

Charity Registration No. SC030167

Company Registration No. SC364588

KNOCKANDO WOOLMILL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

KNOCKANDO WOOLMILL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lady N V B Irwin Mr G F Stewart Mr R A Stewart Mr M Barron Mr T A V Duff Mr D A Ross
Charity number	SC030167
Company number	SC364588
Registered office	The Woolmills Knockando Aberlour Moray AB38 7RP
Independent examiner	Mark Sanderson Bsc(Hons), CA MacKenzie Kerr Limited Chartered Accountants Redwood 19 Culduthel Road Inverness IV2 4AA
Bankers	Clydesdale Bank Plc. 40 St Vincent Place Glasgow G1 2HL

KNOCKANDO WOOLMILL TRUST

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FOR THE YEAR ENDED 31 MARCH 2020**

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KNOCKANDO WOOLMILL TRUST

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

The trustees presents its report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to preserve, conserve and develop Knockando Woolmill, including its historic textile plant and machinery, and its immediate surroundings and watercourses as a historic rural working woolmill, to preserve the traditional rural craft skills used in a rural woolmill by providing training in those skills and by other appropriate means and specifically through:

- Promoting the heritage and historic significance of the Woolmill;
- Educating the general public about the heritage and historical significance of the Woolmill;
- Renovating and improving the existing mill buildings, textile plant and machinery, land and watercourses so that they may continue to function as a working rural woolmill and historical landmark; and
- The wholesale and retail sale of products manufactured at the Woolmill and items incorporating products manufactured at the Woolmill.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The Trust believes that visitor numbers were around 11,500 during the financial year to 31 March 2020 broadly similar to the number in the previous financial year but it is difficult to estimate the number as there is no reliable means of recording visitors who do not buy goods through the till.

The Community Garden has continued to be a great attraction for visitors.

The Woolmill was awarded a four star rating by VisitScotland in a previous reporting year and has successfully retained this status.

Knockando Woolmill Company Limited (the "Company") assists the Trust in delivering its charitable objectives with regard to heritage, product development and educating the general public through the visitor experience. The Company is the wholly owned subsidiary of the Trust. It manufactures and trades in textiles for its own account with a view to its making sufficient profit to enable it to pay a market rent of £1,944 per month (before applying VAT at 20 per cent) to the Trust for the buildings and plant and machinery at the Woolmill.

The highlight of the year ended 31 March 2020 for the Trust was undoubtedly the completion of the repair and restoration work on the Trust's Victorian Dobcross loom no. 15650 built in 1899. The bulk of the repair work was carried out by Daniel Harris of the London Cloth Company. This loom was restored and repositioned out from the end wall of the Weaving Shed and the Pirn Winder was also repaired and repositioned. Importantly, spare parts for both looms and other historic machinery were removed from the three old and unsightly shipping containers which were removed from site. The spare parts were categorised, cleaned, coated with preservative, labelled and carefully stored in a new shipping container which is concealed behind the Conservation Training Workshop.

This operation provided an opportunity: during the course of the work, it became obvious that there was enough room in the new shipping container to store the incomplete Dobcross loom no. 13339. The Trustees decided therefore to retain this loom intact on site, rather than dismantle it and store it off site in one of the workshops of the London Cloth Company as had previously been planned.

The programme for the long term restoration of the incomplete Dobcross will depend on the availability of funding but, in the meantime, it is being carefully stored intact and monitored on site. There is now no question of it being lost.

KNOCKANDO WOOLMILL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Financial review

The Trust's principal sources of income during the financial year were donations and legacies at £57,991 (FY 2018/2019: £85,820) and rental from the Company at £nil (FY 2018/2019: £7,778).

The Trustees are most grateful to all of its donors without whose generous assistance the Trust would not be able to continue with all of its charitable activities.

Unfortunately during the 2019/2020 financial year the Trust had to grant the Company a rent holiday to assist it through financial difficulties. This had a consequential detrimental effect on the Trust's income for the financial year.

During the year, the Trust operated a net deficit of £54,618 (FY2018/2019: deficit of £18,994) including depreciation of £68,672 on assets owned by the Trust (FY 2018/2019: £77,507).

The Trust's debtors total £194,640 (FY2018/2019: £172,055) and as detailed in note 14, comprise £184,900 (FY2018/2019: £166,520) owed to the Trust by the Company and other debtors of £9,740 (FY2018/2019: £5,535).

In addition to the above amounts owed by Knockando Woolmill Company Limited, the charity also held funds on behalf of the company. At the balance sheet date the amounts owed by the charity to the company were £23,420 (FY 2018/2019: £23,420).

