

CRICHTON FOUNDATION
FINANCIAL STATEMENTS

31 MARCH 2014

(A company limited by guarantee)

**REG. OF CO.'S
COPY**

ArmstrongWatson[®]
Accountants & Financial Advisers



CRICHTON FOUNDATION
(A company limited by guarantee)

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CRICHTON FOUNDATION
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2014**

Trustees

Elected

Dame Barbara Kelly, DBE, DL, LLD (resigned 26 November 2013)^{1,2,3,4,5}
Colin Endacott, OBE^{1,2}
Evelyn Hastings, OBE^{1,2,3,4}
Dr Mary-Ann Smyth, MEnvSc AIEEM
Andrew Walls, FRCS^{1,2,3,4,5}
Ian Wilson^{1,2,4}
Professor David Hannay, FRCGP FFPH
Graeme Macfarlane (co-opted 12 June 2013, elected November 2013)^{1,2}
Yvonne Stirling^{3,5}

Appointed

Hilary Grieve, OBE, (The Crichton Trust Representative) (resigned 26 November 2013)^{1,4}
Delia Holland, (The Crichton Trust Representative) (appointed 14 April 2014)
Tom Hydes, FCIPD, (Dumfries and Galloway College Representative) (resigned 28 May 2014)^{1,4}
Professor Anne Anderson, MA PhD OBE, (Universities Representative)
Vacant post, (Dumfries and Galloway Council Representative)

Co-opted

Tina Biddlecombe, (Crichton University Campus Student Association Representative) (appointed 24 September 2013)

- ¹ Executive Committee
- ² Audit Committee
- ³ Fundraising and Events Committee
- ⁴ Awards and Grants Committee
- ⁵ Event Committees

Company registered number

SC361942

Charity registered number

SC024589

Registered office

51 Rae Street
Dumfries
DG1 1JD

Principal operating office

Browne House
Crichton University Campus
Dumfries
DG1 4ZZ

Company secretary

Kirsty Barbour

Honorary President

Sir David Landale KCVO, DL, LLD

**Foundation
Administration and
Operation**

Susan Howes, Finance and Accounts, Contractor
Kirsty Barbour, Office and Events Administrator
Pamela Stokes, Office and Events Administrator

CRICHTON FOUNDATION

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2014**

Independent auditors Armstrong Watson Audit Limited
Chartered Accountants
Statutory Auditors
51 Rae Street
Dumfries
Dumfries and Galloway
DG1 1JD

Bankers Clydesdale Bank Plc
84-86 High Street
Dumfries
DG1 2BJ

Solicitors J & H Mitchell W.S.
51 Atholl Road
Pitlochry
PH16 5BU

Investment Advisers Brewin Dolphin Ltd
1 Mason Court
Penrith 40 Business Park
Penrith
CA11 9GR

CRICHTON FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Crichton Foundation (the company) for the year ended 31 March 2014. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. CONSTITUTION

The Crichton Foundation was incorporated on 30 June 2009 as a Scottish Guarantee Company (Company No SC361942). It is recognised as a Scottish Charity under Scottish Charity Number SC024589.

The charity was originally established as a Trust on 27 March 1996. This charity was dissolved and the assets and undertakings of the Trust were transferred to the charitable company on 30 October 2009.

b. METHOD OF APPOINTMENT OF TRUSTEES

The Memorandum and Articles of Association of the new Company allow for the election of up to nine Trustees by the Members, and in addition a single Trustee nominated by each of the four appointed organisations. There is provision for up to four co-opted Trustees including a representative from the Crichton University Campus Student Association and Dumfries and Galloway Student Association.

The Crichton Foundation operated with the following officers:

Dame Barbara Kelly DBE, DL, LLD, Convenor, Chair of Executive Committee and Fundraising & Events Committee (resigned November 2013)
Andrew Walls FRCS, Convenor, Chair of Executive Committee and Fundraising & Events Committee (appointed November 2013)
Hilary Grieve OBE, Honorary Secretary (resigned November 2013)
Colin Endacott OBE, Honorary Treasurer
Ian Wilson, Chair of Awards and Grants Committee
Andrew Walls, FRCS, Chair of Audit Committee (resigned November 2013)
Graeme Macfarlane, Chair of Audit Committee (appointed November 2013)
Kirsty Barbour, Company Secretary

COMMITTEE MEMBERSHIP 2013 -2014

Executive Committee

Barbara Kelly (Chairman) (resigned November 2013), Andrew Walls (Chairman) (appointed November 2013), Colin Endacott, Hilary Grieve (resigned November 2013), Evelyn Hastings (appointed November 2013), Tom Hydes, Graeme Macfarlane (appointed November 2013), Ian Wilson.

