

Report and Financial Statements

For the year ended 31 October 2013

Abernethy Trust Limited And subsidiaries (Limited by Guarantee)

*Charity number SC006270
Company number SC49387*

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Abernethy Trust Limited and subsidiaries

Report and Financial Statements

For the year ended 31 October 2013

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Abernethy Trust Limited and subsidiaries

Report of the Directors

For the year ended 31 October 2013

The directors present their report to the 40th Annual General Meeting of the Trust together with the audited financial statements for the year ended 31 October 2013.

Reference and Administrative Information

Charity Name:	Abernethy Trust Limited
Charity registration number:	SC006270
Company registration number:	SC49387
Registered Office and operational address:	Nethybridge Inverness-shire PH25 3ED

Directors

Dr H T Dougall	
N M Glover	
D Gordon	
J S McNeill	Chairman
Dr P A Simpson	
Dr B M Strickland	
Mrs S Yarrow	
B Duncan	
Mrs S Allen	
B Edmondson	(appointed 14/09/2013)

Secretary

Dr P A Simpson

Auditors

FKF Accounting Limited
4th Floor
Metropolitan House
31-33 High Street
Inverness
IV1 1HT

Abernethy Trust Limited
Report of the Directors (Continued)
For the year ended 31 October 2013

Bankers

Royal Bank of Scotland
139 St Vincent Street
Glasgow G2 15JF

Solicitors

Holmes MacKillop
109 Douglas Street
Glasgow G2 4HB

Abernethy Trust Limited

Report of the Directors (Continued)

For the year ended 31 October 2013

Governing Document

Abernethy Trust Limited is a company limited by guarantee and a charity registered in Scotland. It is recognised as a charity by HM Revenue and Customs for the purposes of Section 505 of the Income and Corporation Taxes Act 1988. Its governing instruments are its Memorandum and Articles of Association which established the objects and powers of the charitable company. In the event of the company being wound up members are required to contribute an amount not exceeding £10 (Ten Pounds).

Recruitment and Appointment of Directors

The Directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, Directors are appointed from the body of men and women who have an interest in Christian Outdoor Education. New Directors are appointed by the existing Directors at a Directors' meeting. Appointees are ratified at the next Annual General Meeting.

Dr PA Simpson, Dr BM Strickland and Mrs SE Yarrow retire by rotation and, being eligible, offer themselves for re-election.

Trustee Induction and Training

Directors are appointed on the basis of their skills and experience. All new Board Members are issued with an Induction Pack of information prior to appointment and also take part in an interview process.

Organisational Structure and Decision making processes

The Directors meet broadly on a quarterly basis. The day to day management of the charity is delegated to Philip A Simpson, the Chief Executive Officer, who is employed full time by the Charity. In addition, each of the four centres has an in-house Operations Director responsible for the operation of that centre. The Abernethy Leadership Forum meets together regularly and reports back to the Trustees via the Chief Executive Officer.

Related parties

Related parties include the Charity Trustees. Note 8 to the accounts sets out all related party transactions.

Objectives and activities

The company's objective and principal activity is to communicate the reality of the Christian message by providing high quality outdoor instruction and excellent residential facilities, staffed by committed Christians. The aim of striving for excellence is evident in all that is done, from the standard of accommodation and food services through to the emphasis on safety. Each member of the team is committed to excellence and they will do all that they can to ensure that all guests enjoy a friendly and efficient experience during their stay.

Abernethy Trust Limited

Report of the Directors (Continued)

For the year ended 31 October 2013

The company is a non-profit making company with charitable status. Any surplus income generated is reinvested back into the company to assist continuous improvement.

During the course of the year the company's principal objective has been achieved through the operation of its four outdoor centres at Nethybridge, Ardeonaig, Barcaple and Ardgour; Ardgour is also the home of the Abernethy Trust School of Adventure Leadership.

