

THE ST ANDREWS PRESERVATION TRUST LIMITED
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

SCOTTISH CHARITY NUMBER: SC011782

COMPANY REGISTRATION NUMBER: SC020194

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THE ST ANDREWS PRESERVATION TRUST LIMITED
(Limited by Guarantee)

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THE ST ANDREWS PRESERVATION TRUST LIMITED

(Limited by Guarantee)

Trustees' Annual Report for the year ended 31 December 2018

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2018.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Charitable objectives and activities

The St Andrews Preservation Trust Limited was set up in 1937 to protect the built heritage of St Andrews. The Memorandum of Association gives the charity wide ranging powers to meet its principal object: 'To preserve for the benefit of the public the amenities and historic character of the City and Royal Burgh of St Andrews and its neighbourhood'. Such powers include the acquisition, maintenance and restoration of buildings and land.

The charity also seeks to advance and promote education by exhibits and activities within the St Andrews Preservation Trust Museum.

The charity's efforts to 'preserve...the amenities and historic character of ...St Andrews and its neighbourhood' are focused through the work of its Planning and Environment Committees. All applications for planning permission within the town's conservation area and many out with this area are scrutinised by the Planning Committee which frequently makes formal submissions to the local authority. The Environment Committee, often in association with others, seeks to protect the landscape setting of the town. It is also involved in the care of the woodland, which is owned by the charity.

Through its Museum, the charity seeks to inform and educate locals and visitors, young and old, about the history and culture of St Andrews through permanent displays and a series of exhibitions during the year.

Other activities relate to informing members of the charity of its activities and fund raising.

Our vision

To preserve and enhance the amenities and historic character of St Andrews and its neighbourhood for the benefit of the public.

Our mission

- Celebrating the past, respecting the present and seeking to influence the future.
- Working to protect the important built heritage of St Andrews and its neighbourhood.
- Encouraging high standards of planning and new buildings in St Andrews.
- Developing the Trust Museum as a place to find out about the social history of the town.
- Managing the Trust efficiently and effectively in accordance with best practice.
- Generating and increasing income from existing and new sources.
- Delivering high quality benefits to members and strengthening our relationship with them,
- Improving our two-way communications and increasing the appeal of the Trust to a broader range of people and communities from the public, private and voluntary sectors.
- Investing in and recognising our trustees, staff and volunteers for their talented, passionate and dedicated contribution to the work of the Trust.

Achievements & Performance

A main focus for the Trust during 2018 has been refreshing its public image, with a requirement to update and improve the Trust's business practices and the need for a rationalisation of the Trust's property portfolio following a review of its condition.

The Trust was faced with dealing with many statutory compliance requirements. The most important and pressing was the General Data Protection Regulation (GDPR). Complying with these requirements proved challenging and time consuming both for the Trust Administrator and the Trustees. The important lesson learned from GDPR was the need

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Trustees' Annual Report for the year ended 31 December 2018

to modernise the Trust's business practices. In the short-term, this has been tackled by investing in a new IT system and reviewing and updating our operational procedures.

This has led to the Trust's Board, its Employees and Volunteers having to do things differently. Personal data is no longer held on personal computers. The Trust has moved to a Cloud based filing and archive system, which can only be accessed via a Trust-issued secure email address.

The Museum goes from strength to strength. On the 10th May, following a comprehensive submission to Museum Galleries Scotland the Museum again received full accreditation until 2022/23. It is a baseline quality standard that helps to guide museums to be the best they can be for current and future museum users. Importantly it allows the Museum access to funding and grants from Museum Galleries Scotland.

New branding has been adopted by the Trust. Vital Hike (our branding consultants) and the Trust sub-committee did an excellent job in updating our branding. One of our most significant changes is the adoption of a strapline, which embraces the Trust's purpose:

'Preserving the past: Planning for the future'

The Trustees have reviewed the Trust's property portfolio and has adopted a strategy to improve its financial position, as outlined below.

During 2018, the Trust strengthened its relationship with the University of St Andrews through student internships and regular briefings regarding the University's asset development plans.