Audit Committee

Andrew Walls (Chairman) (resigned November 2013), Graeme Macfarlane (Chairman) (appointed November 2013), Evelyn Hastings, Ian Wilson (appointed November 2013).
In attendance Colin Endacott and Barbara Kelly (until November 2013), Andrew Walls (from November 2013).

Fundraising & Events Committee

Barbara Kelly (Chairman) (resigned November 2013), Andrew Walls (appointed November 2013), Evelyn Hastings, Vicky Jardine-Paterson, Stephanie Norris and Yvonne Stirling.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

Awards and Grants Committee

Ian Wilson (Chairman), Charles Anderson (deceased July 2013), Margaret Carruthers (appointed December 2013), William Farrell, Hilary Grieve (resigned November 2013), Evelyn Hastings, Tom Hydes, Sue Irving (appointed December 2013), Arthur Jardine, Barbara Kelly (resigned November 2013), Fraser Sanderson and Andrew Walls (appointed November 2013).

Event Committees

Gala Evening

Stevie Norris (Chairman), Serena Campbell, Catherine Colwell, Maureen Crowley, Hazel Douglas (appointed April 2013), Jane Fordyce, Barbara Kelly (resigned November 2013), Fiona Kerr, Pam Maitland (appointed February 2014), Maureen McKerrow, Pam Pumphrey, Morag Shearer, Yvonne Stirling, Andrea Thompson (appointed May 2013), Deborah Thurlow, Lalage Walls and Andrew Walls (appointed November 2013).

Women of Dumfries and Galloway Lunch

Vicky Jardine-Paterson (Chairman), Gisele Hammond, Mary Gladstone (appointed October 2013), Barbara Kelly, Annie Norrie, Stevie Norris, Susie Ross, Jean Tulloch, Andrew Walls (appointed November 2013) and Noel Whamond (resigned March 2014).

c. ORGANISATIONAL STRUCTURE

The structure of the Foundation comprises of Members who are entitled to vote at the AGM and Trustees who are also Directors. The Company is managed by a Board of Trustees/Directors. The Board meet four times during the year to agree strategies and policies and to monitor activities and finance.

The Election of Trustees took place on 26 November 2013 at the Company's AGM. Colin Endacott and Evelyn Hastings were re-elected for a second term. Graeme Macfarlane was elected as a Trustee. Dame Barbara Kelly and Hilary Grieve both retired as Trustees.

At a Board Meeting held directly after the AGM Andrew Walls was appointed as Convenor of the Foundation.

An induction pack is provided to all newly appointed Trustees, including a copy of the Memorandum and Articles, the Annual Report, and fact sheets on the Roles of the Charity Trustee.

The Board will keep the skill requirements of Trustees under review and when recruiting new Trustees consider the skills of applicants to ensure they complement or add value to the skills of current Trustees.

The day to day business of the Foundation was supervised by an Executive Committee chaired by Dame Barbara Kelly until November 2013 and thereafter by Andrew Walls.

The Audit Committee provides an independent oversight of financial reporting and internal controls; it is also responsible for monitoring and reviewing the annual Financial Statements and the Risk Management Policy.

The Foundation operates additional committees for Awards & Grants and Fundraising & Events. These are chaired by a nominated Trustee.

Objectives and Activities

a. POLICIES AND OBJECTIVES

The Crichton Foundation, was Incorporated on 30 June 2009 as a Company limited by guarantee and not having a share capital (Company Number SC361942). The new Company was recognised by OSCR as a Scottish Charity under Scottish Charity Number SC024589.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

Its objectives and charitable purposes are set out in full in its Memorandum and Articles of Association and can be summarised as follows:-

1. To widen access to higher and further education in southern Scotland and beyond.
2. To assist the academic institutions on the Crichton University Campus to develop their academic programmes and facilities.
3. To preserve and regenerate the heritage of the Crichton estate as a public asset, to be enjoyed by the local community.
4. To raise awareness of the importance of the Crichton University Campus for the prosperity of the local community.

In addition the Foundation acts as a bridge between the Campus and the local community and runs a series of awareness raising events to keep the public abreast of developments on the Campus.

The Foundation holds funds endowed to it by Dumfries and Galloway Council and transferred from the former Trust. These take the form of investments managed by Brewin Dolphin Securities who are members of the London Stock Exchange and regulated by The Financial Conduct Authority. The investment income generated from this fund is utilised in the furtherance of the Trust's principal objectives.

b. GRANT MAKING POLICIES

All grant applications being considered for funding must clearly demonstrate they fit one or more of the objectives and charitable purposes of the Foundation which are detailed above.