Strategic Report

Achievements and Performance

During 2012/13 the company welcomed over 12,000 individuals, mainly the young, to its four residential centres, providing various outdoor adventure activity programmes. Twelve students successfully completed the twelve month course at the Abernethy Trust School of Adventure Leadership.

Financial Review

In the year ended 31 October 2013 the company had an overall surplus of £15,009.

The expenditure incurred during 2012/13 supported our charitable objectives by providing life changing opportunities for over 12,000 young people at our four Outdoor Activity Centres in Scotland.

Plans for Future Periods

The company's future plans for 2013/2014 are to continue operating at the same level of activity at its four residential outdoor centres, maintaining high standards throughout its facilities and within its programmes. In addition, the School of Adventure Leadership continues to grow and develop.

Principal Risks and Uncertainties

The Directors consider the risks adhering to the Charity at their regular Directors meetings and put in place appropriate policies to mitigate such risks. In particular, health and safety, child protection and financial risks have been identified.

Abernethy Trust Limited
Report of the Directors (Continued)
For the year ended 31 October 2013

Principal Funding Sources

The principal funding sources are two-fold; the fees charged for the provision of outdoor education and grant aid and donations. Grant aid and donations can be general in nature and also can be in response to an appeal for specific projects

Investment Policy

Surplus funds from time to time are held in an interest-bearing bank account.

Plans for future periods

The general plan is to continue to provide outdoor education in a Christian environment through the operation of the four centres for the foreseeable future. The policy of continuous upgrade of the facilities will be continued.

Reserves Policy

The directors consider that the company operates on a sound financial basis. However, in view of the substantial investment in fixed assets, the directors recognise that the current reserves are not large enough to provide a buffer against any unforeseen circumstances which might arise. The directors are aware of the need to balance the requirement to maintain and improve all of the property owned by the company against their wish to create reserves which would enhance the company's ability to meet unexpected costs.

Responsibilities of the Directors

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the directors should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The directors 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.

Abernethy Trust Limited

Report of the Directors (Continued)

For the year ended 31 October 2013

Members of the Board of Directors

Members of the Board of Directors are directors for the purpose of company law and trustees for the purpose of charity law. Directors who served during the year and up to the date of this report are set out on page 1.

Statement of disclosure to the auditors

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Frame Kennedy were re-appointed as the company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Approved by the board on *1st March 2014.* and signed on its behalf by:

Philip A Simpson
Director



Abernethy Trust Limited

Independent Auditors' Report to the Members of Abernethy Trust Limited (Continued)

For the year ended 31 October 2013

We have audited the financial statements of Abernethy Trust Limited for the year ended 31 October 2013 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement (set out on pages 4 and 5), the trustees (who are also directors 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.

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

Our 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 (APB's) Ethical Standards for Auditors, including "APB" Ethical Standard – Provisions for Small Entities (Revised)" in the circumstances set out in note 6 to these financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Abernethy Trust Limited

Independent Auditors' Report to the Members of Abernethy Trust Limited (Continued)

For the year ended 31 October 2013

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 October 2013 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Colin Gray B.Com. C.A. (Senior statutory auditor)

For and on behalf of FKF Accounting Limited

Chartered Accountants and Statutory Auditor

Metropolitan House

31-33 High Street

Inverness

IV1 1HT

26 June 2014

Frame Kennedy is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Abernethy Trust Limited and subsidiaries
Group Statement of Financial Activities
(Incorporating Income and Expenditure Account)
For the year ended 31 October 2013