Future Plans

Museum	<ul style="list-style-type: none"> as this creates a significant financial liability for the Trust and to address this amongst other issues, the Trust is embarking on an independent review. The aim of the review is to draw up a business case and development plan for the Museum to ensure its positive future and to raise and widen its public image and appeal
Communication and Marketing	<ul style="list-style-type: none"> building closer links and partnerships with the University of St Andrews, Madras College and St Leonard's School through internships, volunteering and work placements to further our appeal to a younger audience and a world beyond St Andrews, whilst recognising the needs of its existing members through digital communication, i.e. websites, social media etc.
Trust Management	<ul style="list-style-type: none"> To review and simplify the Trust's governance procedures with the aim of reducing the huge commitment required of Trustees, Committee Members and volunteers in the management and operation of the Trust (let's make it a pleasure rather than a toil) the continuous improvement of the Trust's business practices introducing the SAGE accounting software package updating management procedures utilising the PQASSO toolkit published by The National Council for Voluntary Organisations

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Property Portfolio	<ul style="list-style-type: none"> • final disposal of Burgher Kirk • procuring a storage area for a vastly improved museum storage facility within the confines of St Andrews • redevelopment of 4 Queen's Gardens
Environment	<ul style="list-style-type: none"> • to review the management of the woodland along Lade Braes in conjunction with other organisations within the town.

Financial position and review of the year

There has been a significant improvement in the financial position of the charity in 2018, with a net increase in total funds of £765,071 (2017 decrease of £2,309). The unrestricted General Fund reflecting ordinary activities showed an increase of £781,242 (2017 decrease of £11,228). The unrestricted Revaluation Reserve showed a decrease of £169 (2017 increase of £27,162). The restricted funds decreased by £16,002 (2017 decrease of £18,243) and the Endowment Fund was unchanged (2017 unchanged). Total funds carried forward are £2,059,956 (2017 - £1,294,885).

2018 has seen a notable increase in the Total Funds available to the Trust, substantially as a result of the generous legacy from the estate of the late Gillian Falconer. The Trustees are extremely grateful for this major contribution from a long-standing benefactress of the Trust and the town of St Andrews. This legacy will significantly assist the Trust in fulfilling its objectives in the coming years. The focus of the Trustees is as always to make best use of these resources.

During the year, the Trust invited and considered proposals from a number of fund managers to actively manage the Trust's investment portfolio on a discretionary basis. The move to a discretionary basis was to provide assurance to the Trust that the portfolio is being managed on a professional basis, subject to pre-agreed criteria on risk appetite. This will enable a good level of return to be achieved by the Trust to fund a proportion of its ongoing overheads and activities and protect the investor's interests. Following an evaluation of these proposals, Brewin Dolphin now manages the investment portfolio on a discretionary basis and a regular report is provided on performance of the fund to the Board of Trustees.

A challenge to the Board remains one of achieving the aims of the Trust while maintaining long-term financial stability. This entails careful management of day-to-day expenditure alongside planning for the care of the Trust assets, in particular the Museum. The need for a long-term review to make best use of this valuable resource is mentioned earlier in the report and the impact on the Trust's finances will form an important part of this study.

Finally, the Board would like to put on record its thanks to Ian Lumsdaine who retired in 2018 from the role of Honorary Treasurer of the Trust, having given an outstanding service to the Trust over many years. We were pleased that Ian accepted the position of Honorary Vice-President in recognition of his high level of dedication and commitment. At this point, the position of Treasurer is not being replaced, with the day-to-day financial administration of the Trust being managed by the Administrator, who will be provided with ongoing support by the Finance Convenor.

Reserves policy

The Trust holds reserves in the form of investment property and stock market investments. The income from both of these reserves forms over half of our operating income (excluding legacies) and is essential to help the charity to properly manage its resources. The reserves provide the charity with adequate financial stability and means for it to meet its charitable objectives for the foreseeable future.

Total unrestricted reserves at the year end date were £1,165,290 (2017 £834,048) of which £1,293,832 was represented by fixed assets (2017 £804,796).

Structure, governance and management

The charity is a company limited by guarantee governed by its Memorandum and Articles of Association. The charitable company was incorporated on 5 February 1938. The liability of each member in the event of a winding up is limited to £1. We plan to review Trustee arrangements in 2019 to ensure continuing application of contemporary best practice.

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Any member of the charity is eligible to become a Trustee. Nominations are sought in advance of the Annual General Meeting at which elections are held and the results announced. Trustees may also be co-opted to fill casual vacancies or to secure needed skills. The term of office is three years, renewable once only. Any Trustee who completes six years of service may not seek re-election until one year has passed.

No external person or body has any right to appoint a Trustee.

