

Charity Registration No. SC033882 (Scotland)

Company Registration No. SC241125 (Scotland)

THE K.O.S.B. ASSOCIATION FUNDS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



THE K.O.S.B. ASSOCIATION FUNDS

LEGAL AND ADMINISTRATIVE INFORMATION

Directors And Trustees	Colonel A.J. Loudon M.B.E. Lieutenant Colonel C.G.O. Hogg O.B.E., D.L. Major D.P. Sturrock T.D., W.S. Major R.H. Edlmann Lieutenant Colonel R.S. Combe M.B.E. Major A.G. Horsburgh Captain A.J.D. Herberts
Secretary	Major D.P. Sturrock T.D., W.S.
Charity number (Scotland)	SC033882
Company number	SC241125
Registered office	8 St Ann's Place Haddington East Lothian EH1 4BS
Independent examiner	Colin Frame CA 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ
Bankers	Barclays Bank P.L.C. 22/24 Hide Hill Berwick upon Tweed TD15 1AF
Investment advisors	Brewin Dolphin 6th Floor Atria One 144 Morrison Street Edinburgh EH3 8EX

THE K.O.S.B. ASSOCIATION FUNDS

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THE K.O.S.B. ASSOCIATION FUNDS

DIRECTORS AND TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The directors and trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company governing documents, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The charitable company's objects are :-

- to relieve suffering, hardship and distress and promote the relief of need among men or women who have at any time served with the King's Own Scottish Borderers, and their families and dependants, by making grants of money, loans or guarantees.
- to act as administrators of the "King's Own Scottish Borderers War Memorial and War Relief Funds".
- to make contributions to or otherwise support charitable or benevolent bodies and to make donations for any public purpose connected with the activities of the charitable company or with the furtherance of its objects.

The directors and trustees have paid due regard to guidance issued by the Office of the Scottish Charity Regulator in deciding what activities the charitable company should undertake.

Achievements and performance

During the year the fund has continued to support former members of the King's Own Scottish Borderers and their families and dependants in accordance with the aims and objectives set out above. It is anticipated that these activities will continue for the foreseeable future.

The performance of the investments of the charitable company has been satisfactory and there is a healthy position in the General Fund, which allows the charitable company to continue to meet the current calls on the funds.

Several donations were received during the year, each gratefully acknowledged. Income tax is reclaimed wherever possible on donations under the Gift Aid Scheme.

Applications from K.O.S.B. veterans and their families for Welfare assistance and Benevolence grants are processed and almonised by RHQ SCOTS. Financial assistance remains funded by the K.O.S.B. Association. In particular, the fund has assisted, and will continue to assist, during the COVID-19 pandemic.

The Association has employed Mr Gerard O'Neill as Association Officer (Museum), whose salary is being funded by the Army Museums Ogilby Trust, following the retiral of Mr Ian Martin.

I am also grateful to the Branch and Re-union Secretaries who, along with many others, especially the volunteers, help with the work of the Association. Their input will become ever more valuable in the years to come.

I wish to thank my fellow directors and trustees for their contribution during what has been another busy and challenging year, because of the pandemic; they have many other commitments aside from their role as directors and trustees, and their input has been both vital and very much appreciated by myself and the wider Regimental family.

THE K.O.S.B. ASSOCIATION FUNDS

DIRECTORS AND TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The accounts from page 6 onwards set out the full financial position for the year ended 31 December 2020.

Income

Total income for the year was £56,183 (2019: £38,823) an increase of £17,360.

Expenditure

Total expenditure for the year was £74,201 (2019: £75,414) a decrease of £1,213.

The total net cost of benevolence was £13,000 (2019: £14,000) a decrease of £1,000.

Financial assistance was given in 44 cases (2019: 58) of hardship with all cases processed by RHQ SCOTS, who also dealt directly with the Army Benevolent Fund.

Donations to other organisations and charities amounted to £325 (2019: £1,296).

The cost of publishing and distributing the Borderers' Chronicle, £5,351 (2019: £5,013) was covered by income received.

The total revenue deficit across all funds for the year before investment movements was £18,018 (2019: £36,591 deficit).

Balance sheet

The total net assets of the Association General Funds as at 31 December 2020 were £575,218 (2019: £641,888). The decrease in value this year is entirely due to weaker investment market performance experienced throughout the year.