	Notes	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income</i>	3	69,985	67,562	137,547	130,480
<i>Investment income</i>		33	-	33	4
Incoming resources from charitable activities					
	4	2,090,179	-	2,090,179	1,959,679
Fund-raising activities		84,607	-	84,607	86,213
Total incoming resources		2,244,804	67,562	2,312,366	2,176,376
Resources expended					
Costs of generating funds:					
<i>Cost of generating voluntary income</i>	5	9,351	-	9,351	11,458
Charitable activities	5	2,161,556	61,531	2,223,087	2,073,782
Costs of fund-raising activities	5	38,133	-	38,133	5,338
Governance costs.	5	26,786	-	26,786	18,209
Total resources expended		2,235,826	61,531	2,297,357	2,108,787
Net incoming/(outgoing) resources		8,978	6,031	15,009	67,589
Transfers between funds		(1,524)	1,524	-	-
Net movement of funds in period		7,454	7,555	15,009	67,589
Balance at 1 November 2012		10,879,955	16,220	10,896,175	10,828,588
Balance at 31 October 2013		10,887,409	23,775	10,911,184	10,896,175

The notes on pages 13 to 24 form an integral part of these financial statements

Abernethy Trust Limited and subsidiaries

Group and Company Balance Sheet

As at 31 October 2013

	Notes	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Fixed Assets					
Tangible fixed assets	10	11,600,845	11,228,107	11,560,522	11,209,837
Investment in subsidiary	11	-	1	-	1
Current Assets					
Stock		25,185	25,185	25,735	25,735
Debtors	12	237,354	498,239	124,704	417,256
Cash at bank and in hand		256,682	244,291	144,938	133,703
		519,221	767,715	295,377	576,694
Creditors: amounts falling due within one year	13	(554,909)	(428,430)	(427,224)	(356,736)
Net current assets/(liabilities)		(35,688)	339,285	(131,847)	219,958
Total assets less current		11,565,157	11,567,393	11,428,675	11,429,796
Creditors: amounts falling due after more than one	14	(653,973)	(653,973)	(532,500)	(532,500)
Net Assets		<u>10,911,184</u>	<u>10,913,420</u>	<u>10,896,175</u>	<u>10,897,296</u>
 Restricted Funds	15	23,775	23,775	16,220	16,220
Unrestricted Funds	15	10,887,409	10,889,645	10,879,955	10,881,076
Total funds		<u>10,911,184</u>	<u>10,913,420</u>	<u>10,896,175</u>	<u>10,897,296</u>

Approved by the Directors on 1st March 2014 and signed on its behalf by:

Philip A Simpson
Director

P.A. Simpson

The notes on pages 13 to 24 form an integral part of these financial statements.

Abernethy Trust Limited and subsidiaries

Group Cash Flow Statement

For the year ended 31 October 2013

	Note	2013 £	2012 £
Net cash inflow from operating activities	1	168,571	170,504
Returns on investment and servicing of finance	2	(17,244)	(13,818)
Capital expenditure	3	(121,635)	(508,871)
Net cash inflow/(outflow) before liquid resources and financing		29,692	(352,185)
Financing	4	140,526	280,000
Decrease in cash in the year		170,218	(72,185)

1. Reconciliation of net incoming resources to net cash inflow from operating activities

	2013 £	2012 £
Net incoming/(outgoing) resources	15,009	67,587
Interest receivable	(33)	(4)
Interest payable	17,277	13,822
Depreciation of tangible fixed assets	85,607	73,855
Gain on disposal of assets	(4,294)	(10,497)
Amortisation of deferred grants and donations	-	-
Decrease/(increase) in stock	550	1,056
(Increase) / decrease in debtors	(112,651)	19,126
Increase/(decrease) in creditors	167,106	5,559
Net cash inflow from operating activities	168,571	170,504

2. Returns on investments and servicing of finance

	2013 £	2012 £
Interest received	33	4
Interest paid	(17,277)	(13,822)
Net cash outflow from returns on investments and servicing of finance	(17,244)	(13,818)

Abernethy Trust Limited and subsidiaries
Group Cash Flow Statement (continued)

For the year ended 31 October 2013

3. Capital Expenditure

	2013	2012
	£	£
Purchase of tangible fixed assets	(129,567)	(519,368)
Proceeds on disposal of tangible fixed assets	7,932	10,497
Net cash outflow from capital expenditure	(121,635)	(508,871)