The practical work of the Trust is supported and enhanced by the following committees:

- Planning Committee
- Museum Committee
- Environment Committee
- Finance Committee
- Property Committee

The Trust had 16 Trustees and an executive staff of 2 at the end of the reporting period. Trustees are unremunerated and meet on a monthly basis. Re-imbursement of reasonable expenses incurred on charity business is allowed when previously authorised by the Chairman or a Vice-Chairman and supported by receipts.

The Trust is also supported by its volunteers, who generously give their time towards its work.

The Trustees assess the various risks associated with their finances and all other aspects of their activities both at Trustee and committee levels and regularly review the controls and procedures they have in place to meet the identified risks at least annually.

Financial risk is managed by regular reviews of available liquid funds to settle liabilities as they fall due, active management of debtors and creditors and regular liaison with the charity stockbrokers.

Attention has also focussed on non-financial risks arising from fire and health and safety of staff and visitors to the charity offices and museum. These risks are addressed by having robust policies and procedures in place and regular training of staff and volunteers. Regular checks of the fixed electrical and gas installations are scheduled as well as Portable Appliance Tests.

Investment powers and policy

The Memorandum of Association provides the trustees with power to invest monies, not immediately required, in securities or otherwise, in such manner as may from time to time be determined.

Income from the charity's investments is vital to its financial well-being. Investment policy is conservative, seeking the maximum total return consistent with rather low-risk exposure. Within this broad policy, the charity's stockbrokers are asked to provide the highest income possible whilst preserving the value of the capital in real terms.

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Trustees' Annual Report for the year ended 31 December 2018

Reference and administrative details

Charity registration number:	SC011782
Company registration number:	SC020194
Registered office:	4 Queen's Gardens, St Andrews, KY16 9TA
Museum:	12 North Street, St Andrews, KY16 9PW
Secretary & Legal Advisor:	Mr D N Kinnear LLB NP, Thorntons Law LLP, Kinburn Castle, St Andrews, KY16 9DR
Investment Managers:	Brewin Dolphin, 12 Smithfield Street, London EC1A 9BD
Independent Auditors:	Henderson Black & Co, Edenbank House, 22 Crossgate, Cupar KY15 5HW

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Chairman:	Dr W K D Borthwick (to May 2018) Mr A G Bremner (from May 2018)
Vice-Chairmen:	Dr D P Hazelhurst (to May 2018) Miss A Morris OBE (elected Trustee) Mrs D Morrison (from May 2018) Mrs C Tynte-Irvine (elected Trustee)
Elected Trustees:	Miss I R T Bennett Mr J A Bennett Mrs L A Cheape (from May 2018) Mrs M E Denyer (to May 2018) Mr K C Fraser Mrs B Hunter Mr A W Johnson Dr P Murray (from May 2018) Mr D K Seeley (to January 2018) Mr J Sharp (to January 2018) Ms S Stockley (from May 2018) Mr D H Telfer Dr C D Watkinson
Co-opted Trustees:	Lady C Erskine (from September 2018) Mr R G Jack (from May 2018) Mr I C Wilson (from May 2018)

The following office holders are not regarded as trustees in terms of charity law:

Honorary President:	Dr R R Steedman OBE
Honorary Vice-Presidents:	Mrs E J Baxter MBE Dr J M Frew Mr J Matthews OBE Mr I S Lumsdaine Mrs E Williams Mr G Wynd

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Trustees' Annual Report for the year ended 31 December 2018

Trustees' responsibilities in relation to the financial statements

The Trustees (who are the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company, including the income and expenditure of the charitable company, for that period.

In preparing those financial statements the Trustees are required to:

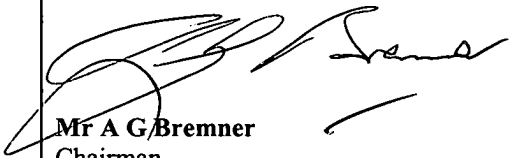
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company exemptions

The Trustees have prepared this report in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Trustees on 1 April 2019 and signed on their behalf by:


Mr A G Bremner
Chairman


Mr R Jack
Finance Convener

THE ST ANDREWS PRESERVATION TRUST LIMITED
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Independent Auditors' Report to the Trustees and Members of the St Andrews Preservation Trust Limited

Opinion

We have audited the financial statements of The St Andrews Preservation Trust Limited for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Northern Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 16 to the financial statements, and have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' (who are also the directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

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Independent Auditors' Report to the Trustees and Members of the St Andrews Preservation Trust Limited

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the trustees' annual report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report, included within the trustees' annual report, and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 5, the trustees, (who are also the directors of the charitable company for the purposes of company law), are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or cease operations, or have no realistic alternative but to do so.