The total market value of the investments at 31 December 2020 was £560,632 (2019: £642,962).

Grant making policy

Grants are made in accordance with the charitable company's objects, as set out on page 1, to relieve suffering, hardship and distress among men or women who have served at any time with the Regiment of The King's Own Scottish Borderers and their families and dependants. Each application is considered on its merits.

Public benefit

In considering the operation, achievements and performance and finances of the charitable company, the directors and trustees are satisfied that public benefit has been provided in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and guidance provided by the Office of the Scottish Charity Regulator.

Reserves and investment policy

The directors and trustees have reviewed the reserves of the charitable company in relation to current and future requirements and consider that the reserves are adequate to allow the charitable company to continue to carry out its objects, and to meet its long term commitments.

The governing documents allow the directors and trustees to invest funds in any investment they think fit, at their absolute discretion.

Investments are professionally managed by Brewin Dolphin, acting on a discretionary basis. The investment objectives are to achieve a balance of income and capital growth with an emphasis on income, assuming a medium risk profile.

THE K.O.S.B. ASSOCIATION FUNDS

DIRECTORS AND TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Risk review

The directors and trustees have conducted a review of the major risks to which the charitable company is exposed including the long term effect of the formation of the Royal Regiment of Scotland, and have established systems to mitigate the risks identified by putting the funds into their present corporate structure. The position in relation to administration is kept under review.

Structure, governance and management

The K.O.S.B. Association Funds were incorporated on 13 December 2002, as a charitable company limited by guarantee. It is governed by its Memorandum and Articles of Association.

The members of the charitable company are the current directors and trustees. Every member has one vote, at general meetings of the charitable company which may be given either personally or by proxy.

The business of the charitable company is managed by the directors and trustees, who may exercise all the powers of the charitable company.

The maximum number of directors and trustees is fifteen, and the minimum number is four. The directors and trustees may appoint at any time a director and trustee to fill a vacancy or as an additional director and trustee. One third of directors and trustees are due to retire from office at the annual general meeting, but are eligible for re-election.

At the AGM Major D.P. Sturrock T.D., W.S. and Captain A.J.D. Herberts will retire, with both eligible for re-election.

New directors and trustees are given a copy of the Memorandum and Articles of Association, the latest report and accounts, and all the charitable company's documents on governance. Subject to their experience and expertise, they are also given pamphlets issued by the Office of the Scottish Charity Regulator explaining the duties of Trustees of Charities and offered training in any area of their duties which they think they would like strengthening.

Directors and trustees

The directors and trustees who served during the year are as stated below:

Colonel A.J. Loudon M.B.E.

Lieutenant Colonel C.G.O. Hogg O.B.E., D.L.

Major D.P. Sturrock T.D., W.S.

Major R.H. Edlmann

Lieutenant Colonel R.S. Combe M.B.E.

Major A.G. Horsburgh

Captain A.J.D. Herberts

As a company limited by guarantee, the charitable company does not have a share capital. The liability of each member is limited to £1.

THE K.O.S.B. ASSOCIATION FUNDS

DIRECTORS AND TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of directors and trustees responsibilities

The directors and trustees, who are also the directors of The K.O.S.B. Association Funds for the purpose of company law, are responsible for preparing the Directors and Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors and trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the directors and trustees are required to:

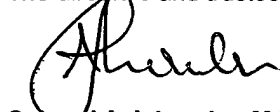
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors and trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They 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.

Exemptions

This report is prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The directors and trustees report was approved by the Board of Directors and Trustees.



Colonel A.J. Loudon M.B.E.

Director and Trustee

Dated: 11 June 2021

THE K.O.S.B. ASSOCIATION FUNDS

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS AND TRUSTEES OF THE K.O.S.B. ASSOCIATION FUNDS

I report on the financial statements of the charitable company for the year ended 31 December 2020, which are set out on pages 6 to 20.