4. Financing

	2013	2012
	£	£
Repayment of loans	(39,474)	(290,000)
Inception of new loans	180,000	570,000
Net cash (outflow) / inflow from financing	140,526	280,000

5. Analysis of changes in net debt

	1 November 2012	Cash flow movement	31 October 2013
	£	£	£
Cash at bank and in hand	144,938	111,744	256,682
Bank overdraft	(58,513)	58,474	(39)
Cash at bank and in hand	86,425	170,218	256,643
Loans falling due within one year	(37,500)	(19,053)	(56,553)
Loans falling due after one year	(532,500)	(121,473)	(653,973)
Loans	(570,000)	(140,526)	(710,526)
Net debt	(483,575)	29,692	(453,883)

6. Reconciliation of net cash flow to movement in net funds

	2013	2012
	£	£
(Decrease)/increase in cash in the year	170,218	(72,185)
Cash (inflow)/outflow from financing	(140,526)	(280,000)
Movement in net funds in the year	29,692	(352,185)
Net debt at 1 November 2012	(483,575)	(131,390)
Net debt at 31 October 2013	(453,883)	(483,575)

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the valuation of gifted heritable property, and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Turnover

Turnover comprises income from services provided and goods supplied during the year, exclusive of value added tax.

(c) Grants, Donations and Deeds of Covenant

Grants and donations received from donors with conditions attached that must be fulfilled before the entity has unconditional entitlement, are recorded as incoming resources where meeting the conditions is within the Charity's control and there is sufficient evidence that the conditions imposed can be met. Where uncertainty exists as to whether the Charity can meet the conditions within its control, the incoming resource is not recognised but deferred as a liability until certainty exists that the conditions imposed can be met.

Where grants and donations are given specifically to provide a fixed asset, the incoming resource is recognised in the Statement of Financial Activities when the grants and donations are receivable.

(d) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(e) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and legacies and is included in full in the Statement of Financial Activities when receivable.
- Investment income is included when receivable.
- Incoming resources from charitable activities are accounted for when earned.

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

(f) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

(g) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost of fixed assets to their residual value on a straight-line basis over their estimated residual lives. No depreciation is charged on freehold land. No depreciation is charged on leasehold land and buildings because, under their terms of lease, the landlord is required to refund the leasehold improvements on the termination of the lease. Depreciation is charged on heritable properties except where the directors are satisfied that the residual value of the properties is so high that any potential depreciation charge would be immaterial in relation to the financial statement. In these cases, the carrying value is reviewed annually to ensure that it does not exceed market value and to ensure that there is no impairment of the asset.

(h) Stock

Stock is stated at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method.

(i) Gifted Property

Where heritable property is gifted to the company, it is valued at the date of the gift and the valuation is incorporated in the accounts.

(j) Pension costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

2. Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

3. Voluntary income

	Unrestricted £	Restricted £	2013 £	2012 £
Donations, grants and gift aid	69,985	67,562	137,547	130,481

4. Incoming Resources from Charitable Activities

	Unrestricted £	Restricted £	2013 £	2012 £
Outdoor centres	2,090,179	-	2,090,179	1,959,679
Other incoming resources	-	-	-	-
	<u>2,090,179</u>	<u>-</u>	<u>2,091,179</u>	<u>1,959,679</u>