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Independent Auditors' Report to the Trustees and Members of the St Andrews Preservation Trust Limited

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006 and to its trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept responsibility to anyone other than the charitable company, its trustees as a body and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Robin Winter LLB, CA, TEP Senior Statutory Auditor
for and on behalf of Henderson Black & Co

Chartered Accountants

Statutory Auditor

Edenbank House

22 Crossgate

Cupar

KY15 5HW

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Dated: 11 April 2019

THE ST ANDREWS PRESERVATION TRUST LIMITED

**Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 December 2018**

	Notes	Unrestricted General Fund £	Revaluation Reserve £	Restricted Funds £	Endowment Fund £	Total Funds 2018 £	Total Funds 2017 £
Income and endowments from:							
Grants, donations and legacies	4	829,938	-	40	-	829,978	11,250
<i>Charitable activities:</i>							
Ordinary Members' Subscriptions		5,847	-	-	-	5,847	8,177
Life Members' Subscriptions		400	-	-	-	400	400
Life Members' Donations		350	-	-	-	350	631
<i>Other trading activities</i>	5	12,719	-	-	-	12,719	16,843
<i>Investment Income:</i>							
Dividends and Interest		34,438	-	1,280	-	35,718	38,063
Property Rents		6,700	-	-	-	6,700	6,680
Total Income		<u>890,392</u>	<u>-</u>	<u>1,320</u>	<u>-</u>	<u>891,712</u>	<u>82,044</u>
Expenditure on:							
Raising funds	6	6,645	-	-	-	6,645	5,267
Charitable Activities	7	103,129	-	9,889	-	113,018	103,322
Total Expenditure		<u>109,774</u>	<u>-</u>	<u>9,889</u>	<u>-</u>	<u>119,663</u>	<u>108,589</u>
Net gains/(losses) on investments		(17,106)	(47,081)	(7,791)	-	(71,978)	24,236
Net income/(expenditure)		<u>763,512</u>	<u>(47,081)</u>	<u>(16,360)</u>	<u>-</u>	<u>700,071</u>	<u>(2,309)</u>
Transfers between funds		17,730	(18,088)	358	-	-	-
Gains/(losses) on revaluation of fixed assets		<u>-</u>	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>65,000</u>	<u>-</u>
Net movement in funds		781,242	(169)	(16,002)	-	765,071	(2,309)
Reconciliation of funds:							
Total funds brought forward		<u>834,048</u>	<u>383,476</u>	<u>67,361</u>	<u>10,000</u>	<u>1,294,885</u>	<u>1,297,194</u>
Total funds carried forward		<u>1,615,290</u>	<u>383,307</u>	<u>51,359</u>	<u>10,000</u>	<u>2,059,956</u>	<u>1,294,885</u>

The statement of financial activities includes all gains and losses in the year.

All income and expenditure derive from continuing activities.

The notes on pages 13 to 18 form an integral part of these accounts.