Award and Grant applications fall within three main headings:

- Financial support for students
- Capital funding contributions towards Campus projects
- Revenue support for specific projects

All applications are assessed by the Awards and Grants Committee or student support services. The committee met five times between 1 April 2013 and 31 March 2014. All awards and grants in excess of £5,000 are referred to the Executive Committee and ratified by the Board.

Achievements and performance

a. REVIEW OF ACTIVITIES

1. Fundraising

A total of £45,648 was raised from 1 April 2013 – 31 March 2014.

The Gala Evening event was held on 8 November 2013. Fraser Clark, a local pianist, played a selection of jazz pieces throughout dinner, this set the mood for the entertainment to follow. After a candle lit three course meal guests were entertained by the talents of the Seonaid Aitken Swingtet and Quattro MacJazz. The event was organised by the Committee of enthusiastic volunteers led by Stevie Norris. The evening was held at the Easterbrook Hall and proved to be a great success generating a fundraising profit of £12,032.92.

The Women of Dumfries and Galloway Lunch on 7 March 2014 was attended by a capacity audience of 360 women who were entertained by our speaker, the Countess of Carnarvon, Chatelaine of Highclere Castle and international best-selling author. Once again this event was sold out within a week of the tickets going on sale. The event was organised by a Committee of enthusiastic volunteers led by Vicky Jardine - Paterson. The event received sponsorship of £2,000 from Bonhams and generated a fundraising profit of £12,668.76.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

2. Awards & Grants

The main achievements from 1 April 2013 – 31 March 2014 were as follows:

The Elizabeth Crichton Post graduate Award
The Foundation issued 2 awards totalling £2,000.

General Education Awards
The Foundation received 18 applications and issued 10 Awards totalling £3,747.80.

ACADEMIC EXCELLENCE

Carson Reaching Potential Award
The Foundation received 8 applications and issued 6 Awards totalling £3,000. These awards are given to undergraduate students who provide evidence to the Committee that the funds will enable them to progress with their studies and reach their full potential.

Crichton Foundation Under Graduate Academic Excellence Award
The Foundation received 14 applications and issued 14 awards totalling £6,000 for undergraduate academic excellence. These awards are given to students who provide evidence of excellence to the Committee.

Crichton Foundation Post Graduate Academic Excellence Award
The Foundation received 5 applications and issued 4 awards totalling £1,700. These awards are given to students who provide evidence of excellence to the Committee.

HARDSHIP GRANTS

Candidates must provide evidence they have applied to the appropriate bodies for financial assistance and that any sources of income they have secured through grants or part time employment are insufficient to meet their needs.

Crichton Foundation Hardship Grant
These grants for undergraduates and postgraduates are assessed by Student Services and monitored by the Awards & Grants Committee. 17 hardship grants were awarded during the year to a total value of £4,425.

GRANTS TO PARTNERS

Summer School
The Foundation made an award of £4,190.20 to support the 2013 Summer School run by the University of Glasgow and University of West of Scotland. The Award to the Summer School proves to be an invaluable contribution to costs incurred and the two Universities have stated that without this funding they would be unable to run the School. A report is produced each year on the outcomes and it is clear that the School is successful in encouraging school leavers, local people and a number from outwith the region to apply for both full time and part time courses at the two Universities.

Dumfries & Galloway College Discretionary Fund
The Foundation awarded a total of £10,000. This fund is administered by Dumfries & Galloway College Learner Services and monitored by the Awards & Grants Committee.

Dumfries & Galloway College – The Crichton Foundation Prize
The Foundation contributed 1 prize totalling £500.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

University of West of Scotland - Student Recognition Awards
The Foundation supported 2 prizes totalling £150.

University of West of Scotland - CPD for Computing Teachers
The Foundation supported this project to the value of £1,952.20.

University of West of Scotland - PhD Business School
The Foundation supported this project to the value of £4,000.

University of West of Scotland - Fitness Intervention Taskforce Student Group
The Foundation sponsored this group to the value of £577.20.

University of Glasgow - National Centre for the Arts and the Environment (NCAE)
The Foundation provided £7,500 towards developing a business plan.

University of Glasgow - Room hire costs for the Annual Education Lecture
The Foundation provided £378 to this event.

Crichton University Campus Students Association (CUCSA)
The Foundation contributed £2,605 towards room hire and equipment costs for sports teams.

Crichton University Campus Students Association (CUCSA)
The Foundation contributed £2,377.99 towards room hire and equipment costs for sports teams.

Crichton University Campus Students Association (CUCSA)
The Foundation supported 1 prize of £75 at CUCSA Student Recognition Awards.