The Trust charges interest at the rate of three per cent per annum above the Clydesdale Bank base rate from time to time on the loans made to the Company. The balance due is not secured as the Company has already granted security over all of its assets and undertaking to another lender. The trustees carefully monitor the performance of the Company, its profitability and its cashflow. Interest of £nil has been charged against the loans to Knockando Woolmill Company Limited.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

It is the policy of the charity that cash from donations which have been made for a specific purpose such as the purchase of an identified piece of plant and machinery should be retained as a cash reserve until a suitable purchase is identified and made.

The Trust's policy on other reserves is not to make a general reserve from the income of any financial year and only to make a specific reserve from income against an identified liability (a "rainy day") which the trustees consider is reasonably likely to occur. In the Trustees' judgement no such specific reserve was required in respect of its financial year 2019/2020.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

KNOCKANDO WOOLMILL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

The Trust will endeavour to ensure the continuing function of the Woolmill as a working textile mill by on-going stewardship of the site, training a new generation of crafts people and educating the public about the heritage of the Woolmill through its visitor centre.

The Company on which the Trust depends for much of its income continued to face serious financial challenges and made a substantial loss during its financial year ended 31 March 2020.

The continuation of the Company as a going concern depends on continued support from lenders such as the Trust and from donors and other external providers of assistance. As at the date of this report the Trust and the Company are in talks with a commercial operator in the textiles industry and a Scottish Government agency in each case in a search for such support and assistance but there is no certainty that any such support and assistance will be forthcoming.

As always the Trust needs volunteers to help with some of the Trust's activities such as maintaining the garden and helping with the education programme.

Structure, governance and management

The charity is a company limited by guarantee as defined by the Companies Act 2006 and is controlled by its governing document, namely its Memorandum and Articles of Association.

The members of the trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Lady N V B Irwin

Mr G F Stewart

Mr R A Stewart

Mr M Barron

Mr T A V Duff

Mr D A Ross

Mrs F S Widdowson

(Resigned 31 May 2019)

The trustees have no formal procedure for identifying and recruiting additional and replacement trustees but rely on suitable candidates being identified and approached by existing trustees from time to time.

The trustees meet regularly as a board of directors of the Trust, normally once a quarter when the business of the Trust and the Company is considered and discussed.. At these meetings the trustees receive operational reports from the Company's operations director and other staff.

Post balance sheet events - Coronavirus pandemic

On 23rd March 2020 all non-essential activities were required to cease activities. For further information on how this has impacted the charity see note 18 to the financial statements.

The trustees' report was approved by the Board of Trustees.

Lady N V B Irwin

Trustee

Dated: 16 February 2021

KNOCKANDO WOOLMILL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF KNOCKANDO WOOLMILL TRUST

I report on the financial statements of the charity for the year ended 31 March 2020, which are set out on pages 5 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees, who are also the directors of Knockando Woolmill Trust for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The 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 financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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

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 financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts 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 financial statements to be reached.

Mark Sanderson Bsc(Hons), CA

Mackenzie Kerr Limited
Chartered Accountants
Redwood
19 Culduthel Road
Inverness
IV2 4AA

Dated: 17 February 2021

KNOCKANDO WOOLMILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Income from:			
Donations and legacies	2	57,991	85,820
Investments	3	4,399	9,837
Total income		<u>62,390</u>	<u>95,657</u>
Expenditure on:			
Charitable activities	4	<u>117,008</u>	<u>114,651</u>
Net expenditure for the year/ Net movement in funds		(54,618)	(18,994)
Fund balances at 1 April 2019		<u>2,618,162</u>	<u>2,637,156</u>
Fund balances at 31 March 2020		<u><u>2,563,544</u></u>	<u><u>2,618,162</u></u>

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.

KNOCKANDO WOOLMILL TRUST

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11	2,384,442		2,450,615	
Investments	12		1		1
		<u>2,384,443</u>		<u>2,450,616</u>	
Current assets					
Stocks	13	1,500		1,500	
Debtors	14	194,640		172,055	
Cash at bank and in hand		19,777		29,655	
		<u>215,917</u>		<u>203,210</u>	
Creditors: amounts falling due within one year	15	<u>(36,816)</u>		<u>(35,664)</u>	
Net current assets			179,101		167,546
Total assets less current liabilities		<u>2,563,544</u>		<u>2,618,162</u>	
Income funds					
Unrestricted funds			2,563,544		2,618,162
			<u>2,563,544</u>		<u>2,618,162</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the 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 financial statements, so far as applicable to the 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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 16 February 2021

