

Highland 2004

BALCARRES HERITAGE TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5th APRIL, 2004

010000



JAMES MURRAY and COMPANY, CHARTERED ACCOUNTANTS

CUPAR, FIFE

<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 OBL
<u>Company Registration No.</u>	2101229
<u>Charities Registration No.</u>	296766
<u>Auditors</u>	James Murray and Company, Chartered Accountants, 58, Bonnygate, Cupar, Fife. KY15 4LD
<u>Solicitors</u>	Bircham Dyson Bell, 50 Broadway, Westminster, London. SW1H OBL
<u>Bankers</u>	The Royal Bank of Scotland, plc., Durie Street, Leven, Fife.
<u>Investment Managers</u>	J.O. Hambro Investment Management, 21, St. James's Square, London. SW1Y 4HB

The Council have pleasure in presenting their Report and the Financial Statements for the year ended 5th April, 2004.

Results and Dividends

The results of the Trust for the year ended 5th April, 2004 are contained in the attached Financial Statements which the Council confirm comply with current statutory requirements, the requirements of the Trust's Memorandum and Articles of Association and the requirements of SORP 2000. The Trust is prohibited by its Memorandum from paying a dividend. The surplus of £220,350 on Income and Expenditure Account is to be transferred to reserves.

Objects

The principal objects of the Trust are the preservation for the public benefit of the collection of books, incunabula, manuscripts and other papers in the ownership of Lord Balniel and situate at Balcarres House, together with pictures, statues, furniture, plate and other articles acquired by the Trust 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 Trust 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.

Trust Administration

The Trust is under the direction of Council Members who are involved in the overall strategy, the day to day administration is carried out by Lord Crawford.

Review of the Charity

In order to increase the public accessibility of the works of art leased to the Trust, the practice of loans to appropriate public exhibitions has been continued. A picture has been sent in the past year for exhibition in the Museum of Fine Arts in Boston and then on to the National Gallery of Art in Washington. In total over 175,000 members of the public visited these two exhibitions. Trustees have to weigh up very carefully the risks of damage involving such works of art alongside the undoubted public benefit of contributing to these major exhibitions. A request from another gallery for another picture has, after taking professional advice, had to be refused on the grounds of the fragility of the picture.

Preparatory work is being undertaken and some artefacts already despatched for eight loans which are being made to the National Gallery of Scotland for their exhibitions in the autumn of Venetian Renaissance Art.

During the year under review, substantial expenditure (£31,507) has been incurred in connection with the preservation of books. A steady programme of library conservation has been maintained over the years, rising to this figure which is however unlikely to be repeated in the foreseeable future.

A facsimile of a manuscript is being prepared for publication by The Heraldry Society of Scotland in association with the Trust. This will ensure that a fragile but important document of Scottish history – the Armorial of Scotland by Sir David Lyndesay of the Mount II (Lord Lyon of Scotland 1593-1600) will be made easily available to the public and to scholars for the first time. It is being edited by Ross Herald.

Financial Review

As shown by the Trust's Statement of Financial Activities on Page 8 of these Financial Statements, the year to 5th April, 2004 resulted in net incoming resources after tax of £183,618 before taking account of the gain on investments sold in the year of £36,732 and a gain of £233,495 on the revaluation of investments held at 5th April, 2004.

The income of the Trust showed an increase over the previous year of over 180% virtually all of which resulted from an increase in donations (see Note 7). Net rental income showed an increase in the year, however as shown in Note 8 this was as a result of lower expenses rather than increased rents. Rents continued to fall in the current year but it is hoped that this can be reversed once the Bothies Cottage is re-let after structural repairs have been carried out. Expenditure in the furtherance of the Trust's objects is shown at Note 11. There was no major maintenance of the Trust properties in the year but rather a series of smaller expenditures on walls, windows and gates. The insurance policy covering the works of art has increased by £4,500 in a full year with the current year bearing a £3,000 increase over the previous year. Conservation and restoration was almost entirely in respect of work on the library. This included £18,148 for restoration work and £13,359 in respect of a storage and display chest. The Trust spent £17,909 on architect's fees in connection with the alterations to the Garden Flat and £4,804 on architect's fees in connection with the extension to the Gardener's Cottage, both of these amounts have been added to the fixed assets (see Note 2).