3. Awareness Raising Activities

Between 01 April 2013 and 31 March 2014 the Foundation ran a successful series of seven Crichton Conversations delivered by high profile speakers on a range of contemporary topics. These included:

- The David Livingstone Day Lecture "Livingstone's Legacy: Scotland & Malawi" sponsored by the Scotland's Rural College (SRUC) was delivered by Professor Kenneth Ross, Chair of the Scotland Malawi Partnership.
- Professor Philip Long, Director of the Victoria & Albert Dundee delivered the lecture "Innovation & Design in Scotland: a celebration". This Conversation was sponsored by the Solway Centre for Environment and Culture.
- Professor Des Thomson spoke on the topic "Who is standing up for nature?". This Conversation was co-sponsored by Scottish Natural Heritage and the Crichton Carbon Centre.
- Professor Jason Leitch, the Clinical Director of the Quality Unit in the Health and Social Care Directorate delivered the Conversation entitled "Can the NHS survive?". This conversation was sponsored by NHS Dumfries & Galloway
- Hugh Pym, the BBC's Chief Economics Correspondent spoke on "Inside the Banking Crisis: lessons from 2007 and 2008". This Conversation was sponsored by Brewin Dolphin.
- Professor Robert Adam delivered the lecture "Globalisation and the Glass City: How global capital makes everywhere the same". This Conversation was sponsored by the University of the West of Scotland.
- Professor Virginia Murray, head of Extreme Events and Health protection, Public Health England spoke on the topic "Extreme events and Climate change - what are the challenges?".

These events have continued to attract significant audiences and sponsorship assists in keeping the costs of attendance to a minimum whilst making sure that overall income from the series covers expenditure. The Crichton Development Company also sponsored this series.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

4. Breakdown of Income Received

	Actual Income to 31 March 2014
Income raised from events	£45,648
Income raised from Friends Scheme	£6,355

Income received for Awards and Bursaries

General Education Fund £4,860

5. Crichton Campus Leadership Group

In 2013 the Scottish Government introduced significant reforms to the Further Education sector and is examining links between Further and Higher Education. The Crichton Campus Leadership Group has therefore been set up, supported by the Scottish Funding Council and chaired by Dame Barbara Kelly. All institutions and agencies with a responsibility for Crichton development are members. Very appropriately the Crichton Foundation is represented on the Group, particularly since its aims and those of the new reforms coincide significantly.

6. Volunteer Recognition

The Foundation is grateful for the support of its Members, Patrons and supporters. It also wishes to recognise the sterling efforts of the many volunteers who serve on its committees and support the fund-raising events.

7. Friends Scheme

Individual Friends, Joint Friends & Associate Friends pay an annual subscription and can elect to register for Gift Aid which increases the amount received by the Foundation. During the year to 31 March 2014 53 subscriptions generated a total of £6,355 in donations, 80% of which is allocated to educational grants with 20% allocated to administrative costs.

8. Management Costs

The Foundation's activities are divided between fund-raising and awareness-raising. The total spent on administration to 31 March 2014 was £49,881.

Financial review

a. FINANCIAL ACTIVITIES

The results for the year to 31 March 2014 are set out in the statement of financial activities on page 14. The surplus amounted to £62,678.

The investment income is used to cover administration costs. All monies raised through the Foundation's activities are applied in furtherance of its aims. The Trustees accept, however, that where large projects are identified a percentage management fee will be built into bids seeking funding. There have been no such projects during this financial year.

The Fund-raising Committee, chaired by Dame Barbara Kelly met once during the year and has power to set up sub committees for specific events. All events must have a budget approved by the Executive Committee. The Committee may co-opt non Foundation members.

The Awards and Grants Committee, chaired by Ian Wilson met five times during the year on dates which reflect the academic calendar. The funds available for distribution are determined by the Executive Committee and any recommendations of grants or awards over £5,000 must be referred to the Executive Committee for approval and ratified by the Board.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

b. RISK MANAGEMENT REVIEW

The Foundation has in place procedures to assess major risks to which it is exposed and is satisfied that by continuous monitoring of all aspects of its activities and by assessing opinion and recommendations from advisers any such risks will be promptly identified and addressed.

c. RESERVES POLICY

The Foundation's financial reserves comprise the funds invested in equities, securities, gilts and cash held on their behalf by Brewin Dolphin Securities. Their advice is given at regular meetings of the Executive Committee with regard to the economic climate for investment and maintenance of a balanced portfolio of equities and gilts to achieve a realistic return of revenue and capital growth. The Executive Committee agrees the risk profile that is applied to the portfolio.

d. RELATED PARTIES

The Foundation has a close relationship with the Crichton Stakeholders and attends meetings of the Joint Management Group for the Campus and the Crichton Campus Leadership Group. It has participated in discussions on key issues that affect the Campus and wider site.

