

COMPANIES HOUSE

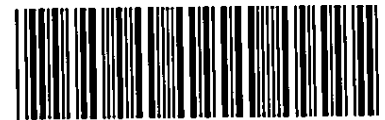
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BALCARRES HERITAGE TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5th APRIL, 2007

TUESDAY



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COMPANIES HOUSE

CARTERS ACCOUNTANTS LLP, CHARTERED ACCOUNTANTS

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REFERENCE and ADMINISTRATION DETAILS

<u>Name of Charity</u>	Balcarres Heritage Trust Limited
<u>Constitution and Governance</u>	Balcarres Heritage Trust Limited is a Company limited by guarantee and not having a share capital incorporated under the Companies Act 1985. The Charity's governing document is its Memorandum and Articles of Association.
<u>Council Members</u>	The Earl of Crawford and Balcarres The Earl of Woolton Nicolas Barker Lord Balniel Simon Weil
<u>Secretary</u>	Broadway Secretaries Limited
<u>Registered Office</u>	50 Broadway Westminster London SW1H 0BL
<u>Company Registration No</u>	2101229
<u>Charities Registration No</u>	296766
<u>Auditors</u>	Carters Accountants LLP Chartered Accountants 58 Bonnygate Cupar Fife KY15 4LD
<u>Solicitors</u>	Bircham Dyson Bell 50 Broadway Westminster London SW1H 0BL
<u>Bankers</u>	The Royal Bank of Scotland, plc Dunfermline Leven Fife
<u>Investment Managers</u>	J O Hambro Investment Management Limited 21, St James's Square London SW1Y 4HB

Structure Governance and Management

Balcarres Heritage Trust Limited is a Company Limited by guarantee, each member having guaranteed the Company's liabilities to the extent of £100. The Charity's governing document is its Memorandum and Articles of Association.

The management of the Charity is in the hands of Council Members. Council Members are appointed by the existing Council such that the number of Members of Council will not be less than 5 nor more than 8. Council Members hold office until the sixth Annual General Meeting following their election or re-election and are eligible for re-election. Council Members are involved in the overall strategy with the day to day administration being carried out by Lord Crawford.

The Council Members have reviewed the major risks to which the Charity is exposed and have established procedures to manage those risks.

Objectives and Activities

The principal objects and activities of the Charity are the preservation for the public benefit of the collection of books, incunabula, manuscripts and other papers in the ownership of Lord Balmoral and situate at Balcarres House, together with pictures, statues, furniture, plate and other articles acquired by the Charity for any interest and to promote the study and appreciation of these as works of art or objects of historical interest, the preservation for the public benefit of Balcarres House, together with its ancillary buildings, gardens, parkland and adjacent land, to advance the education of the public in the arts and sciences and to provide the grounds of Balcarres House for physical recreation. In order to achieve the objects the Charity is restoring and conserving the assets in its care, purchasing assets having a connection with Balcarres, lending works of art for exhibition, etc., and maintaining the house and gardens.

Achievements and Performance

An important task for the Charity is to facilitate educational and academic access to the printed and manuscript collections which have been placed in the National Library of Scotland.

As a result of efforts to increase public access to these collections, academic interest has increased. For instance a major historical project to reconstruct the corpus of Proclamations produced by the Irish Privy Council is being organised by St Patrick's College Dublin, Trinity College Dublin, The National Archives of Ireland, Kings Inns and Cambridge University. The Charity has authorised the National Library of Scotland to make copies available of c. 100 Royal Proclamations, each one of which is unique. As these documents are so rare the Charity has also agreed a request from the NLS to scan them and make high resolution image files available for future educational and academic studies.

In last year's report, a summary was provided outlining the scale of the special printed collections which the Charity makes available to researchers, academics, historians and the general public. It was reported that the Ballad collection was being catalogued and digitised so as to make it available on the NLS website. This project has now been completed. The existing printed catalogue contains 1466 entries. The current exercise has meant that an additional 2393 later ballads have been added. These include 55 17th century ballads of which 15 were previously unknown. 64 of the 176 18th century items were also unknown and are unique copies. The discovery of these unknown ballads makes this project particularly worthwhile.