Financial Review (Continued)

The Trust's investment policy is stated below. The year to 5th April, 2004 witnessed a strong recovery in markets after the prolonged bear phase that started in mid 2000. The Trust investments benefited from this upward momentum rising + 14.6% in capital terms (+ 20.55% if income is included). The marginal underperformance against the benchmark FTSE/APCIMS Balanced Index, which returned + 15.66% over the same period, reflects the more defensive posture of the Trust which helped the portfolio in the previous year.

Investment Policy

The Trust's policy is that investment 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 Trust does not wish to impose any moral or ethical constraints on the choice of investments. The Trust'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 Trust's investments are managed by J.O. Hambro Investment Management Limited on a fully discretionary basis.

Reserves Policy

The Trust has sufficient funds to meet foreseeable requirements but, because of the size, age and high maintenance costs of the Trust'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.

Council Members

The Earl of Crawford and Balcarres
The Earl of Woolton
Nicolas Barker
Lord Balniel
Simon Weil

As the Trust is a company limited by guarantee the Council Members have no financial interest in its affairs.

Council Members are appointed by the existing Council such that the number of Members of Council will be not less than 5 nor more than 8.

Related Parties

Full details of related parties and the Trust's transactions with them are given at Note 16 to the Financial Statements.

Limited Liability

Balcarres Heritage Trust Limited is a company limited by guarantee. Each Member has guaranteed the company's liabilities to the extent of £100.

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 Trust and of the surplus or deficit of the Trust for that period. In preparing these Financial Statements, the Council Members are required to :

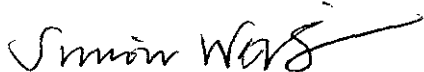
- . select suitable accounting policies and then apply them consistently;
- . make judgements and estimates that are reasonable and prudent;
- . prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Council Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the Financial Statements comply with the Companies Act 1985, the requirement of the Trust's governing document and the Statement of Recommended Practice – Accounting and Reporting by Charities. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Council confirms that the Financial Statements comply with the above requirements.

Auditors

A resolution to re-appoint James Murray and Company, Chartered Accountants, Cupar as Auditors will be put to the Members at the Annual General Meeting.

Signed on behalf of the Council on: 18th January, 2005



Secretary

50 Broadway,
Westminster,
London.
SW1H 0BL

We have audited the Financial Statements of Balcarres Heritage Trust Limited for the year ended 5th April, 2004 as set out on pages 6 to 15. 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 10 and 11.

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 Trust'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, 2004 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.



JAMES MURRAY and COMPANY,
Chartered Accountants and
Registered Auditors

58, Bonnygate, Cupar, Fife

18th January, 2005

BALCARRES HERITAGE TRUST LIMITED**INCOME and EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 5th APRIL, 2004**

	<u>Note</u>	<u>2004</u> £	<u>2003</u> £
Income	6	<u>329,751</u>	<u>117,174</u>
Costs of Generating Funds	10	8,849	8,426
Charitable Expenditure	11	<u>136,541</u>	<u>144,524</u>
		<u>145,390</u>	<u>152,950</u>
Operating Surplus/(Deficit)		184,361	(35,776)
Gain/(Loss) on Disposal of Fixed Asset Investments		<u>36,732</u>	(<u>58,815</u>)
Surplus/(Deficit) on Ordinary Activities before Tax		221,093	(94,591)
Tax on Surplus/(Deficit) of Ordinary Activities	13	<u>743</u>	<u>388</u>
Surplus/(Deficit) in Ordinary Activities for the Year		<u>220,350</u>	(<u>94,979</u>)

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

STATEMENT of TOTAL RECOGNISED GAINS and LOSSES

	<u>2004</u> £	<u>2003</u> £
Surplus/(Deficit) for the Year	220,350	(94,979)
Unrealised Surplus/(Deficit) on Revaluation of Investment	<u>233,495</u>	<u>(249,164)</u>
Total Gains and Losses recognised since last Annual Report	<u>453,845</u>	<u>(344,143)</u>

NOTE of HISTORICAL COST SURPLUSES and DEFICITS

	<u>2004</u> £	<u>2003</u> £
Reported Surplus/(Deficit) on Ordinary Activities before Taxation	221,093	(94,591)
Realisation of Investment Revaluation Gains/(Losses) of Previous Years	(<u>57,799</u>)	(<u>10,621</u>)
Historical Cost Surplus/(Deficit) on Ordinary Activities before Taxation	163,294	(105,212)
Tax on Historical Cost Surplus on Ordinary Activities	<u>743</u>	<u>388</u>
Historical Cost Surplus/(Deficit) for the Year Retained	<u>162,551</u>	<u>(105,600)</u>