Stakeholders include: Dumfries and Galloway Council, The University of Glasgow, the University of the West of Scotland, Dumfries and Galloway College, the Scottish Funding Council, Scotland's Rural College, the Crichton Trust, the Crichton Development Company, the Crichton Carbon Centre, the Open University, Scottish Enterprise, The Scottish Parliament and The National Health Service.

During the year a number of grants were made to stakeholder organisations. These transactions were agreed by the Awards & Grants Committee and ratified by the Board. The related parties were Trustees that represented the relevant stakeholder organisations. The titles of these projects, amount of grant and name of appointed Trustees have been declared and confirmation given that these transactions took place at arm's length.

Plans for the future

a. FUTURE DEVELOPMENTS

Forward Strategy

At the beginning of 2012 Dumfries and Galloway Council commissioned consultants to complete a Business Plan for the Crichton site and to undertake a thorough review of governance arrangements. The outcomes of the review are now in the process of being implemented and will include the reform of the Crichton Trust and the Crichton Development Company.

The Foundation has played an active role in the review process and will continue to operate independently. No significant change is envisaged in the Foundation's future role and status and the aims and objectives of increasing fund-raising activity and fostering links with the wider community, will remain unchanged.

Early in 2014, Donald MacKinnon, CEO Crichton Development Company and the Crichton Trust announced his intention to retire. Although strictly part of next year's report, we are pleased to note the appointment of his successor, Mr Robert Shaw who has begun the process of establishing even closer links with the Foundation.

Following Dame Barbara Kelly stepping down as convenor during the year the remaining trustees decided to acknowledge her contribution to the charity by creating a new fellowship award in her name. This award was announced in June 2014 and will total £25,000 for three years.

The Foundation is also planning to add another fundraising event by the summer of 2015.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

Trustees

The Trustees for the purpose of charity law, who served during the year and up to date of this report are set out on the Legal Administrative Information pages.

There are no restrictions imposed by the governing document other than those normally imposed within the framework of charity and company law.

Given the prevailing adverse economic conditions the Trustees are satisfied with the investment strategies throughout the year.

The Trustees receive no remuneration for their services but they may claim incidental expenses. No such expenses were claimed during the financial year.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 period. In preparing these 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 judgments and accounting 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 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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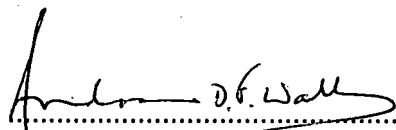
**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014**

AUDITORS

On 1st April 2014 Armstrong Watson transferred its audit business to Armstrong Watson Audit Limited. On 31 March Armstrong Watson resigned as the Company's auditors and Armstrong Watson Audit Limited was subsequently appointed to fill the vacancy arising.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 14th October 2014 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Andrew Walls', is written over a dotted line.

Andrew Walls FRCS

Trustee

CRICHTON FOUNDATION

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF CRICHTON FOUNDATION

We have audited the financial statements of Crichton Foundation for the year ended 31 March 2014 which comprise the Statement of financial activities, the Summary income and expenditure account, the Statement of total recognised gains and losses, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, 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.

The Trustees have elected for the financial statements to be audited in accordance with the Charities and Trustee Investment (Scotland) Act 2005 rather than also with the Companies Act 2006. Accordingly we have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF CRICHTON FOUNDATION

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the company has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**Douglas Russell for and on behalf of
Armstrong Watson Audit Limited**

Chartered Accountants
Statutory Auditors

Dumfries

Date: 15 October 2014

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CRICHTON FOUNDATION

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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014**

		Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	As restated Total funds 2013 £
	Note				
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	11,215	1,700	12,915	26,199
Activities for generating funds	3	-	60,799	60,799	55,022
Investment income	4	79,887	1,739	81,626	77,542
TOTAL INCOMING RESOURCES		91,102	64,238	155,340	158,763
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	24,941	22,247	47,186	52,700
Investment management expenses	6	2,032	-	2,032	2,041
Charitable activities	11	24,940	63,534	88,474	113,300
Governance costs	10	4,440	-	4,440	4,236
TOTAL RESOURCES EXPENDED		56,353	85,780	142,134	172,277
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		34,749	(21,543)	13,208	(13,514)
Transfers between Funds	19	16,245	(16,245)	-	-
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE INVESTMENT ASSET DISPOSALS		50,994	(37,788)	13,208	(13,514)
Gains and losses on disposals of investment assets		12,386	-	12,386	665
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE REVALUATIONS		63,380	(37,788)	25,592	(12,849)
Gains and losses on revaluations of investment assets	15	37,086	-	37,086	192,751
NET MOVEMENT IN FUNDS FOR THE YEAR		100,466	(37,788)	62,678	179,902
Total funds at 1 April 2013		1,947,595	74,693	2,022,288	1,842,386
TOTAL FUNDS AT 31 MARCH 2014		2,048,061	36,905	2,084,966	2,022,288

The notes on pages 18 to 27 form part of these financial statements.