The scale of the manuscript collections which are also deposited in, and managed by, the National Library of Scotland is equally as large as the printed collections. They are made available to the public at the discretion of the NLS. They can broadly be divided into three groups.

The first of these is a collection of Scottish Deeds from the 14th century to the 20th century. It is certainly one of the most important collections of its kind in Scotland. It is of considerable historical interest. It has been catalogued in two volumes entitled "Inventory of Scottish Muniments at Haigh". These Scottish Deeds are available to scholars and researchers who have the necessary professional skills.

Achievements and Performance cont'd

They have been studied during the past year by a Professor of Aberdeen University with a view to publishing an article on the Common Law in Scotland in the early 16th century. Extensive research on them this year has also been central to a book by an American historian, published by the Abertay Historical Society. A Professor of History at Dalhousie University (Halifax, Canada) currently on a research fellowship in the U.K. is consulting these early Scottish Charters with a view to publication.

The second group is the archive of Lancashire and Scottish Muniments ranging from the 17th century to the early 20th century. They were catalogued in the 1920's in a volume entitled Inventory of Haigh Muniments. They are mainly of a business character and are broadly concerned with the Lancashire and Scottish agricultural estates and with the Lancashire coal industry. Since their deposit in the N.L.S. 86 Estate boxes of materials concerning the Lancashire and the Scottish Estate of the Lindsay family have been handlisted. Temporarily the cataloguing has been interrupted because the librarian has been appointed to catalogue the John Murray archive recently purchased with a grant from the National Heritage Memorial Fund. A replacement has now been appointed to take his place.

A third group (Accession 9769, known as the Crawford Papers) are the personal papers from the muniments of the Earls of Crawford. They range from the 15th century to the 20th century – although the bulk of the collection begins with the 9th Earl of Crawford (d. 1558). The early part of the collection has been handlisted by the John Rylands University Library of Manchester. The latter part of the collection has been listed by the N.L.S. This archive is amongst the most frequently consulted of the special collections held in the N.L.S.

In continuation of the Charity's long standing policy of, where possible, making the works of art more accessible to the public, it has been agreed to lend three pictures to exhibitions being organised by two national institutions (The National Gallery, London and English Heritage – also for an exhibition in London) in the forthcoming year.

In September 2007 the National Library of Scotland has reported to the Charity that there has been accidental water flooding in their book storage area. Subsequent reports by the N.L.S. have indicated that only small damage has been caused to material deposited by the Charity. The material appears to have been protected in large measure because it has been placed in archival boxes. Immediate action was taken by the N.L.S. Conservation Department to diminish as much as possible the impact of the damage.

The Charity purchased a book C. Claudianus (Basel 1539) which was in the original library in the 17th century. The cost was £2,000. Also purchased was a bibliographical reference book for £463.

In addition to its activities in the sphere of educational and academic work, the Charity has continued to maintain Balcarres House, its ancillary buildings and gardens, and to conserve works of art, books and furniture held within the house. There has been no major conservation expense in the year but ongoing maintenance continued with £5,519 being spent on painting, £6,000 on the repair of the gates at South Lodge, £5,192 on the refurbishment of a kitchen and £4,929 on the control of a moth infestation. Additionally this year non-regular maintenance work, overhauling windows, fire protection, plumbing, roof work, etc., costing £32,000 has been done.

The major expenditure in the year was a further £24,260 on the extension to the Gardener's Cottage. This work is now complete and the total expenditure amounted to £135,429. The Charity also incurred expenditure of £254,557 on creating, insofar as possible, a self contained flat which will be available for letting.

During the forthcoming year, expenditure will have to be incurred rebuilding a large garden machinery shed. The derelict, old building has had to be demolished. The anticipated cost will be of the order of £38,000.