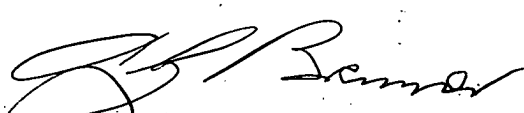
THE ST ANDREWS PRESERVATION TRUST LIMITED

Balance Sheet as at 31 December 2018

	Notes	Unrestricted General Fund £	Revaluation Reserve £	Restricted Funds £	Endowment Fund £	Total Funds 2018 £	Prior Year 2017 £
Fixed assets							
Tangible assets	8	190,230	-	32,230	-	222,460	224,012
Investment property	9	6,710	258,290	-	-	265,000	200,000
Investments	10	1,096,892	125,017	18,771	10,000	1,250,680	841,621
		<u>1,293,832</u>	<u>383,307</u>	<u>51,001</u>	<u>10,000</u>	<u>1,738,140</u>	<u>1,265,633</u>
Current assets							
Stock of Publications & Stationery		1,011	-	-	-	1,011	2,361
Debtors and Prepayments	11	335,041	-	-	-	335,041	3,391
Cash in Bank and on Hand		5,902	-	358	-	6,260	42,640
		<u>341,954</u>	<u>-</u>	<u>358</u>	<u>-</u>	<u>342,312</u>	<u>48,392</u>
Liabilities							
Creditors: amounts falling due within one year							
Creditors		5,744	-	-	-	5,744	3,903
Accruals		14,752	-	-	-	14,752	15,237
		<u>20,496</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,496</u>	<u>19,140</u>
Net current assets		<u>321,458</u>	<u>-</u>	<u>358</u>	<u>-</u>	<u>321,816</u>	<u>29,252</u>
Total net assets		<u>1,615,290</u>	<u>383,307</u>	<u>51,359</u>	<u>10,000</u>	<u>2,059,956</u>	<u>1,294,885</u>
The funds of the charity:							
Unrestricted income funds							
General Fund		1,615,290	-	-	-	1,615,290	834,048
Revaluation Reserve		-	383,307	-	-	383,307	383,476
						<u>1,998,597</u>	<u>1,217,524</u>
Restricted income funds:							
Restricted Funds		-	-	46,586	-	46,586	54,797
Revaluation Reserve		-	-	4,773	-	4,773	12,564
	13					<u>51,359</u>	<u>67,361</u>
Endowment fund	14	-	-	-	10,000	10,000	10,000
Total charity funds		<u>1,615,290</u>	<u>383,307</u>	<u>51,359</u>	<u>10,000</u>	<u>2,059,956</u>	<u>1,294,885</u>

These financial statements have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime.

Approved by the trustees on 1 April 2019 and signed on their behalf by:-


Mr A Bremner (Chairman)


Mr R Jack (Finance Convenor)

Company Registration Number: SC020194

The notes on pages 13 to 18 form an integral part of these accounts.

THE ST ANDREWS PRESERVATION TRUST LIMITED

**Statement of Cash Flows
for the year ended 31 December 2018**

	Notes	Total Funds 2018 £	Prior Year 2017 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities (see below)		<u>406,592</u>	<u>(55,459)</u>
Cash flows from investing activities:			
Interest and dividends		35,718	38,063
Property rents		6,700	6,680
Purchase of tangible fixed assets	8	(4,353)	(14,054)
Purchase of investments	10	(685,121)	(71,111)
Proceeds from sale of assets		-	552
Proceeds from sale of investments		<u>204,084</u>	<u>39,500</u>
Net cash provided by investing activities		<u>(442,972)</u>	<u>(370)</u>
 Change in cash and cash equivalents in the year		 (36,380)	 (55,829)
 Cash and cash equivalents brought forward		 <u>42,640</u>	 <u>98,469</u>
Cash and cash equivalents carried forward		<u><u>6,260</u></u>	<u><u>42,640</u></u>

The cash and cash equivalents totals brought forward and carried forward comprise cash at bank and in hand.

Reconciliation of net movement in funds to net cash flow from operating activities

Net income/(expenditure)		700,071	(2,309)
Add back depreciation charge	8	5,905	5,247
Add loss on disposal of assets		-	110
Deduct investment income shown in investing activities		(42,418)	(44,743)
Add back losses/deduct gains on investments		71,978	(24,236)
Decrease in stocks		1,350	376
(Increase) in debtors		(331,650)	(1,294)
Increase in creditors		<u>1,356</u>	<u>11,390</u>
Net cash (used in)/provided by operating activities		<u><u>406,592</u></u>	<u><u>(55,459)</u></u>

THE ST ANDREWS PRESERVATION TRUST LIMITED

Notes to the Financial Statements for the year ended 31 December 2018

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of Preparing the Financial Statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These accounts are presented in pounds sterling, the functional currency of the charity.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.2 Fund accounting

Funds held by the charity are either unrestricted, restricted or endowment in purpose. Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees. Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Endowment funds are funds which have been given on the condition that the original capital sum is not reduced, but the income therefrom is used for the purpose defined in accordance with the objects of the charity.

1.3 Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date.

Legacy gifts are recognised on a case by case basis, following Grant of Probate or Confirmation, when the administrator or executor for the estate has communicated in writing both the amount and settlement date.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor.

1.4 Expenditure and irrecoverable VAT

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.5 Tangible fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives as described further below.