CRICHTON FOUNDATION

(A company limited by guarantee)

**SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
TOTAL INCOME		91,102	64,238	155,340	158,763
LESS: TOTAL EXPENDITURE		56,353	85,781	142,134	172,277
Net income/(expenditure) for the year before transfers and investment asset disposals		34,749	(21,543)	13,206	(13,514)
Transfers between funds	19	16,245	(16,245)	-	-
Net income/(expenditure) for the year before investment asset disposals		50,994	(37,788)	13,206	(13,514)
Gain/(loss) on disposal of investment assets	19	12,386	-	12,386	665
NET INCOME / (EXPENDITURE) FOR THE YEAR	19	<u>63,380</u>	<u>(37,788)</u>	<u>25,592</u>	<u>(12,849)</u>

The notes on pages 18 to 27 form part of these financial statements.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
NET INCOME / (EXPENDITURE) FOR THE YEAR	19	63,380	(37,788)	25,592	(12,849)
Gains and losses on revaluations of investment assets		37,086	-	37,086	192,751
TOTAL GAINS AND LOSSES RECOGNISED SINCE 1 APRIL 2013	19	<u>100,466</u>	<u>(37,788)</u>	<u>62,678</u>	<u>179,902</u>

There is no difference between the (expenditure)/income on ordinary activities for the year stated above and its historical cost equivalent.

The notes on pages 18 to 27 form part of these financial statements.

CRICHTON FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: SC361942

BALANCE SHEET
AS AT 31 MARCH 2014

	Note	£	2014 £	As restated 2013 £
FIXED ASSETS				
Tangible assets	14		6,496	8,709
Investments	15		<u>1,853,990</u>	<u>1,835,966</u>
			1,860,486	1,844,675
CURRENT ASSETS				
Debtors	16	2,645		1,371
Cash at bank and in hand		<u>256,610</u>		<u>238,483</u>
		259,255		239,854
CREDITORS: amounts falling due within one year	17	<u>(34,775)</u>		<u>(62,241)</u>
NET CURRENT ASSETS			<u>224,480</u>	<u>177,613</u>
NET ASSETS			<u>2,084,966</u>	<u>2,022,288</u>
CHARITY FUNDS				
Restricted funds	19		36,905	74,693
Unrestricted funds	19		<u>2,048,061</u>	<u>1,947,595</u>
TOTAL FUNDS			<u>2,084,966</u>	<u>2,022,288</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, the trustees have elected to have an audit in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

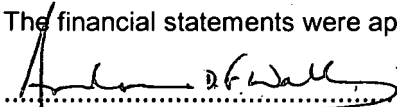
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2014 and of its net incoming resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

CRICHTON FOUNDATION
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 MARCH 2014

The financial statements were approved by the Trustees on 14th October 2014 and signed on their behalf, by:


.....

Andrew Walls, FRCS

The notes on pages 18 to 27 form part of these financial statements.

CRICHTON FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

CRICHTON FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

1.6 Cash flow

The financial statements do not include a Cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Tenants improvements	-	straight line over 14 years
Office equipment	-	25% straight line
Computer equipment	-	25% straight line

1.8 Investments

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.10 Pensions

The company contributes to personal pension plans of its employees. The pension costs charged in the financial statements represent the contributions payable by the charity in the year.

CRICHTON FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Educational donations (General)	4,860	-	4,860	3,103
Friends of The Crichton Foundation	6,355	-	6,355	8,546
Carson Bursary	-	-	-	13,500
Library appeal	-	1,700	1,700	1,050
Voluntary income	<u>11,215</u>	<u>1,700</u>	<u>12,915</u>	<u>26,199</u>

3. FUNDRAISING INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Fundraising	-	45,648	45,648	45,276
Profile raising	-	15,151	15,151	9,746
	<u>-</u>	<u>60,799</u>	<u>60,799</u>	<u>55,022</u>

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Portfolio income	79,872	-	79,872	75,896
Bank interest receivable	-	1,739	1,739	1,608
Interest on short term deposits	15	-	15	38
	<u>79,887</u>	<u>1,739</u>	<u>81,626</u>	<u>77,542</u>

CRICHTON FOUNDATION

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

5. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Cost of generating income	-	22,247	22,247	18,446
Support costs	5,961	-	5,961	19,896
Voluntary income staff costs	17,364	-	17,364	12,869
Voluntary income depreciation	1,616	-	1,616	1,489
	<u>24,941</u>	<u>22,247</u>	<u>47,188</u>	<u>52,700</u>

These costs include expenditure incurred in generating funds through the Foundation's activities.

6. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Stockbroker fees	<u>2,032</u>	<u>-</u>	<u>2,032</u>	<u>2,041</u>

7. GRANTS TO INDIVIDUALS

	Number	Total 2014 £	Number	Total 2013 £
Awards and grants	<u>57</u>	<u>20,623</u>	<u>51</u>	<u>3,335</u>

GRANTS TO INDIVIDUALS - DETAIL

	2014 £	2013 £
Carson Bursaries	3,000	4,550
CUSA	(600)	(11,300)
Hardship	4,425	5,235
Post Graduate Excellence Awards	1,700	2,500
Under Graduate Excellence Awards	6,000	1,500
CUSSAG	-	850
General	3,748	-
Elizabeth Crichton Post Graduate Award	2,000	-
Crichton Foundation Hardship	350	-
Total	<u>20,623</u>	<u>3,335</u>

CRICHTON FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

8. GRANTS TO INSTITUTIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Awards and grants	-	34,356	34,356	68,960

GRANTS TO INSTITUTIONS - DETAIL

	2014 £	2013 £
Summer School	4,190	7,810
University of West of Scotland	150	150
Dumfries & Galloway College - Discretionary Fund	10,000	10,000
Dumfries & Galloway College - Awards	-	1,000
Crichton Trust	-	50,000
Crichton University Campus Student Association - Sports Equipment	4,984	-
Dumfries & Galloway College - Crichton Foundation Prize	500	-
University of West of Scotland - PhD Business School	4,000	-
University of West of Scotland - Fitness Intervention Taskforce Student Group	577	-
Dumfries & Galloway Schools - Da Vinci Challenge	50	-
University of Glasgow - Workshop	378	-
University of West of Scotland - CPD for Computing Teachers	1,952	-
National Centre for Art & the Environment	7,500	-
Crichton University Campus Students Association - Student Recognition Award	75	-
Total	34,356	68,960

9. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Profile raising	14,964	8,555	23,519	27,304
Awards and grants	9,976	54,979	64,955	85,996
	24,940	63,534	88,474	113,300

CRICHTON FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

9. EXPENDITURE BY CHARITABLE ACTIVITY (continued)

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Profile raising	10,418	969	12,132	23,519	27,304
Awards and grants	6,945	647	57,363	64,955	85,996
	<u>17,363</u>	<u>1,616</u>	<u>69,495</u>	<u>88,474</u>	<u>113,300</u>

10. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Audit fees	<u>4,440</u>	<u>-</u>	<u>4,440</u>	<u>4,236</u>

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2014 £	Grant funding of activities 2014 £	Support costs 2014 £	Total 2014 £	Total 2013 £
Profile raising	8,555	-	14,964	23,519	27,304
Awards and grants	-	54,979	9,976	64,955	85,996
Total	<u>8,555</u>	<u>54,979</u>	<u>24,940</u>	<u>88,474</u>	<u>113,300</u>

12. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the charity	3,233	2,977
Auditors' remuneration	4,440	4,236
Pension costs	<u>1,545</u>	<u>1,064</u>

During the year, no Trustees received any remuneration (2013 - £NIL).

During the year, no Trustees received any benefits in kind (2013 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2013 - £NIL).

CRICHTON FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

13. STAFF COSTS

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	31,021	23,536
Social security costs	2,161	1,138
Other pension costs	1,545	1,064
	<u>34,727</u>	<u>25,738</u>

The average monthly number of employees during the year was as follows:

	2014 No.	2013 No.
Administration and support	2	2
Trustees	11	11
	<u>13</u>	<u>13</u>

No employee received remuneration amounting to more than £60,000 in either year.

14. TANGIBLE FIXED ASSETS

	Tenants imp'ments £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2013	18,334	9	770	19,113
Additions	-	-	1,022	1,022
Disposals	-	-	(350)	(350)
At 31 March 2014	<u>18,334</u>	<u>9</u>	<u>1,442</u>	<u>19,785</u>
Depreciation				
At 1 April 2013	9,761	-	643	10,404
Charge for the year	2,857	-	376	3,233
On disposals	-	-	(348)	(348)
At 31 March 2014	<u>12,618</u>	<u>-</u>	<u>671</u>	<u>13,289</u>
Net book value				
At 31 March 2014	<u>5,716</u>	<u>9</u>	<u>771</u>	<u>6,496</u>
At 31 March 2013	<u>8,573</u>	<u>9</u>	<u>127</u>	<u>8,709</u>

CRICHTON FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

15. FIXED ASSET INVESTMENTS

	Listed securities £
Market value	
At 1 April 2013	1,835,966
Additions	112,300
Disposals	(131,362)
Revaluations	<u>37,086</u>
At 31 March 2014	<u><u>1,853,990</u></u>
Historical cost	<u><u>1,579,412</u></u>