The Charity holds a portfolio of stock exchange investments which are used to fund its activities. The past year has seen the market suffer various setbacks (May/June and February/March), however each of these has been followed by equally emphatic recoveries. The Charity's investment rose by 3.61% in capital terms (+ 7.17% if income is included) compared to an increase of 3.28% from its benchmark, the FTSE/APCIMS Balanced Index.

Financial Review

The results of the Charity for the year ended 5th April, 2007 are contained in the attached Financial Statements which the Council confirm comply with current statutory requirements, the requirements of the Charity's Memorandum and Articles of Association and the requirements of SORP 2005. The Charity is prohibited by its Memorandum from paying a dividend. The deficit of £45,982 on Income and Expenditure Account is to be transferred to reserves.

As shown by the Charity's Statement of Financial Activities on Page 9 of these Financial Statements, the year to 5th April, 2007 resulted in net outgoing resources after tax of £46,211 before taking account of the gain on investments sold in the year of £229 and a gain of £130,265 on the revaluation of investments held at 5th April, 2007.

The Charity's principal funding sources are the income from its share portfolio, rental income from let properties and donations, together with capital appreciation on the share portfolio itself. Notes 11 and 12 to the Financial Statements show how the income and gains have been used by the Charity in furtherance of its activities.

The incoming resources of the Charity fell by £175,243 against those for the previous year as a result of the reduction in donations received in the year (see Note 7). Rental income went up by £9,922, however, expenditure on repairs and legal fees in connection with the new leases reduced the net surplus to slightly over £4,000 (see Note 8). Income from the investment portfolio managed by J O Hambro Investment Management Limited showed an increase of £15,892 (see Note 9). Expenditure on charitable activities has gone up because of increased expenditure on the maintenance of the Charity's properties the principal items of which are stated under "Achievements and Performance". Expenditure on the gardens now includes a depreciation charge in respect of the expenditure on the extension to the Gardener's Cottage (see Note 11).

The Charity's investment policy is that its funds be invested in a good spread of investments to achieve the balance of income and growth which the Trustees consider appropriate to the circumstances. The Trustees wish to adopt a medium risk investment strategy, as defined by the managers, but accept that, from time to time, there may be investments held which would fall outside that definition. The Charity does not wish to impose any moral or ethical constraints on the choice of investments. The Charity's investments are not taxed so long as they are "qualifying investments" as defined by Schedule 20 Taxes Act 1988 and the Trustees do not intend to invest in other securities without specific consideration. All income from the investment funds is to be held within the investment funds to be available as required.

The Charity has sufficient funds to meet foreseeable requirements but, because of the size, age and high maintenance costs of the Charity's principal asset and the need to provide for unforeseen expenditure, the Council consider reserves of 10% of the endowment prudent and, to this end, will continue to transfer income surpluses to reserves as they arise in order to achieve this.

Related Parties

Full details of related parties and the Charity's transactions with them are given at Note 17 to the Financial Statements.

Council Members Responsibilities

Company Law requires the Council Members to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing these Financial Statements, the Council Members are required to

- . select suitable accounting policies and then apply them consistently,
- . make judgements and estimates that are reasonable and prudent,
- . prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Council Members are responsible for keeping proper accounting records which 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 Companies Act 1985, the requirement of the Charity's governing document and the Statement of Recommended Practice – Accounting and Reporting by Charities. 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. The Council confirms that the Financial Statements comply with the above requirements.

Auditors

A resolution to re-appoint Carters Accountants LLP, Chartered Accountants, Cupar as Auditors will be put to the Members at the Annual General Meeting

Signed on behalf of the Council on: 13th December 2007

Director *R. Duncan*
For and on behalf of
BROADWAY SECRETARIES
LIMITED

Secretary

50 Broadway
Westminster
London
SW1H 0BL

**INDEPENDENT AUDITORS' REPORT to the MEMBERS of
BALCARRES HERITAGE TRUST LIMITED**

We have audited the Financial Statements of Balcarres Heritage Trust Limited for the year ended 5th April, 2007 as set out on pages 7 to 16. These Financial Statements have been prepared under the historical cost convention as modified for the inclusion of fixed asset investments at market value and the accounting policies set out on pages 11 and 12.