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

5. Total Resources Expended

	Basis of allocation	Outdoor Centres £	Governance & other costs £	Total 2013 £	Total 2012 £
Charitable activities					
Raw materials & consumables	Direct	405,787	-	405,787	304,158
Staff costs	Direct	818,646	-	818,646	842,124
Other operating costs	Direct	761,638	-	761,638	657,898
Depreciation	Direct	68,701	-	68,701	63,358
Support costs	Time	168,315	-	168,315	206,244
		<u>2,223,087</u>	<u>-</u>	<u>2,223,087</u>	<u>2,073,782</u>
Governance costs					
Audit fee	Direct	-	5,307	5,307	4,400
Legal	Direct	-	12,128	12,128	2,351
Support costs	Time	-	9,351	9,351	11,458
		<u>-</u>	<u>26,786</u>	<u>26,786</u>	<u>18,209</u>
Costs of fund-raising	Direct	<u>-</u>	<u>38,133</u>	<u>38,133</u>	<u>5,338</u>
Generating voluntary income	Time	<u>-</u>	<u>9,351</u>	<u>9,351</u>	<u>11,458</u>
Total resources expended		<u>2,223,087</u>	<u>74,270</u>	<u>2,297,357</u>	<u>2,108,788</u>

6. Net incoming resources for the period

This is stated after charging/(crediting):

	Unrestricted £	Restricted £	2013 £	2012 £
Depreciation	85,607	-	85,607	73,855
Auditors' remuneration – audit services	5,307	-	5,307	4,400
Gain on sale of fixed assets	<u>(4,294)</u>	<u>-</u>	<u>(4,294)</u>	<u>(10,497)</u>

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

7. Staff Costs and Numbers

Staff costs were as follows:

	Unrestricted £	Restricted £	2013 £	2012 £
Salaries and wages	823,497	-	823,497	861,342
Employers' NIC	34,172	-	34,172	38,137
Pension costs	35,760	-	35,760	40,777
Staff training	24,129	-	24,129	26,371
	<u>917,558</u>	<u>-</u>	<u>917,558</u>	<u>966,627</u>

There were no employees with emoluments above £60,000.

The average number of employees during the period, calculated on the basis of full-time equivalents, was as follows:

	2013 Number	2012 Number
Non-executive directors	9	9
Management	13	9
Administration	12	14
Instruction	46	34
Catering, household and maintenance	47	52
Total	<u>127</u>	<u>118</u>

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £35,760 (2012: £40,777).

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

8. Directors' Remuneration and Related Party Transactions

The following directors received remuneration in connection with their employment with the company.

	Gross Pay £	Pension Contrib- utions £	2013 £	2012 £
Dr P A Simpson	45,724	4,100	49,824	43,580
B Edmondson	4,405	-	4,405	-
	<u>50,129</u>	<u>4,100</u>	<u>54,229</u>	<u>43,580</u>

In addition, the firm in which J S McNeill is a partner charged fees of £12,354 (2012: £2,351) for legal work.

No other directors received any remuneration for services rendered.

No expenses were reimbursed to any director.

9. Taxation

As a charity, Abernethy Trust Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable activities. No tax charges have arisen in the company.

Neither of the subsidiary companies made a profit that is subject to corporation tax.

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

10. Tangible Fixed Assets - Group

	Heritable Property £	Leasehold Improve- ments £	Furniture Fittings & £	Motor Vehicles £	Total £
Cost or valuation					
At 1 November 2012	9,971,469	1,023,383	1,487,986	62,417	12,545,255
Additions	23,817	33,810	62,030	9,910	129,567
Disposals			(5,069)	(4,680)	(9,749)
At 31 October 2013	<u>9,995,286</u>	<u>1,057,193</u>	<u>1,544,947</u>	<u>67,647</u>	<u>12,665,073</u>
Accumulated Depreciation					
At 1 November 2012	-	-	928,398	56,335	984,733
Charge for the period			81,253	4,354	85,607
Disposals			(2,182)	(3,930)	(6,112)
At 31 October 2013	<u>-</u>	<u>-</u>	<u>1,007,469</u>	<u>56,759</u>	<u>1,064,228</u>
Net book value					
At 31 October 2013	<u>9,995,286</u>	<u>1,057,193</u>	<u>537,478</u>	<u>10,888</u>	<u>11,600,845</u>
At 31 October 2012	<u>9,971,469</u>	<u>1,023,383</u>	<u>559,588</u>	<u>6,082</u>	<u>11,560,522</u>
Analysis of cost or valuation					
Cost	56,469	1,057,193	1,544,947	67,647	2,630,255
Valuation (1971)	53,500				53,500
Valuation (1984)	150,000				150,000
Valuation (1993)	75,000				75,000
Valuation (2001)	250,000				250,000
Valuation (2011)	9,386,500				9,386,500
Valuation (2012)	23,817				23,817
	<u>9,995,286</u>	<u>1,057,193</u>	<u>1,544,947</u>	<u>67,647</u>	<u>12,665,073</u>
Depreciation rates	Nil	Nil	15%, 20% and 33%	25%	