16. DEBTORS

	2014 £	2013 £
Prepayments and accrued income	<u>2,645</u>	<u>1,371</u>

17. CREDITORS: Amounts falling due within one year

	2014 £	As restated 2013 £
Other taxation and social security	526	477
Awards and donations committed but unpaid	13,817	23,700
Other creditors	3,044	21,459
Accruals and deferred income	17,388	16,605
	<u>34,775</u>	<u>62,241</u>

18. PRIOR YEAR ADJUSTMENT

The comparative amounts in the statement of financial activities and balance sheet have been amended. Educational restricted reserves have been reduced by £19,998 and other creditors increased by the same amount.

The charity received money totalling £19,998 in 2010 towards a Burns Study project and this was originally treated as a donation. However, it was subsequently agreed that this money was to be held in trust by the charity on behalf of the University of Glasgow and this money has been paid over this year. The trustees believe that the prior year adjustment more accurately reflects the nature of the transaction.

CRICHTON FOUNDATION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

19. STATEMENT OF FUNDS

	Brought Forward <i>As restated</i> £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Fund	1,908,533	86,017	(56,353)	41,245	49,472	2,028,914
Friends of Crichton Foundation	39,062	5,085	-	(25,000)	-	19,147
	<u>1,947,595</u>	<u>91,102</u>	<u>(56,353)</u>	<u>16,245</u>	<u>49,472</u>	<u>2,048,061</u>
Restricted funds						
Education Fund	71,606	62,520	(85,211)	(16,245)	-	32,670
Library Fund	3,087	1,718	(570)	-	-	4,235
	<u>74,693</u>	<u>64,238</u>	<u>(85,781)</u>	<u>(16,245)</u>	<u>-</u>	<u>36,905</u>

During the year the Trustees agreed to transfer £20,000 from the Friends of Crichton Foundation fund to the General Fund. They also agreed to transfer £5,000 from the Friends of Crichton Foundation fund to the General Fund for hardships grants.

During the year there was a transfer of £16,245 from the Education Fund to the General Fund on the closure of the CUSA scheme.

The Education Fund consists of various funds derived from projects undertaken by the Foundation for the purposes as set out in the objects of the Foundation. These include the Hardship, Carson Bursaries and a General Education Fund.

The Library Fund balance represents specific funds raised to fund the building of the new Reading Room and Research Centre attached to Dumfries & Galloway College in its new location adjacent to the Crichton Campus. The building work was completed in 2009. The movement in the fund under incoming resources, represents donations and gift aid claimed on these donations and the resources expended is a 25% share in the costs of a new sign put up during the year.

Total of funds	<u>2,022,287</u>	<u>155,340</u>	<u>(142,134)</u>	<u>-</u>	<u>49,472</u>	<u>2,084,966</u>
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SUMMARY OF FUNDS

	Brought Forward <i>As restated</i> £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	1,947,595	91,102	(56,353)	16,245	49,472	2,048,061
Restricted funds	74,693	64,238	(85,781)	(16,245)	-	36,905
	<u>2,022,288</u>	<u>155,340</u>	<u>(142,134)</u>	<u>-</u>	<u>49,472</u>	<u>2,084,966</u>

CRICHTON FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	As restated Total funds 2013 £
Tangible fixed assets	6,496	-	6,496	8,709
Fixed asset investments	1,853,990	-	1,853,990	1,835,966
Current assets	208,533	50,722	259,255	239,854
Creditors due within one year	(20,958)	(13,817)	(34,775)	(62,241)
	<u>2,048,061</u>	<u>36,905</u>	<u>2,084,966</u>	<u>2,022,288</u>

21. PENSION COMMITMENTS

The charity pays contributions in to the personal pension plans of its employees. The pension cost charge represents contributions due by the charity to the fund and amount to £1,545 (2013: £1,065). There was £1,314 (2013: £570) outstanding at the year end.

22. OPERATING LEASE COMMITMENTS

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Between 2 and 5 years	<u>460</u>	-

23. RELATED PARTY TRANSACTIONS

Under the direction of Financial Reporting Standard No. 8, the charity is required to disclose all material transactions undertaken with parties related to the charity. Transactions are deemed to be material when their disclosure might reasonably be expected to influence decisions made by users of the financial statements.

During the year ended 31 March 2003, £40,000 was paid to provide office space for the Foundation in Browne House and this amount is included in Tenants Improvements. The lease expires on 25 June 2016 and a peppercorn rental of £1 is payable per annum.

There were no other material related party transactions in the period.

A detailed note of all the related parties can be found on page 9 of the trustees' report.