Respective Responsibilities of Council Members and Auditors

The Council Members' responsibilities for preparing the Report of the Council and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the statement of Council Members' Responsibilities as described on page 4. Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Council is not consistent with the Financial Statements, if the Charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Council Members' remuneration and transactions with the Charity is not disclosed.

We read other information contained in the Report of the Council and consider whether it is consistent with the Audited Financial Statements. We consider the implications for our Report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

Basis of Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Council Members in the preparation of Financial Statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Opinion

In our opinion the Financial Statements give a true and fair view of the state of the Charity's affairs as at 5th April, 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



CARTERS ACCOUNTANTS LLP
Chartered Accountants and
Registered Auditors

58, Bonnygate, Cupar, Fife

13th December 2007

BALCARRES HERITAGE TRUST LIMITED**INCOME and EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 5th APRIL, 2007**

	<u>Note</u>	<u>2007</u> £	<u>2006</u> £
Income	6	<u>135,304</u>	<u>310,547</u>
Costs of Generating Funds	10	<u>17,764</u>	<u>15,825</u>
Charitable Activities	11	<u>143,164</u>	<u>87,705</u>
Governance Costs	12	<u>19,980</u>	<u>17,151</u>
		<u>180,908</u>	<u>120,681</u>
 Operating Surplus/(Deficit)		 (45,604)	 189,866
Gain on Disposal of Fixed Asset Investments		<u>229</u>	<u>46,059</u>
Surplus/(Deficit) on Ordinary Activities before Tax		(45,375)	235,925
Tax on Surplus/(Deficit) of Ordinary Activities	14	<u>607</u>	<u>917</u>
Surplus/(Deficit) in Ordinary Activities for the Year		(45,982)	<u>235,008</u>

The Charity has neither commenced any new activities during the year, neither has it discontinued any operations

STATEMENT of TOTAL RECOGNISED GAINS and LOSSES

	<u>2007</u> £	<u>2006</u> £
Surplus/(Deficit) for the Year	(45,982)	235,008
Unrealised Surplus on Revaluation of Investment	<u>130,265</u>	<u>634,271</u>
Total Gains recognised since last Annual Report	<u>84,283</u>	<u>869,279</u>

NOTE of HISTORICAL COST SURPLUSES and DEFICITS

	<u>2007</u> £	<u>2006</u> £
Reported Surplus/(Deficit) on Ordinary Activities before Taxation	(45,375)	235,925
Realisation of Investment Revaluation Gains of Previous Years	<u>222,112</u>	<u>95,972</u>
Historical Cost Surplus on Ordinary Activities before Taxation	176,737	331,897
Tax on Historical Cost Surplus on Ordinary Activities	<u>607</u>	<u>917</u>
Historical Cost Surplus for the Year Retained	<u>176,130</u>	<u>330,980</u>

BALCARRES HERITAGE TRUST LIMITED

STATEMENT of FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5th APRIL, 2007