Respective responsibilities of directors and trustees and examiner

The charitable company's Directors and Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charitable company's Directors and Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the directors and trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounting Regulations;
have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Colin Frame CA

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 11 June 2021

THE K.O.S.B. ASSOCIATION FUNDS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes					
<u>Income from:</u>						
Subscriptions, donations, legacies and chronicle	3	22,330	2,003	11,107	35,440	12,840
Other trading activities	4	1,303	-	-	1,303	738
Investments	5	19,440	-	-	19,440	25,245
Total income		43,073	2,003	11,107	56,183	38,823
<u>Expenditure on:</u>						
Raising funds	6	10,322	-	-	10,322	10,114
Charitable activities	7	55,296	2,196	6,387	63,879	65,300
Total resources expended		65,618	2,196	6,387	74,201	75,414
Net gains/(losses) on investments	12	(50,210)	1,558	-	(48,652)	77,504
Net movement in funds		(72,755)	1,365	4,720	(66,670)	40,913
Fund balances at 1 January 2020		616,402	25,486	-	641,888	600,975
Fund balances at 31 December 2020		543,647	26,851	4,720	575,218	641,888

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE K.O.S.B. ASSOCIATION FUNDS

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Total 2019 £
	Notes			
Income from:				
Subscriptions, donations, legacies and chronicle	3	7,880	4,960	12,840
Other trading activities	4	738	-	738
Investments	5	25,244	1	25,245
Total income		33,862	4,961	38,823
Expenditure on:				
Raising funds	6	10,114	-	10,114
Charitable activities	7	65,204	96	65,300
Total resources expended		75,318	96	75,414
Net gains/(losses) on investments	12	75,577	1,927	77,504
Net movement in funds		34,121	6,792	40,913
Fund balances at 1 January 2019		582,281	18,694	600,975
Fund balances at 31 December 2019		616,402	25,486	641,888

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE K.O.S.B. ASSOCIATION FUNDS

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investments	13		560,632		642,962
Current assets					
Stocks	15	17,051		20,382	
Debtors	16	9,370		3,704	
Cash at bank and in hand		25,752		10,116	
		<u>52,173</u>		<u>34,202</u>	
Creditors: amounts falling due within one year	17	<u>(37,587)</u>		<u>(35,276)</u>	
Net current assets/(liabilities)			14,586		(1,074)
Total assets less current liabilities			<u>575,218</u>		<u>641,888</u>
Income funds					
Restricted funds	18		4,720		-
Unrestricted funds - designated	19		26,851		25,486
Unrestricted funds - general			543,647		616,402
			<u>575,218</u>		<u>641,888</u>

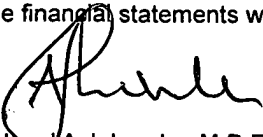
The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors and trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and section 44 of the Charities and Trustee Investment (Scotland) Act 2005 and for preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These accounts have been prepared in accordance with the provisions applicable to charitable company subject to the small companies' regime.

The financial statements were approved by the Directors And Trustees on 11 June 2021


Colonel A.J. Loudon M.B.E.
Trustee

Company Registration No. SC241125

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The K.O.S.B. Association Funds is a private company limited by guarantee incorporated in Scotland. The registered office is 8 St Ann's Place, Haddington, East Lothian, EH1 4BS.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of fixed asset investments to market value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors and trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors and trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors and trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The general fund is an unrestricted fund which is available for use at the discretions of the directors and trustees in furtherance of the objectives of the charitable company.

Designated funds are unrestricted funds that have been set aside by the directors and trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Membership subscriptions are recognised in the year in which they are received.

Legacies are recognised at the earlier of the date that the notification of distribution is received or that the legacy is received.

Investment income comprises dividends receivable during the year on listed investments held within the investment portfolio as well as interest receivable.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business and inclusive of VAT and other sales related taxes.

1.5 Expenditure

All expenditure is accounted for on an accruals basis. Costs are allocated to appropriate headings, based on the activities to which they are attributable.

Costs of generating funds are the costs of Christmas cards and Regimental items sold in the year.

Management and administration costs are those incurred in connection with the administration of the charitable company and compliance with constitutional and statutory requirements.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the directors and trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Subscriptions, donations, legacies and chronicle

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2020	Total 2019
	£	£	£	£	£
Donations and gifts	10,665	2,003	-	12,668	5,810
Grants	-	-	11,107	11,107	-
Subscriptions and chronicle	7,851	-	-	7,851	7,030
Gift aid	3,814	-	-	3,814	-
	<u>22,330</u>	<u>2,003</u>	<u>11,107</u>	<u>35,440</u>	<u>12,840</u>