(i) Heritable Property

The Charities SORP requires that provision be made for depreciation of fixed assets having a finite useful life. The trustees are of the opinion that the properties owned by the charity have an indefinite life and their aggregate fair value is considerably in excess of cost. Any depreciation charge would therefore be immaterial. The charity has a policy and practice of regular maintenance and repair such that the heritable properties are kept in a condition to retain their value.

(ii) Alterations to Buildings - straight line method over 7 or 50 years

(iii) Computer Equipment - straight line method at 25%

(iv) Fittings and Other Equipment - reducing balance method at 15%

(v) Museum Fittings - reducing balance method at 5%

THE ST ANDREWS PRESERVATION TRUST LIMITED

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

Accounting policies (continued)

1.6 Fixed asset investments

Investments, other than properties, are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing mid-market price. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

The valuation and income from investments is apportioned between unrestricted and restricted funds based upon a quarterly review of the restricted fund balances as a proportion of total funds.

Investment property is included at fair value at the year end as detailed at Note 9 to the financial statements.

1.7 Realised and unrealised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and the opening carrying value or the purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and the carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

An annual transfer is made between the General Fund and the Unrestricted Revaluation Reserve to reflect the difference between the historic cost and opening carrying value of investments realised in the year.

Control

Control of the charity lies in the hands of the members who elect the trustees.

Taxation

The charity is exempt from taxation. Qualifying donations to the charity attract taxation relief and income tax reclaims are recognised in accordance with the charity's general income recognition policy.

Income from grants, donations and legacies

	2018	2017
	£	£
Grants and Donations	2,444	11,243
Legacies	827,534	7
	<u>829,978</u>	<u>11,250</u>

In 2018 of the income from grants, donations and legacies £40 was attributable to restricted income funds (2017 £6,476) with the balance of £831,218 (2017 £4,774) adding to unrestricted funds.

Other trading activities

	2018	2017
	£	£
Events and Functions	7,092	8,603
Museum Entry Donations	2,265	3,286
Museum Income - Sales	2,622	3,839
Office Sales	740	1,115
	<u>12,719</u>	<u>16,843</u>

Expenditure on raising funds

	2018	2017
	£	£
Let Property Expenses	1,665	1,159
Depreciation: Let Property Fittings & Equipment	36	43
	<u>1,701</u>	<u>1,202</u>
Expenses of Events and Functions	2,438	2,138
Investment Manager Charges	2,506	1,927
	<u>6,645</u>	<u>5,267</u>

THE ST ANDREWS PRESERVATION TRUST LIMITED

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

7 Expenditure on charitable activities	2018	2017
<i>Unrestricted General Fund</i>	£	£
Curatorial Costs (including salary and pension costs)	23,844	21,370
Administrative costs (including salary and pension costs)	24,360	15,160
Cost of Goods for Re-sale	269	164
Costs of Productions and Publications	7,671	2,501
Museum Heat and Light	3,088	2,290
Office Heat and Light	1,715	939
Insurance and Rates (including Store at 4 Queens Gardens)	2,981	3,249
Telephone, Postage and Stationery	8,683	2,599
Advertising and Printing of Annual Report	674	1,570
Exhibition Costs	252	1,906
Expenses of Meetings	514	1,170
Miscellaneous Expenses	526	1,753
Subscriptions, Donations and Grants	434	501
Repairs and Maintenance	10,624	5,887
Planning Advisory Fees	1,537	10,470
Professional Fees	7,188	-
Independent Examiner's Fee	240	2,520
Audit Fee	3,400	-
Bank charges	87	-
Depreciation	5,042	4,367
Loss on disposal of assets	-	110
	103,129	78,526
<i>Restricted Funds</i>		
Museum Items Purchased (Museum Purchase Fund)	-	1,918
Insurance (Boase Wood Appeal)	189	384
Repairs and Maintenance (Boase Wood Appeal)	5,736	6,750
Museum Information and Storage System (Dr J Falconer Fund)	245	239
Garden Upkeep and Maintenance (Mrs D'Arcy Thompson Bequest Fund)	1,136	1,491
Kitchen and Toilet Refurbishment (Miss G Falconer Kitchen Upgrade Fund)	-	-
Garden Upkeep and Maintenance (Miss G. Falconer Fund)	225	70
Garden Upkeep and Maintenance (Miss G. Falconer South Border Fund)	774	8,512
Depreciation (Miss G Falconer Falconry Fund)	192	215
History Prize (Murray Income Fund)	-	-
Depreciation (Research Room Fund)	635	622
Pride of Place	-	328
Sensory Garden	757	4,267
	9,889	24,796
	113,018	103,322

Within the foregoing expenses of charitable activities the trustees regard the secretarial salary and fees as Support costs.