BALCARRES HERITAGE TRUST LIMITED

STATEMENT of FINANCIAL ACTIVITIES

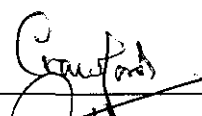
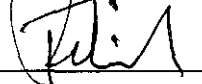
FOR THE YEAR ENDED 5th APRIL, 2004

	<u>Note</u>	<u>2004</u> £	<u>2003</u> £
<u>Incoming Resources</u>			
Donations	7	216,143	7,425
Admissions		1,520	1,604
Net Rental Income	8	21,302	20,015
Sundry Income		889	105
Income from Investments	9	<u>89,897</u>	<u>88,025</u>
<u>Total Incoming Resources</u>		<u>329,751</u>	<u>117,174</u>
<u>Resources Expended</u>			
Costs of Generating Funds	10	8,849	8,426
Charitable Expenditure :	11		
Costs of Activities in Furtherance of the Charity's Objects		122,310	131,492
Costs of Management and Administration		<u>14,231</u>	<u>13,032</u>
<u>Total Resources Expended</u>		<u>145,390</u>	<u>152,950</u>
<u>Net Incoming/(Outgoing) Resources before Tax</u>		184,361	(35,776)
Tax	13	<u>743</u>	<u>388</u>
<u>Net Incoming/(Outgoing) Resources after Tax</u>		183,618	(36,164)
<u>Other Recognised Gains and Losses</u>			
Gains/(Losses) on Investments:			
Realised – On Investments Sold in Year		36,732	(58,815)
Unrealised – On Revaluations at Year end		<u>233,495</u>	<u>(249,164)</u>
<u>Net Movement in Funds</u>		453,845	(344,143)
Fund Balances brought forward at 6 th April, 2003		<u>1,823,913</u>	<u>2,168,056</u>
<u>Fund Balances carried forward at 5th April, 2004</u>		<u>2,277,758</u>	<u>1,823,913</u>

AS AT 5th APRIL, 2004

	<u>Note</u>	£	£	<u>2004</u> £	<u>2003</u> £
<u>FIXED ASSETS</u>	2				
<u>Tangible Assets</u>					
Fixtures, Fittings, Tools and Equipment				835	1,210
Books, Works of Art, etc.				33,701	33,701
Leasehold Property				<u>22,713</u>	<u>-</u>
				57,249	34,911
<u>Investments</u>	3			<u>1,899,558</u>	<u>1,597,482</u>
				<u>1,956,807</u>	<u>1,632,393</u>
<u>CURRENT ASSETS</u>					
Debtors	4		52,245		7,628
Cash at Bank and in Hand	5		<u>307,705</u>		<u>205,362</u>
			359,950		<u>212,990</u>
<u>CREDITORS</u> : Amounts falling due within one year					
Other Creditors		28,924			12,039
Accruals		8,883			8,532
Other Taxes and Social Security Costs		<u>1,192</u>			<u>899</u>
			<u>38,999</u>		<u>21,470</u>
<u>NET CURRENT ASSETS</u>				<u>320,951</u>	<u>191,520</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>				<u>2,277,758</u>	<u>1,823,913</u>
<u>CAPITAL and RESERVES</u>	14				
Income and Expenditure Account				2,020,583	1,858,032
Revaluation Reserve				<u>257,175</u>	(34,119)
				<u>2,277,758</u>	<u>1,823,913</u>

The Financial Statements on pages 6 to 15 were approved by the Council on 18th January, 2005
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 Trust'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 Trust 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

No depreciation has been written off books, works of art, etc., as the Council believes that these are not depreciating Assets.

(f) Leasehold Property

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

(g) 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.

(h) Donations

Donations are added to the Trust'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.