	<u>Note</u>	<u>2007</u> £	<u>2006</u> £
<u>Incoming Resources</u>			
Voluntary Income	7	12,349	207,568
Investment Income	8,9	122,471	102,669
Other Income Resources		<u>484</u>	<u>310</u>
<u>Total Incoming Resources</u>		<u>135,304</u>	<u>310,547</u>
<u>Resources Expended</u>			
Costs of Generating Funds	10	17,764	15,825
Charitable Activities	11	143,164	87,705
Governance Costs	12	<u>19,980</u>	<u>17,151</u>
<u>Total Resources Expended</u>		<u>180,908</u>	<u>120,681</u>
<u>Net Incoming Resources before Tax</u>		(45,604)	189,866
Tax	14	<u>607</u>	<u>917</u>
<u>Net Incoming/(Outgoing) Resources before Other Recognised Gains and Losses</u>		(46,211)	188,949
<u>Other Recognised Gains and Losses</u>			
Gains on Investments			
Realised – On Investments Sold in Year		229	46,059
Unrealised – On Revaluations at Year end		<u>130,265</u>	<u>634,271</u>
<u>Net Movement in Funds</u>		84,283	869,279
Fund Balances brought forward at 6 th April, 2006		<u>3,861,872</u>	<u>2,992,593</u>
<u>Fund Balances carried forward at 5th April, 2007</u>		<u>3,946,155</u>	<u>3,861,872</u>

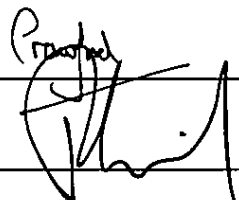
BALCARRES HERITAGE TRUST LIMITED

BALANCE SHEET

AS AT 5th APRIL, 2007

	<u>Note</u>	£	£	<u>2007</u> £	<u>2006</u> £
<u>FIXED ASSETS</u>	2				
<u>Tangible Assets</u>					
Fixtures, Fittings, Tools and Equipment				355	475
Leasehold Property				<u>621,333</u>	<u>354,742</u>
				621,688	355,217
<u>Heritage Assets</u>				36,662	34,199
<u>Investments</u>	3			<u>3,085,732</u>	<u>3,181,840</u>
				3,744,082	<u>3,571,256</u>
<u>CURRENT ASSETS</u>					
Debtors	4		35,745		95,498
Cash at Bank and in Hand	5		<u>266,921</u>		<u>252,858</u>
			302,666		<u>348,356</u>
<u>CREDITORS</u> Amounts falling due within one year					
Other Creditors		88,974			46,930
Accruals		<u>10,239</u>			9,720
Other Taxes and Social Security Costs		<u>1,380</u>			<u>1,090</u>
			(100,593)		<u>57,740</u>
<u>NET CURRENT ASSETS</u>				<u>202,073</u>	<u>290,616</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>				<u>3,946,155</u>	<u>3,861,872</u>
 <u>CAPITAL and RESERVES</u>	 15				
Income and Expenditure Account				3,033,454	2,857,324
Revaluation Reserve				<u>912,701</u>	<u>1,004,548</u>
				<u>3,946,155</u>	<u>3,861,872</u>

The Financial Statements on pages 7 to 16 were approved by the Council on 13th December 2007 and signed on its behalf by:


 _____ Member of Council
 _____ Member of Council

1 STATEMENT OF ACCOUNTING POLICIES

A summary of the principal accounting policies which have been applied is set out below

(a) Basis of Accounting

The Financial Statements have been prepared under the historical cost convention, modified to include fixed asset investments at market value, in accordance with applicable accounting standards and the statement of recommended practice applicable to charities and the Companies Act 1985

(b) Incoming Resources

Income resources are recognised on the basis of income receivable in the period under review. Incoming resources from the Charity's endowment fund is unrestricted. Income from let properties is shown net of expenses. For a better appreciation of the net income generated from this source a full statement of the income and expenditure position is shown in the Notes to the Financial Statements

(c) Resources Expended

Expenditure is recognised on the basis of expenditure incurred in the period. Liabilities are recognised on the basis of obligations at the year end

Resources expended are allocated to categories on the basis of actual expenditure relating specifically to that category

(d) Funds Structure

The Charity has two funds, an Expendable Endowment and an Unrestricted Reserves Fund. Income surpluses are added to the Unrestricted Reserves Fund other than that part relating to donations which will be added to the Expendable Endowment or to a Designated Fund

Transfers between funds may arise where the Unrestricted Reserves Fund is insufficient to cover the net outgoing resources of a particular year