4 Other trading activities

	Unrestricted funds general 2020	Total 2019
	£	£
Sale of K.O.S.B. Regimental items	945	432
Sale of book - "Always a Borderer"	-	210
Sale of Christmas cards	358	96
Other trading activities	<u>1,303</u>	<u>738</u>

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Investments

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £	Total 2019 £
Income from listed investments	19,436	-	19,436	25,226
Interest receivable	4	-	4	19
	<u>19,440</u>	<u>-</u>	<u>19,440</u>	<u>25,245</u>
For the year ended 31 December 2019	<u>25,244</u>	<u>1</u>		<u>25,245</u>

6 Raising funds

	Total 2020 £	Total 2019 £
<u>Costs of goods sold and other costs</u>		
Work costs, including design and printing - "Always a Borderer"	-	99
Stock impairment - "Always a Borderer"	4,975	4,975
	<u>4,975</u>	<u>5,074</u>
Costs of goods sold and other costs	<u>4,975</u>	<u>5,074</u>
<u>Raising funds</u>		
K.O.S.B. Regimental items and Christmas cards	1,155	359
	<u>4,192</u>	<u>4,681</u>
<u>Investment management costs</u>	<u>4,192</u>	<u>4,681</u>
	<u>10,322</u>	<u>10,114</u>

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

	Direct charitable expenditure £	Overhead expenses £	Management and administration £	Total 2020 £	Total 2019 £
Staff costs	-	-	31,387	31,387	26,936
Borderers chronicle	5,351	-	-	5,351	5,013
Remembrance wreaths and flowers	348	-	-	348	1,493
Advertising and promotions	120	-	-	120	-
Minden Day expenses	490	-	-	490	5,907
Kelso races	-	-	-	-	1,490
Insurances	-	1,618	-	1,618	1,285
Repairs and maintenance	-	466	-	466	625
Printing, stationery and office expenses	-	-	3,389	3,389	1,190
AGM expenses and lunches	-	-	55	55	83
Cruikshank Dinner	-	-	-	-	616
Secretarial services	-	-	-	-	627
Bank charges	-	-	106	106	299
NI Memorial stone	2,100	-	-	2,100	-
	<u>8,409</u>	<u>2,084</u>	<u>34,937</u>	<u>45,430</u>	<u>45,564</u>
Grant funding of activities (see note 8)	13,325	-	-	13,325	15,296
Share of governance costs (see note 9)	-	-	5,124	5,124	4,440
	<u>21,734</u>	<u>2,084</u>	<u>40,061</u>	<u>63,879</u>	<u>65,300</u>

8 Grants payable

	2020 £	2019 £
Grants to institutions:		
Grant donations to institutions and branches	325	1,296
Benevolence grants to individuals	13,000	14,000
	<u>13,325</u>	<u>15,296</u>

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Grants payable

(Continued)

Benevolence grants paid to individuals

Grants are made in accordance with the charitable company's objects, as set out on page 1, to relieve suffering, hardship and distress among men or women who have served at any time with the King's Own Scottish Borderers and their families and dependants. Each application is considered on its merits.

During the year 44 grants totalling £10,368 were made to individuals (2019: 58 grants totalling £13,874) to which the Association Funds contributed £13,000 (2019: £14,000), the balance being almonised with other Army Welfare charities where appropriate. All grants are processed by RHQ SCOTS who are responsible for all K.O.S.B. Welfare assistance and Benevolence applications.

Grant donations to institutions and branches

This includes a number of small donations made to K.O.S.B. Association Branch Secretaries and Army related charities located in Scotland.

9 Support costs

	Governance costs £	2020 £	2019 £
Legal and professional	1,218	1,218	840
Independent examination fee	750	750	700
Accountancy	3,156	3,156	2,900
	<u>5,124</u>	<u>5,124</u>	<u>4,440</u>
Analysed between			
Charitable activities	<u>5,124</u>	<u>5,124</u>	<u>4,440</u>

Governance costs includes payments to the independent examiner of £750 (2019: £700) for independent examination fees.

10 Directors And Trustees

None of the directors and trustees (or any persons connected with them) received any remuneration (2019: £Nil) or expenses (2019: £Nil) during the year.