(i) Cash Flow Statement

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

2. FIXED ASSETS

	<u>Total</u> £	<u>Tools and Equipment</u> £	<u>Tractors and Motor Vehicles</u> £	<u>Works of Art, Books, etc.</u> £	<u>Short Leasehold Property</u> £
<u>Cost</u>					
As at 6 th April, 2003	146,868	14,134	14,805	33,701	84,228
Additions during Year	<u>22,713</u>	-	-	-	<u>22,713</u>
	<u>169,581</u>	<u>14,134</u>	<u>14,805</u>	<u>33,701</u>	<u>106,941</u>
<u>Depreciation</u>					
As at 6 th April, 2003	111,957	14,034	13,695	-	84,228
Charge for Year	<u>375</u>	<u>100</u>	<u>275</u>	-	-
	<u>112,332</u>	<u>14,134</u>	<u>13,970</u>	-	<u>84,228</u>
<u>Net Book Value at 5th April, 2004</u>	<u>57,249</u>	-	<u>835</u>	<u>33,701</u>	<u>22,713</u>
<u>Net Book Value at 5th April, 2003</u>	<u>34,911</u>	<u>100</u>	<u>1,110</u>	<u>33,701</u>	-

The tools and equipment, tractors and motor vehicles are utilised in the maintenance of the gardens and grounds. The works of art, books, etc., have been purchased by the Trust in terms of its objects.

3. INVESTMENTS

Movements in investments during the year were as follows :

	£
Market Value of Shares held at 5 th April, 2003	1,597,482
Additions	646,784
Disposals	(578,203)
Surplus on Revaluation of Shares held at end of year	<u>233,495</u>
Market Value of Shares held at 5th April, 2004	<u>1,899,558</u>
Market Value of Listed Investments included in Net Book Value at 5 th April, 2004 - U.K.	1,659,704
- Overseas	<u>239,854</u>
Historical Cost of the Investments at 5th April, 2004	<u>1,642,383</u>

The listed investments have been valued using the closing prices on the respective stock exchanges at 5th April, 2004.

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

Johim European Fund 'A' 100,000 shares	191,840
Treasury Stock 5.75% 2009 £100,000 Stock	106,435
Johim U.K. Fund 'A' 95,000 shares	103,293
Persimmon 25,000 ordinary shares	176,750
Rio Tinto 7,000 ordinary shares	98,210

4. <u>DEBTORS</u>	<u>2004</u>	<u>2003</u>
	£	£
Prepayments	8,398	4,639
Income Tax repayable on Investment Income	42,941	39
Other Debtors	<u>906</u>	<u>2,950</u>
	<u>52,245</u>	<u>7,628</u>
5. <u>CASH at BANK and in HAND</u>		
The figures of £307,705 (2003 - £205,362) represents cash held on deposit by J.O. Hambro Investment Management of £279,278 (2003 - £198,169) and cash at the Royal Bank of Scotland of £28,427 (2003 - £11,193)		
6. <u>INCOME</u>	<u>2004</u>	<u>2003</u>
	£	£
Donations (Note 7)	216,143	7,425
Admissions	1,520	1,604
Net Rental Income (Note 8)	21,302	20,015
Other Income	889	105
Income from Investments	<u>89,897</u>	<u>88,025</u>
Per Income and Expenditure Account	<u>329,751</u>	<u>117,174</u>
7. <u>DONATIONS</u>		
The donations are made up as follows :	<u>2004</u>	<u>2003</u>
	£	£
Lord Crawford	6,410	
Lord Balniel	192,308	-
College Services Limited	7,425	7,425
The Lindsay Trust	<u>10,000</u>	<u>-</u>
	<u>216,143</u>	<u>7,425</u>
8. <u>RENTAL INCOME</u>		
The full position with regard to this property is as follows :	<u>2004</u>	<u>2003</u>
	£	£
Rent and Rates Received	22,208	23,136
Less: Insurances	(258)	(363)
Repairs	(648)	(2,118)
Sundry	(-)	(640)
	<u>21,302</u>	<u>20,015</u>
9. <u>INVESTMENT INCOME</u>	<u>2004</u>	<u>2003</u>
	£	£
Investments listed on recognised Stock Exchanges : U.K.	57,024	59,613
: Overseas	4,288	5,348
Unlisted Securities : U.K.	20,160	15,266
Cash Deposits : U.K.	<u>8,425</u>	<u>7,798</u>
	<u>89,897</u>	<u>88,025</u>
10. <u>COSTS of GENERATING FUNDS</u>		
Investment Management Fees	<u>8,849</u>	<u>8,426</u>