(e) Tangible Fixed Assets

Tangible Fixed Assets are shown at their original cost. Depreciation is provided at rates calculated to write off the cost less estimated residual value over the estimated useful life of the assets. The following rates of depreciation have been used

Fixtures, Fitting, Tools and Equipment	20% Straight Line
Motor Vehicles	25% Net Book Value

(f) Leasehold Property

The Charity has expended sums in improving properties which are the subject of a lease expiring on 7th April, 2037. These improvements have been either fully depreciated in the year in which the expenditure was incurred or over the remaining period of the lease

(g) Heritage Assets

Heritage Assets are shown in the Balance Sheet at their original cost. Because of the nature of these assets no depreciation has been written off

(h) Investments

Fixed asset investments are shown in the Balance Sheet at market value at the end of the accounting period. Gains or losses on the actual disposal of investments are shown in the Income and Expenditure Account in relation to their market value at the beginning of the accounting period or their cost in the case of investments purchased and sold in the same accounting period. Realised and unrealised gains and losses of the year are shown in the Statement of Financial Activities on the same basis. Cumulative gains or losses are shown in the revaluation reserve. Income from investments for the year is included in the Financial Statements inclusive of reclaimable tax

(i) Donations

Donations are added to the Charity's expendable endowment except where designated for a specific purpose. The figure for donations shown in the Financial Statements includes, where appropriate, any tax reclaimable

(j) Cash Flow Statement

The Charity has taken advantage of the provisions of Financial Reporting Standard No 1 and has not prepared a Cash Flow Statement

2 FIXED ASSETSTangible Assets

	<u>Total</u> £	<u>Tools and</u> <u>Equipment</u> £	<u>Tractors and</u> <u>Motor</u> <u>Vehicles</u> £	<u>Short</u> <u>Leasehold</u> <u>Property</u> £
<u>Cost</u>				
As at 6 th April, 2006	475,767	14,134	14,805	446,828
Additions during Year	<u>278,817</u>	-	-	<u>278,817</u>
	<u>754,584</u>	<u>14,134</u>	<u>14,805</u>	<u>725,645</u>
<u>Depreciation</u>				
As at 6 th April, 2006	120,550	14,134	14,330	92,086
Charge for Year	<u>12,346</u>	-	120	<u>12,226</u>
	<u>132,896</u>	<u>14,134</u>	<u>14,450</u>	<u>104,312</u>
<u>Net Book Value at 5th April, 2007</u>	<u>621,688</u>	<u>-</u>	<u>355</u>	<u>621,333</u>
<u>Net Book Value at 5th April, 2006</u>	<u>355,217</u>	<u>-</u>	<u>475</u>	<u>354,742</u>

The tools and equipment, tractors and motor vehicles are utilised in the maintenance of the gardens and grounds

Heritage Assets

Cost as at 6 th April, 2006	£ 34,199
Additions during Year	<u>2,463</u>
Cost as at 5 th April, 2007	<u>£ 36,662</u>

Heritage Assets comprise works of art, books and papers having an association with Balcarres which the Charity has acquired for the appreciation of Balcarres as a place of historic interest and the education of the public in the arts

3 INVESTMENTS

Movements in investments during the year were as follows

	£
Market Value of Shares held at 5 th April, 2006	3,181,840
Additions	756,960
Disposals	(983,333)
Surplus on Revaluation of Shares held at end of year	<u>130,265</u>
Market Value of Shares held at 5th April, 2007	<u>3,085,732</u>
Market Value of Listed Investments included in Net Book Value at 5 th April, 2007 - U K	2,148,256
- Overseas	<u>937,476</u>
Historical Cost of the Investments at 5 th April, 2007	<u>2,173,030</u>

The listed investments have been valued using the closing prices on the respective stock exchanges at 5th April, 2007

The investments are principally direct investments in listed companies and U K government stocks The Charity has the following holdings each exceeding 5% of the portfolio valuation