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Employees

Number of employees

The average monthly number of employees during the year was:

2020 Number	2019 Number
2	1
<u>2</u>	<u>1</u>

Employment costs

	2020 £	2019 £
Wages and salaries and pension contributions	31,387	26,936
	<u>31,387</u>	<u>26,936</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Net (losses)/gains on investments

	Unrestricted funds general £	Unrestricted funds designated £	Total 2020 £	Total 2019 £
Revaluation (loss)/gain of investments	(39,174)	1,558	(37,616)	75,179
Gain on sale of investments	(11,036)	-	(11,036)	2,325
	<u>(50,210)</u>	<u>1,558</u>	<u>(48,652)</u>	<u>77,504</u>
For the year ended 31 December 2019	<u>75,577</u>	<u>1,927</u>		<u>77,504</u>

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 31 December 2019	642,962
Additions	122,683
Valuation changes	(156,361)
Disposals	(48,652)
At 31 December 2020	560,632
Carrying amount	
At 31 December 2020	560,632
At 31 December 2019	642,962

14 Financial instruments	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	560,632	642,962
15 Stocks	2020 £	2019 £
Finished goods and goods for resale	17,051	20,382
16 Debtors	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	9,370	3,704
17 Creditors: amounts falling due within one year	2020 £	2019 £
Other taxation and social security	685	580
Trade creditors	33,045	31,896
Other creditors	27	-
Accruals and deferred income	3,830	2,800
	37,587	35,276

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

The income funds of the charitable company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		
	Balance at 1 January 2020	Incoming resources	Resources expended
	£	£	£
AMOT Fund	-	11,107	(6,387)
	<u> </u>	<u> </u>	<u> </u>

The AMOT Fund consists of unrestricted grants received from the Army Museums Ogilby Trust that have been set aside by the directors and trustees in order to assist with the employment of a Museum Officer (Museum) to help maintain the K.O.S.B. Regimental Collection.

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Unrestricted funds - designated

The income funds of the charitable company include the following designated funds which have been set aside out of unrestricted funds by the directors and trustees for specific purposes:

	Movement in funds				Movement in funds				Balance at 31 December 2020
	Balance at 1 January 2019	Total incoming resources	Total resources expended	Other gains/ (losses)	Balance at 1 January 2020	Total incoming resources	Total resources expended	Other gains/ (losses)	
	£	£	£	£	£	£	£	£	£
Piper Laidlaw VC Fund	415	1	(96)	-	320	-	(96)	-	224
Cruikshank Dinner Fund	18,279	-	-	1,927	20,206	-	-	1,558	21,764
Shepherd Fund	-	2,000	-	-	2,000	103	-	-	2,103
NI Memorial Stone Fund	-	2,960	-	-	2,960	1,900	(2,100)	-	2,760
	<u>18,694</u>	<u>4,961</u>	<u>(96)</u>	<u>1,927</u>	<u>25,486</u>	<u>2,003</u>	<u>(2,196)</u>	<u>1,558</u>	<u>26,851</u>

The Piper Laidlaw VC Fund consists of unrestricted funds that have been set aside by the directors and trustees in order to care and maintain Piper Laidlaw's grave located within Norham Church grounds.

At the end of 2018, the K.O.S.B. Association Fund took over the management of a portfolio investment arising from a legacy by Captain Jack Cruikshank, to enable and subsidise an annual all ranks Dinner. Therefore, in order to separately identify these funds, the directors and trustees chose to designate the investment portfolio, which in future years will be used to defray some of the costs of the annual Cruikshank Dinner.

The Shepherd Fund consists of unrestricted donations that have been set aside by the directors and trustees in order to assist those men or women who served with the King's Own Scottish Borderers, and whose families are suffering hardship or distress in meeting the costs of funeral arrangements.

The NI Memorial Stone Fund consists of unrestricted funds that have been set aside by the directors and trustees in order for a Memorial Stone to be commissioned and erected in Northern Ireland to honour our fallen comrades.

THE K.O.S.B. ASSOCIATION FUNDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

20 Analysis of net assets between funds

	Unrestricted General Fund	Designated Fund	Restricted Fund	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
Fund balances at 31 December 2020 are represented by:					
Investments	541,608	19,024	-	560,632	642,962
Current assets/(liabilities)	2,039	7,827	4,720	14,586	(1,074)
	<u>543,647</u>	<u>26,851</u>	<u>4,720</u>	<u>575,218</u>	<u>641,888</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2019: None).

22 Company limited by guarantee

Every ordinary member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while he is a member or within one year after he ceases to be a member, for such an amount as may be required not exceeding £1.