11. CHARITABLE EXPENDITURE

	<u>2004</u>	<u>2003</u>
	£	£
<u>Costs of Activities in Furtherance of the Charity's Objects</u>		
<u>Maintenance and Upkeep of Property</u>		
Maintenance of Trust Properties not Subject to Leases	15,226	17,975
Insurance	19,166	15,560
Heat and Light	9,748	9,178
Wages (See Note 12)	<u>10,573</u>	<u>8,335</u>
	<u>54,713</u>	<u>51,048</u>
<u>Gardens</u>		
Wages and Council Tax (See Note 12)	30,035	27,600
Seeds and Plants	698	798
Chemicals	887	1,201
Petrol and Oil	513	762
Vehicle and Machinery Repairs	1,654	2,777
Sundries	531	883
Depreciation on Vehicles and Equipment	<u>375</u>	<u>545</u>
	<u>34,693</u>	<u>34,566</u>
<u>Conservation and Restoration</u>	<u>32,904</u>	<u>19,240</u>
<u>Building Project Expenditure Written Off</u>	<u>-</u>	<u>26,638</u>
	<u>122,310</u>	<u>131,492</u>

Costs of Management and Administration

	<u>2004</u>	<u>2003</u>
	£	£
Telephone	291	292
Legal Fees	5,696	3,123
Auditors Remuneration : Audit	1,600	1,800
: Accountancy	4,250	4,500
: Taxation	354	632
Rent	1	1
Sundries	<u>2,039</u>	<u>2,684</u>
	<u>14,231</u>	<u>13,032</u>

12. STAFF COSTS

	<u>2004</u>	<u>2003</u>
	£	£
Wages and Salaries	37,076	31,456
Social Security Costs	2,660	3,648
Council Tax	<u>872</u>	<u>831</u>
	<u>40,608</u>	<u>35,935</u>

The average weekly number of employees during the year was 5 made up as follows:

Production	<u>5</u>	<u>5</u>
------------	----------	----------

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

13. TAX

The Trust is not subject to U.K. tax on its income because of its charitable status. The tax of £743 (2003 - £388) represents foreign tax deducted from overseas investment income.

14. CAPITAL and RESERVES

	Income and Expenditure Account £	Revaluation Reserve £
As at 5 th April, 2003	1,858,032	(34,119)
Transferred from Income and Expenditure Account	220,350	-
Transferred in Respect of Realised Gains	(57,799)	57,799
Surplus on Revaluation at 5 th April, 2004	<u>-</u>	<u>233,495</u>
	<u>2,020,583</u>	<u>257,175</u>

			Unrestricted	
	Total	Expendable Endowment	Utilised for Trust Purposes	Available for Trust Purposes
As at 5.4.03	1,823,913	1,804,011	19,902	-
Net Incoming/(Outgoing) Resources	183,618	161,005	22,613	
Gains/(Losses) on Investments:				
Realised	36,732	36,732		
Unrealised	<u>233,495</u>	<u>233,495</u>		
As at 5.4.04	<u>2,277,758</u>	<u>2,235,243</u>	<u>42,515</u>	<u>-</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Investments	Net Current Assets	Total
Expendable Endowment	14,734	1,899,558	320,951	2,235,243
Unrestricted Funds	<u>42,515</u>	<u>-</u>	<u>-</u>	<u>42,515</u>
	<u>57,249</u>	<u>1,899,558</u>	<u>320,951</u>	<u>2,277,758</u>

16. RELATED PARTY DISCLOSURES

Control

No party has control of the Trust.

Related Party Transactions

Two parts of the property leased by the Trust are sublet to Lord Crawford and Lord Balniel at rents independently set each year by Strutt and Parker, Chartered Surveyors. The rents paid by Lord Crawford and Lord Balniel in respect of these sub-leases in the year under review were £4,430 and £1,800 respectively. As at 5th April, 2004 the Trust was due £992 from Lord Crawford and £496 from Lord Balniel.

Lord Crawford made donations of £6,410 and Lord Balniel donations of £192,308 in the year to 5th April, 2004.

Lord Balniel is a Director of J.O. Hambro Investment Management Limited who provide investment management services to the Trust. The value of these services in the year under review was £8,849. The Trust was due £4,299 at 5th April, 2004.

Mr. Simon Weil is a partner in the legal practice of Bircham Dyson Bell which provides legal services to the Trust. In the year under review the value of services provided was £5,696. The Trust was due Bircham Dyson Bell £3,287 at 5th April, 2004.