Waverton Euro Fd 'J' 75,000 shares	228,000
Rio Tinto 6,000 ordinary shares	182,700
M & G Charifund 10,000 shares	165,425
Treasury Stock 4 75% 2015 £250,000	245,961

BALCARRES HERITAGE TRUST LIMITED

NOTES to the FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5th APRIL, 2007

4 DEBTORS		<u>2007</u>	<u>2006</u>
		£	£
Prepayments		12,744	4,290
Income Tax repayable on Income		1,251	42,822
Other Debtors		<u>21,750</u>	<u>48,386</u>
		<u>35,745</u>	<u>95,498</u>
5 CASH at BANK and in HAND			
The figures of £266,921 (2006 - £252,858) represents cash held on deposit by J O Hambro Investment Management of £246,557 (2006 - £222,521) and cash at the Royal Bank of Scotland of £20,364 (2006 - £30,337)			
6 INCOME		<u>2007</u>	<u>2006</u>
		£	£
Donations (Note 7)		10,000	205,128
Admissions		2,349	2,440
Net Rental Income (Note 8)		18,071	14,161
Other Income		484	310
Income from Investments		<u>104,400</u>	<u>88,508</u>
Per Income and Expenditure Account		<u>135,304</u>	<u>310,547</u>
7 VOLUNTARY INCOME			
The voluntary income was made up of donations as follows			
		<u>2007</u>	<u>2006</u>
		£	£
Lord Crawford		-	12,820
Lord Balmiel		-	192,308
The Lindsay Trust		10,000	-
Visiting Groups		<u>2,349</u>	<u>2,440</u>
		<u>12,349</u>	<u>207,568</u>
8 INVESTMENT INCOME - RENTAL INCOME			
		<u>2007</u>	<u>2006</u>
		£	£
Rent and Rates Received		32,940	23,018
<u>Less</u> Insurances		(349)	(398)
Repairs		(2,638)	(601)
Legal Fees		(4,024)	-
Depreciation		<u>(7,858)</u>	<u>(7,858)</u>
		<u>18,071</u>	<u>14,161</u>
9 INVESTMENT INCOME – DIVIDENDS and INTEREST RECEIVED			
		<u>2007</u>	<u>2006</u>
		£	£
Investments listed on recognised Stock Exchanges	U K	79,224	67,306
	Overseas	14,369	15,667
Cash Deposits	U K	<u>10,807</u>	<u>5,535</u>
		<u>104,400</u>	<u>88,508</u>
10 COSTS of GENERATING FUNDS			
Investment Management Costs		<u>17,764</u>	<u>15,825</u>

11 CHARITABLE ACTIVITIES

	<u>2007</u> £	<u>2006</u> £
<u>Maintenance and Upkeep of Property</u>		
Maintenance of Charity Properties not Subject to Leases	70,684	14,952
Insurance	13,557	14,611
Heat and Light	12,545	10,366
Wages	<u>2,635</u>	<u>8,921</u>
	<u>99,421</u>	<u>48,850</u>
 <u>Gardens</u>		
Wages and Council Tax	34,944	33,534
Seeds and Plants	694	682
Chemicals	785	329
Petrol and Oil	585	675
Vehicle and Machinery Repairs	1,275	645
Sundries	317	343
Depreciation	<u>4,488</u>	<u>155</u>
	<u>43,088</u>	<u>36,363</u>
 <u>Conservation and Restoration</u>	<u>655</u>	<u>2,492</u>
	<u>143,164</u>	<u>87,705</u>

12 GOVERNANCE COSTS

	<u>2007</u> £	<u>2006</u> £
Telephone	401	439
Legal Fees	10,790	8,179
Auditors Remuneration	2,200	2,000
Audit	5,002	5,200
Accountancy	200	473
Taxation	1	1
Rent	1	1
Sundries	<u>1,386</u>	<u>859</u>
	<u>19,980</u>	<u>17,151</u>