The heritable property was valued at market value by the directors on 31 October 2011. The directors consider that there has not been any material change in the market value of these properties since the valuation date.

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

Tangible Fixed Assets – Company

	Heritable Property £	Leasehold Improve- ments £	Furniture Fittings & £	Motor Vehicles £	Total £
Cost or valuation					
At 1 November 2012	9,971,469	1,023,383	1,137,301	62,417	12,194,570
Additions	23,817	33,810	27,466	9,910	95,003
Disposals			(5,069)	(4,680)	(9,749)
At 31 October 2013	<u>9,995,286</u>	<u>1,057,193</u>	<u>1,159,698</u>	<u>67,647</u>	<u>12,279,824</u>
Accumulated Depreciation					
At 1 November 2012	-	-	928,398	56,335	984,733
Charge for the period	-	-	68,742	4,354	73,096
Disposals	-	-	(2,182)	(3,930)	(6,112)
At 31 October 2013	<u>-</u>	<u>-</u>	<u>994,958</u>	<u>56,759</u>	<u>1,051,717</u>
Net book value					
At 31 October 2013	<u>9,995,286</u>	<u>1,057,193</u>	<u>164,740</u>	<u>10,888</u>	<u>11,228,107</u>
At 31 October 2012	<u>9,971,469</u>	<u>1,023,383</u>	<u>208,903</u>	<u>6,082</u>	<u>11,209,837</u>
Analysis of cost or valuation					
Cost	56,469	1,057,193	1,159,698	67,647	2,341,007
Valuation (1971)	53,500				53,500
Valuation (1984)	150,000				150,000
Valuation (1993)	75,000				75,000
Valuation (2001)	250,000				250,000
Valuation (2011)	9,386,500				9,386,500
Valuation (2012)	23,817				23,817
	<u>9,995,286</u>	<u>1,057,193</u>	<u>1,159,698</u>	<u>67,647</u>	<u>12,279,824</u>
Depreciation rates	Nil	Nil	15%, 20% and 33%	25%	

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

The heritable property was valued at market value by the directors on 31 October 2011. The directors consider that there has not been any material change in the market value of these properties since the valuation date.

11. Holdings of 20% or more

The Trust holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of Business	Shares class held	Proportion of shares held
Subsidiary undertaking				
Abernethy Developments Ltd	Scotland	Electricity Generation	Ordinary	100%
Abersanda	Scotland	Electricity Generation	Ordinary	67%

The aggregate amount of capital and reserves and the results for these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
	£	£
Abernethy Developments Ltd	1	-
Abersanda Ltd	(1,234)	(1,113)

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

12. Debtors

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Trade debtors	134,982	131,502	73,968	71,484
Other debtors	102,372	64,224	45,282	26,597
Abernethy Lodges Club	-	-	5,454	5,454
Subsidiaries	-	302,513	-	313,721
	<u>237,354</u>	<u>498,239</u>	<u>124,704</u>	<u>417,256</u>