THE ST ANDREWS PRESERVATION TRUST LIMITED

**Notes to the Financial Statements
for the year ended 31 December 2018 (continued)**

8 Tangible fixed assets

Heritable Properties	4 Queens Gardens St Andrews £	Museum / 12 North Street St Andrews £	Kenly Green Doocot Boarhills £	Doocot, Doocot Road Bogward £	Total £
Cost:					
As at 1 January 2018	78,353	133,295	13,868	4,789	230,305
Additions	-	-	-	-	-
As at 31 December 2018	<u>78,353</u>	<u>133,295</u>	<u>13,868</u>	<u>4,789</u>	<u>230,305</u>
Depreciation:					
As at 1 January 2018	11,414	8,084	680	-	20,178
Charge for year	467	2,337	-	-	2,804
As at 31 December 2018	<u>11,881</u>	<u>10,421</u>	<u>680</u>	<u>-</u>	<u>22,982</u>
Net book values:					
As at 31 December 2018	<u>66,472</u>	<u>122,874</u>	<u>13,188</u>	<u>4,789</u>	<u>207,323</u>
As at 31 December 2017	<u>66,939</u>	<u>125,211</u>	<u>13,188</u>	<u>4,789</u>	<u>210,127</u>
Furniture and Fittings	Let Property Fittings / Equipment £	Office Equipment £	Museum Equipment £	Museum Fittings £	Total £
Cost:					
As at 1 January 2018	2,373	21,304	9,343	8,836	41,856
Additions	-	4,353	-	-	4,353
Disposals	-	-	-	-	-
As at 31 December 2018	<u>2,373</u>	<u>25,657</u>	<u>9,343</u>	<u>8,836</u>	<u>46,209</u>
Depreciation:					
As at 1 January 2018	2,132	14,857	7,484	3,498	27,971
Charge for year	36	2,519	279	267	3,101
On disposals	-	-	-	-	-
As at 31 December 2018	<u>2,168</u>	<u>17,376</u>	<u>7,763</u>	<u>3,765</u>	<u>31,072</u>
Net book values:					
As at 31 December 2018	<u>205</u>	<u>8,281</u>	<u>1,580</u>	<u>5,071</u>	<u>15,137</u>
As at 31 December 2017	<u>241</u>	<u>6,447</u>	<u>1,859</u>	<u>5,338</u>	<u>13,885</u>
Total net book values					
As at 31 December 2018					<u>222,460</u>
As at 31 December 2017					<u>224,012</u>

9 Investment property

Valuation:	£
At 1 January 2018	200,000
Revaluation	65,000
As at 31 December 2018	<u>265,000</u>

The property at 136 South Street, St Andrews was valued by the Trustees at the year end at £265,000 (2017 - £200,000). An independent expert valuation was carried out. The historical cost of the property is £6,710. The trustees have decided to sell this property and, since the year end, it has been put on the open market.

THE ST ANDREWS PRESERVATION TRUST LIMITED

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

10 Fixed asset investments

Movement in fixed asset listed investments	2018 £	2017 £
Market value brought forward at 1 January 2018	841,621	785,774
Additions to investments at cost	685,121	71,111
Disposals at carrying value	(221,190)	(41,334)
Net gain/(loss) on revaluation	(54,872)	26,070
Market value as at 31 December 2018	<u>1,250,680</u>	<u>841,621</u>

Net cash invested in investments in the year was £471,128 (2017 - £31,611).

Investments at fair value comprised:	2018 £	2017 £
Bond funds	90,126	134,679
Equity funds	505,199	236,570
Equities	645,446	470,372
Cash	9,909	-
	<u>1,250,680</u>	<u>841,621</u>

The historical cost of investments at 31 December 2018 was £1,120,890 (2017 - £638,871).

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds and unit trusts are at mid-market price. The basis of fair value for quoted investments is equivalent to the market value, using the mid-market price. Asset sales and purchases are recognised at the date of trade cost (that is transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

11 Debtors

	2018 £	2017 £
Prepayments	5,258	2,941
Other debtors	329,783	450
	<u>335,041</u>	<u>3,391</u>

12 Employees, trustees and their remuneration

12.1 Employees

The average weekly number of employees during the year on a head count was two (2017 - two).