13 STAFF COSTS

	<u>2007</u> £	<u>2006</u> £
Wages and Salaries	33,786	38,749
Social Security Costs	2,637	2,727
Council Tax	<u>1,156</u>	<u>979</u>
	<u>37,579</u>	<u>42,455</u>

The average weekly number of employees during the year was

Charitable Activities (See Note 11)

Maintenance and Upkeep of Property

Gardens

No amounts were paid to Members of the Council in respect of remuneration or expenses

1	3
2	2

14 TAX

The Charity is not subject to U K tax on its income because of its charitable status. The tax of £607 (2006 - £917) represents foreign tax deducted from overseas investment income.

15 CAPITAL and RESERVES

	<u>Income and Expenditure Account</u> £	<u>Revaluation Reserve</u> £
As at 5 th April, 2006	2,857,324	1,004,548
Transferred from Income and Expenditure Account	(45,982)	-
Transferred in Respect of Realised Gains	222,112	(222,112)
Surplus on Revaluation at 5 th April, 2007	<u>3,033,454</u>	<u>130,265</u> <u>912,701</u>

	<u>Total</u>	<u>Expendable Endowment</u>	<u>Unrestricted</u> <u>Utilised for Charitable Purposes</u>	<u>Available for Charitable Purposes</u>
As at 5 4 06	3,861,872	3,486,830	375,042	-
Net Incoming/(Outgoing) Resources	(46,211)	(46,211)		
Gains on Investments				
Realised	229	229	-	
Unrealised	130,265	130,265		
Transfer		(269,054)	269,054	
As at 5.4.07	<u>3,946,155</u>	<u>3,302,059</u>	<u>644,096</u>	<u>-</u>

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Tangible Fixed Assets</u>	<u>Investments</u>	<u>Net Current Assets</u>	<u>Total</u>
Expendable Endowment	14,254	3,085,732	202,073	3,302,059
Unrestricted Funds	644,096	-	-	644,096
	<u>658,350</u>	<u>3,085,732</u>	<u>202,073</u>	<u>3,946,155</u>

17 RELATED PARTY DISCLOSURES

Control

No party has control of the Charity

Related Party Transactions

Parts of the property leased by the Charity are sublet to Lord Crawford and Lord Balmiel at rents independently set each year by Strutt and Parker, Chartered Surveyors. The rent due by Lord Crawford in respect of this sub-lease in the year under review was £4,800 and £10,000 by Lord Balmiel.

The Charity pays premiums for insurance which include cover for parts of Balcarres House occupied by Lord Crawford and Lord Balmiel, the amount of the premiums in the current year were £227 and £830 respectively. The Charity also pays premiums for part of the contents of Balcarres House owned by Lord Balmiel. In the current year this amounted to £13,365. The Charity also paid £285 for the restoration of an asset owned by Lord Balmiel.

The amount due by Lord Crawford at 5th April, 2007 was £7,030 and the amount due by Lord Balmiel £14,480. These amounts have been repaid to the Charity after 5th April, 2007.

Lord Balmiel is a Director of J O Hambro Investment Management Limited who provide investment management services to the Charity. The value of these services in the year under review was £17,764. The Charity was due J O Hambro Investment Management Limited £8,766 at 5th April, 2007.

Mr Simon Weil is a partner in the legal practice of Bircham Dyson Bell which provides legal services to the Charity. In the year under review the value of services provided was £10,790. The Charity was due Bircham Dyson Bell £2,871 at 5th April, 2007.

18 CONTINGENT LIABILITY

The Charity has sub-let the property known as The Bothies on the basis that the tenant will spend a minimum of £250,000 on developing and improving the property. Once the tenant has incurred expenditure of £250,000 the Charity will require to pay compensation if the lease is terminated at any time prior to 31st December, 2030. Until 31st December, 2020 the level of compensation is fixed at £100,000, thereafter it reduces by £10,000 for each year or part of a year which elapses. The tenant had incurred expenditure of £250,000 by 5th April, 2007.