13. Creditors: amounts falling due within one year

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Bank overdraft	39	39	58,513	58,513
Trade creditors	78,610	78,610	78,783	78,781
Value added tax	73,052	73,052	15,690	15,690
Other taxation	11,349	11,349	4,298	4,298
Social security costs	3,045	3,045	5,011	5,011
Accruals and deferred income	53,302	51,367	62,773	61,928
Deposits	154,414	154,415	95,015	95,015
Loans (Note 14)	56,553	56,553	37,500	37,500
Amounts received from JV	<u>124,545</u>	<u>-</u>	<u>69,641</u>	<u>-</u>
	<u>554,909</u>	<u>428,430</u>	<u>427,224</u>	<u>356,736</u>

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

14. Creditors: amounts falling due after more than one year

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Loan (Note 14)	<u>653,973</u>	<u>653,973</u>	<u>532,500</u>	<u>532,500</u>

15. Loans

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Sums repayable within one year or on demand	56,553	56,553	37,500	37,500
Sums repayable between one year and 5 years	653,973	653,973	532,500	532,500
	<u>710,526</u>	<u>710,526</u>	<u>570,000</u>	<u>570,000</u>

Lender	Outstanding at 31 October 2013 £	Interest	Final Repayment	Security
Repayable by instalments				
Royal Bank of Scotland	<u>710,526</u>	2.75% above LIBOR	2017	Floating charge

The bank loan is secured by a standard security over the trust's property at Ardeonaig and a floating charge over the trust assets.

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

16. Analysis of Net Assets Between Funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	391,008	11,209,837	-	11,600,845
Investment in subsidiary	-	-	-	-
Current assets	495,446	-	23,775	519,221
Current liabilities	(554,909)	-	-	(554,909)
Long term liabilities	(653,973)	-	-	(653,973)
Net assets at 31 October 2012	<u>(322,428)</u>	<u>11,209,837</u>	<u>23,775</u>	<u>10,911,184</u>

17. Movement in Funds

	At 1 November 2012 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 October 2013 £
Restricted Funds					
Capital projects	1,220	40,154	(38,843)	-	2,531
Bursary Fund	-	8,778	(10,302)	1,524	-
Cottage Rent	-	250	(250)	-	-
Nethy Milton	-	3,290	(3,290)	-	-
Summer camps	-	4,275	(4,275)	-	-
Barcaple Bursary	15,000	10,815	(4,571)	-	21,244
	<u>16,220</u>	<u>67,562</u>	<u>(61,531)</u>	<u>1,524</u>	<u>23,775</u>
Unrestricted Funds					
Designated	11,209,837				11,209,837
General Fund	(329,881)	2,244,803	(2,235,826)	(1,524)	(322,428)
	<u>10,879,956</u>	<u>2,244,803</u>	<u>(2,235,826)</u>	<u>(1,524)</u>	<u>10,887,409</u>
Total Funds	<u>10,896,176</u>	<u>2,312,365</u>	<u>(2,297,357)</u>	<u>-</u>	<u>10,911,184</u>

Abernethy Trust Limited and subsidiaries

Notes to the Financial Statements

For the year ended 31 October 2013

Purpose of Restricted Funds

Capital projects

This fund represents voluntary income specified by the donor as being for capital projects, including completing climbing walls, resurfacing tennis court and en-suite work.

Summer camps

This fund represents voluntary income specified by the donor as being to fund participants on Abernethy summer camps. This money had been disbursed by the year end.

Barcaple Bursary

This fund represents voluntary income specified by the donor as being to set up a bursary fund for guests at the Barcaple centre. This fund had not been initiated by the year end and it is intended to use this during 2014.

Purpose of Designated Funds

Fixed assets

An amount equivalent to the investment in fixed assets has been designated by the directors.

18. Capital commitments

	2013 £	2012 £
Capital expenditure authorised by the directors and contracted for	-	-
Capital expenditure authorised by the directors but not yet contracted for	-	236,000

19. Operating lease commitments

	2013 £ Vehicles	2012 £ Vehicles
Annual commitments in respect of the following:		
Expiring within 1 year	2,576	4,762
Expiring between 2 and 5 years	96,978	62,316

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