Lady N V B Irwin
Trustee

Company Registration No. SC364588

KNOCKANDO WOOLMILL TRUST

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

1 Accounting policies

Charity information

Knockando Woolmill Trust is a private company limited by guarantee incorporated in Scotland. The registered office is The Woolmills, Knockando, Aberlour, Moray, AB38 7RP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the 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 trustees in furtherance of their charitable objectives.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity 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 charity 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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

KNOCKANDO WOOLMILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

1.5 Expenditure

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

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not yet been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	At varying rates on cost
Plant and equipment	25% reducing balance and 5% on cost
Fixtures and fittings	15% reducing balance
Computers	33% Straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 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.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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.

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

KNOCKANDO WOOLMILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

1.10 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.

1.11 Financial instruments

The charity 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 charity's balance sheet when the charity 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 charity's contractual obligations expire or are discharged or cancelled.

1.12 Consolidated financial statements

The financial statements present information about the charity as an individual undertaking and not about its group as the charity and its subsidiary undertaking comprise a small sized group.

KNOCKANDO WOOLMILL TRUST

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

2 Donations and legacies

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Donations and gifts	36,799	49,567
Legacies receivable	7,132	12,253
Grants received	14,060	24,000
	<u>57,991</u>	<u>85,820</u>
Donations and gifts		
Lady Irwin	5,000	-
Mark Laing	15,000	-
Michael Barron	13,000	15,500
Other	3,799	34,067
	<u>36,799</u>	<u>49,567</u>
Grants receivable for core activities		
Historic Environment Scotland - Dobcross Restoration grant	14,060	-
William Grant Foundation	-	24,000
	<u>14,060</u>	<u>24,000</u>

3 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Rental income	700	5,833
Interest receivable	3,699	4,004
	<u>4,399</u>	<u>9,837</u>

KNOCKANDO WOOLMILL TRUST

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

4 Charitable activities

	Woolmill development 2020 £	Woolmill development 2019 £
Marketing costs	99	-
Repairs and maintenance	27,722	5,575
Heat and light	2,318	-
Book-keeping costs	22	1,250
Sundry expenses	718	365
	<hr/>	<hr/>
	30,879	7,190
Grant funding of activities (see note 6)	11,366	27,541
Share of support costs (see note 7)	72,063	77,320
Share of governance costs (see note 7)	2,700	2,600
	<hr/>	<hr/>
	117,008	114,651
	<hr/>	<hr/>

5 Woolmill development

Woolmill development

Knockando Woolmill Trust aims to preserve, conserve and develop Knockando Woolmill, including its historic textile plant and machinery, and its immediate surroundings as a historic rural working woolmill.

6 Grants payable

	Woolmill development 2020 £	Woolmill development 2019 £
Grants to institutions:		
Knockando Woolmill Company Limited	11,366	27,541
	<hr/>	<hr/>

Woolmill development

The grants paid were to promote the woolmill and related textile products.

KNOCKANDO WOOLMILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Depreciation	68,672	-	68,672	76,374	-	76,374
Travelling	390	-	390	946	-	946
Training	3,001	-	3,001	-	-	-
Accountancy and independent examination	-	2,700	2,700	-	2,600	2,600
	<u>72,063</u>	<u>2,700</u>	<u>74,763</u>	<u>77,320</u>	<u>2,600</u>	<u>79,920</u>
Analysed between Charitable activities	<u>72,063</u>	<u>2,700</u>	<u>74,763</u>	<u>77,320</u>	<u>2,600</u>	<u>79,920</u>

8 Net movement in funds

	2020	2019
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	68,672	77,507
Loss/(profit) on disposal of tangible fixed assets	-	(1,133)
	<u>68,672</u>	<u>76,374</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year two trustees provided the charity with donations totalling £18,000 (2019 - 1 trustee £15,500).

10 Employees

There were no employees during the year.

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

KNOCKANDO WOOLMILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2019	2,883,397	51,086	37,130	1,984	2,973,597
Additions	-	2,500	-	-	2,500
	<u>2,883,397</u>	<u>53,586</u>	<u>37,130</u>	<u>1,984</u>	<u>2,976,097</u>
At 31 March 2020	2,883,397	53,586	37,130	1,984	2,976,097
Depreciation and impairment					
At 1 April 2019	461,014	34,943	25,042	1,984	522,983
Depreciation charged in the year	63,526	3,333	1,813	-	68,672
	<u>524,540</u>	<u>38,276</u>	<u>26,855</u>	<u>1,984</u>	<u>591,655</u>
At 31 March 2020	524,540	38,276	26,855	1,984	591,655
Carrying amount					
At 31 March 2020	<u>2,358,857</u>	<u>15,310</u>	<u>10,275</u>	<u>-</u>	<u>2,384,442</u>
At 31 March 2019	<u>2,422,383</u>	<u>16,143</u>	<u>12,089</u>	<u>-</u>	<u>2,450,615</u>

