Consultancy fees of £200 were paid to Trustee Alasdair Hood during the year.

4 Interest receivable

	2012 £	2011 £
Gross interest receivable	-	4
	<u>-</u>	<u>4</u>

5 Charitable activities

	2012 £	2011 £
Grants to institutions:		
WRVS Accessible Transport Project	16,108	14,330
Elmwood College Visual Impairment Facility Project	55,000	-
	<u>71,108</u>	<u>14,330</u>
Grants to blind individuals	13,661	10,623
Support costs	12,190	10,386
Upkeep of woodland	1,425	713
	<u>98,384</u>	<u>36,052</u>

Fifteen grants were paid to blind individuals to assist with specialist support services (2011 eleven grants).

LADY MARGARET SKIFFINGTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

6 Governance costs

	2012 £	2011 £
Expenses of travel and meetings	501	384
Legal fees	3,046	2,596
Accountancy fees	(306)	1,307
Independent examination fee	840	641
	<u>4,081</u>	<u>4,928</u>

Legal and accountancy fees are regarded as Support costs.

7 Tangible fixed assets

	Land and buildings £
Cost	
At 1 April 2011 & at 31 March 2012	<u>3,000</u>
Depreciation	
At 1 April 2011 & at 31 March 2012	<u>-</u>
Net book value	
At 31 March 2012	<u>3,000</u>
At 31 March 2011	<u>3,000</u>

8 Commitments and Contingent liabilities

There is a commitment to the WRVS Accessible Transport Project to provide support for the next three years not exceeding £50,000 in total.

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 2012

9

Dividends and interest on investments

2012

2011

£

£

£

Government Stocks

Treasury 4% 2016

Treasury 4.75% 2015

UK Government 2.5% I/L 2016

UK Government 2.5% I/L 2020

UK Government 2.5% I/L 2024

Listed Securities

Alliance Trust

Bankers Investment Trust

Edinburgh Investment Trust

Foreign & Colonial Investment Trust

Mercantile Investments

Monks Investment Trust

Murray International Trust

RIT Capital Partners

Scottish Mortgage Inv Trust

Scottish Investment Trust

5,595

9,957

4,833

6,857

10,152

5,198

1,476

2,490

9,868

900

5,487

4,680

51,941

57,536

43,469

53,426

10

Investments

Market Value

Bought/

Gains/

Market Value

01/04/11

(Sold)

(Losses)

31/03/12

£

£

£

£

Government Stocks

Treasury 4% 2016 - £90,000/-

UK Government 2.5% I/L 2016 - £16,000/£31,000

UK Government 2.5% I/L 2020 - £16,000/£30,100

UK Government 2.5% I/L 2024 - £39,450

Listed Securities

Alliance Trust - 56,000 ord

Bankers Investment Trust - 54,000 ord

Edinburgh Investment Trust - 45,000 ord

Foreign & Col. Inv. Trust - 77,000 ord

Mercantile Investments - 4,100 ord

Monks Investment Trust - 83,000 ord

Murray International Trust - 25,900 ord

RIT Capital Partners - 20,700 ord

RIT Capital Partners - 1,800/- ord

Scottish Mortgage Inv Trust - 44,250 ord

Scottish Investment Trust - 45,000 ord

95,842

51,200

52,233

112,204

311,479

(99,618)

50,525

48,935

-

(158)

3,776

5,160

8,980

17,306

35,222

-

106,885

110,148

129,510

346,543

203,952

223,020

199,800

241,703

45,223

293,820

241,259

270,549

23,526

328,335

228,375

-

-

-

-

-

-

-

-

(22,317)

-

-

2,296

1,674

24,120

1,540

(2,911)

(16,683)

16,187

(18,009)

(1,209)

(15,045)

(9,675)

206,248

224,694

223,920

243,243

42,312

277,137

257,446

252,540

-

313,290

218,700

2,299,562

2,611,041

(22,317)

(22,475)

(17,715)

17,507

2,259,530

2,606,073

The historical cost of investments at 31 March 2012 was £1,716,940.