Staff costs of the above amounted to £47,106 (2017 - £35,666) (including employers' national insurance of £238 (2017 - £nil)).

The employees can be categorised as one on direct charitable activities and one on supporting charitable activities.

The directors consider the board of directors, who are the Trust's trustees, treasurer/finance convenor, trust administrator and the museum curator to be the key management personnel of the charity in charge of directing, controlling, running and operating the Trust on a day to day basis.

No employee earned at a rate of £60,000 pro-rata or more (2017 - none).

12.2 Trustees

No remuneration was paid to trustees during the year.

Donations to the charity during the year, from trustees, were £120 (2017 - £10).

THE ST ANDREWS PRESERVATION TRUST LIMITED

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

13 Restricted funds

	At 1 January 2018 £	Income £	Expenditure £	Revaluation and Transfers £	At 31 December 2018 £
Museum Purchase Fund	648	22	-	-	670
Gordon Christie Legacy Fund	14,631	502	-	-	15,133
Boase Wood Fund	5,375	192	(5,925)	358	-
Dr J Falconer Fund	755	24	(245)	-	534
Mrs D'Arcy Thompson Bequest Fund	2,620	94	(1,136)	-	1,578
Miss G Falconer Fund	636	19	(225)	-	430
Pride of Place Fund	268	-	-	-	268
Murray Revenue Fund	624	362	-	-	986
Falconer South Border Fund	3,113	93	(774)	-	2,432
Sensory Garden Fund	1,196	12	(757)	-	451
Restricted Revaluation Reserve	12,564	-	-	(7,791)	4,773
	<u>42,430</u>	<u>1,320</u>	<u>(9,062)</u>	<u>(7,433)</u>	<u>27,255</u>
<i>Funds where expenditure has been capitalised</i>					
Miss G Falconer Falconry Fund	9,486	-	(192)	-	9,294
Research Room Fund	15,445	-	(635)	-	14,810
	<u>67,361</u>	<u>1,320</u>	<u>(9,889)</u>	<u>(7,433)</u>	<u>51,359</u>

Restricted Funds

The Museum Purchase Fund is restricted by a requirement of the Museum and Galleries Commission's Registration Scheme whereby any monies received from the sale of a museum item must be placed in a fund and used only for the purchases of further museum items. Donations may also be received specifically for items to be included in the museum collection.

The Gordon Christie Legacy Fund is to be used in the provision and erection of plaques on buildings in St Andrews associated with well known personalities or events so that the inhabitants of St Andrews may be reminded of their outstanding heritage.

The Boase Wood Fund relates to monies raised and donated to meet the need to renew fencing, remove a number of potentially dangerous trees and to establish and implement a plan for future maintenance of Boase Wood. A funds transfer of £358 was required from the General Fund to cover expenditure in the year.

The Dr J Falconer Fund is to assist with the cost of the new information and storage system to be installed at the museum.

The Mrs D'Arcy Thompson Bequest Fund is funds provided for the D'Arcy Thompson Garden at the museum.

The Miss G Falconer Fund is to assist with revenue expenditure at the Trust garden and museum.

The Pride of Place Fund is to assist with the Pride of Place awards run by the Trust.

The Murray Revenue Fund arises from the permanent endowment whose purpose is described in note 14 below.

The Falconer South Border Fund is to fund the costs of restoration of the garden border and the balance for other works in the museum garden excluding the sensory garden.

The Sensory Garden Fund is to assist with the development of the sensory garden in the Trust garden and museum. Whilst formally opened in the year to 31 December 2017, expenditure on further braille posts is anticipated.

The Miss G Falconer Falconry Fund is to assist with funding of the Falconry building and costs of £10,709 have been capitalised and are being written off as depreciation at 2% straight line annually.

The Research Room Fund represents grants and donations received to assist with the building of the new research room. Costs of £25,723 have been capitalised and are being written off as depreciation at 2% straight line and 5% reducing balance basis annually.

14 Endowment fund

This permanent endowment fund was established by an original donation to be maintained as capital with the income being applied to encourage and support the academic study of and, more particularly, original research into the historic heritage of the Royal Burgh of St Andrews.

15 Contingent assets and liabilities

There were no contingent assets or liabilities at the year end.

16 Auditors Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions

Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.