12 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2019 & 31 March 2020	1
Carrying amount	
At 31 March 2020	1
At 31 March 2019	1

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	20	1	1
		<u>1</u>	<u>1</u>
		2020 £	2019 £
Investments at fair value comprise:			
Knockando Woolmill Company Limited		1	(1)
		<u>1</u>	<u>(1)</u>

KNOCKANDO WOOLMILL TRUST

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

13 Stocks

	2020	2019
	£	£
Stocks	1,500	1,500

14 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	67,874	67,874
Other debtors	1,351	845
Prepayments and accrued income	8,389	4,690
	<u>77,614</u>	<u>73,409</u>
	2020	2019
	£	£
Amounts falling due after more than one year:		
Amounts owed by subsidiary undertakings	117,026	98,646
	<u>117,026</u>	<u>98,646</u>
Total debtors	<u>194,640</u>	<u>172,055</u>

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	-	444
Trade creditors	1,596	-
Amounts owed to subsidiary undertakings	23,420	23,420
Accruals and deferred income	11,800	11,800
	<u>36,816</u>	<u>35,664</u>

16 Analysis of net assets between funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Fund balances at 31 March 2020 are represented by:		
Tangible assets	2,384,442	2,450,615
Investments	1	1
Current assets/(liabilities)	179,101	167,546
	<u>2,563,544</u>	<u>2,618,162</u>

KNOCKANDO WOOLMILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Financial commitments, guarantees and contingent liabilities

Knockando Woolmill Company Limited, the trading subsidiary of Knockando Woolmill Trust has obtained a loan from Social Investment Scotland of £50,325. As part of the arrangement Knockando Woolmill Trust were required to provide security by way of a guarantee to Social Investment Scotland for any amounts unpaid by Knockando Woolmill Company Limited. At the balance sheet date the loan balance was £37,722 (2019 - £42,291).

18 Events after the reporting date

On 23rd March 2020 under advice from the UK and Scottish Governments Knockando Woolmill suspended all activity due to the Coronavirus Pandemic. Knockando Woolmill Trust, together with its trading subsidiary, Knockando Woolmill Company Limited have taken the following steps to safeguard the future of the charity and minimise the economic impact:

- Furloughed all non-essential workers in line with the Coronavirus Job Retention scheme, thus minimising a significant cost to the charity;
- Applied to the various Coronavirus business relief funds for interim funding;
- Applied to the various lenders to the charity and its subsidiary for payment relief under the coronavirus support schemes; and
- Took all reasonable steps to minimise ongoing costs to the charity.

The Trustees continue to review the position and have managed to partially re-open for limited periods after 31 March 2020 but even this limited re-opening has been further restricted by mandatory periods of closure imposed by the Scottish Government. The company will continue to follow the mandatory restrictions imposed and the guidance issued by the UK and Scottish Governments and will continue its normal activities as and when it is safe to do so. On this basis the directors continue to believe the charitable company remains a going concern.

19 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2020	2019	2020	2019
	£	£	£	£
Knockando Woolmill Company Limited	-	7,778	-	1,667
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2020	2019
	£	£
Knockando Woolmill Company Limited	23,420	23,420
	<u> </u>	<u> </u>
	23,420	23,420
	<u> </u>	<u> </u>

This loan is unsecured, interest-free and has no fixed terms of repayment.

KNOCKANDO WOOLMILL TRUST

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

19 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2020		Amounts owed by related parties 2019	
	Balance £	Net £	Balance £	Net £
Knockando Woolmill Company Limited	184,900	184,900	194,061	194,061
	<u>184,900</u>	<u>184,900</u>	<u>194,061</u>	<u>194,061</u>

This outstanding amount is a series of loans, all unsecured with no fixed terms of repayment. £98,646 (2019 - £98,646) attracts an interest rate of 3.75% per annum. The remaining amount is interest-free.

20 Subsidiaries

These financial statements are separate charity financial statements for Knockando Woolmill Trust.

Details of the charity's subsidiaries at 31 March 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Knockando Woolmill Company Limited	United Kingdom	Woolmill production/promotion	Ordinary £1 shares	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Knockando Woolmill Company Limited	(102,679)	(481,879)

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.