

Company Registration Number SC361942

Crichton Foundation
Financial Statements
31st March 2011

Company Limited by Guarantee
Charity Number SC024589

Armstrong Watson
Chartered Accountants & Statutory Auditors
51 Rae Street
Dumfries
Dumfriesshire
DG1 1JD

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

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**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31ST MARCH 2011

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31st March 2011.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Crichton Foundation
Charity registration number	SC024589
Company registration number	SC361942
Registered office	51 Rae Street Dumfries DG1 1JD
Honorary President	Sir David Landale KCVO, DL, LLD

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Dame Barbara Kelly DBE, DL, LLD
Colin Endacott OBE
Hilary Grieve OBE
Dr Mary-Ann Smyth
Andrew Walls
Ian Wilson
Tom Hydes
Evelyn Hastings OBE
Professor David Hannay
Professor Malcolm Foley
Leslie Anthony Fitzpatrick (Served from 24 September 2010 to 16 March 2011)

Secretary Bruce Clarke

Foundation Administration

Bruce Clarke, Chief Executive and Company Secretary
Jacqueline McLaren, Office and Events Administrator
Kirsty Barbour, Office and Events Administrator
Sue Howes, Finance and Accounts

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

Auditor	Armstrong Watson Chartered Accountants & Statutory Auditors 51 Rae Street Dumfries Dumfriesshire DG1 1JD
Investment Advisers	Brewin Dolphin Ltd 43 Buccleuch Street Dumfries
Bankers	Clydesdale Bank Plc 84-86 High Street Dumfries DG1 2BJ
Solicitors	Grieve, Grierson, Moodie & Walker 14 Castle Street Dumfries Dumfriesshire DG1 1DR J & H Mitchell W.S. 51 Atholl Road Pitlochry Perthshire PH16 5BU
Principal Office	Brown House Crichton University Campus Dumfries DG1 4ZZ

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

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.

Organisation Structure

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

The Election of Trustees took place on 25 March 2010 at the new Company's first AGM. A further AGM was held on the 7th November 2010 to present the accounts.

Dame Barbara Kelly continued as Convenor of the Foundation.

An induction pack was provided to all newly appointed Trustees, including a copy of the Memorandum and Articles, the Annual Report, and fact sheets on the roles and responsibilities of both Charity Trustees and Directors.

The new 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.

The Audit Committee's remit is to provide 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.

METHOD OF APPOINTMENT OF TRUSTEES

The Memorandum and Articles of Association of the new Company allow for the election of up to eight Trustees by the Members, and in addition a single Trustee nominated by each of the four appointed organisations. There is provision for up to three co-opted Trustees including a representative from the Crichton University Student Association and Dumfries and Galloway College Student Association. Following the election of Trustees which took place on 25 March 2010 the following appointments were made:

Elected:

Dame Barbara Kelly
Evelyn Hastings
Dr Mary-Ann Smyth
Colin Endacott
Ian Wilson
Professor David Hannay
Andrew Walls
Vacancy (1)

In Post at 31 March 2011

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

Nominated Organisations

University of Glasgow and University of West of Scotland	Prof Malcolm Foley
Crichton Trust	Hilary Grieve
Dumfries and Galloway Council	Tony Fitzpatrick (resigned 16 March 2011)
Dumfries & Galloway College Board of Management	Tom Hydes

Co-opted Trustees

None

At the second and each subsequent AGM, one quarter of the Elected Trustees shall retire from office. A retiring Trustee shall be eligible for re-election after one term in office but no trustee can serve more than two consecutive terms of office without at least one year out of office before becoming eligible again. The exception is the Convenor or Vice Convenor who can serve for up to a further four years so long as he or she is re-elected annually. Elected Trustees nominated by Members are time bound. Co-opted Trustees on the other hand serve an initial three years with the opportunity of continuing for a further three years.

The Crichton Foundation's principal office is at Browne House, Crichton University Campus, Dumfries, DG1 4ZZ. Telephone Number 01387 702047 Fax Number 01387 702052
Email: mail@crichtonfoundation.com Website: www.crichtonfoundation.org

The Crichton Foundation's registered office is 51 Rae Street, Dumfries DG1 1JD

The Crichton Foundation operated with the following officers:

Dame Barbara Kelly DBE, DL, LLD, Convenor, Chair of Executive Committee and Fundraising & Events Committee

Hilary Grieve OBE, Honorary Secretary

Colin Endacott OBE, Honorary Treasurer

Ian Wilson, Chair of Awards and Grants Committee

Andrew Walls, Chair of Audit Committee (Elected 23 March 2011)

Bruce Clarke, Company Secretary

COMMITTEE MEMBERSHIP 2010 -2011

Executive

Dame Barbara Kelly (Chair), Colin Endacott, Hilary Grieve, Ian Wilson, Andrew Walls, Tom Hydes..

Audit Committee

Andrew Walls (Chair Elected 23 March 2011), Evelyn Hastings. In attendance Colin Endacott and Graeme Macfarlane. The Audit Committee's Terms of Reference and membership were placed under review and a new Chairman was not elected until 23 March 2011.

Fundraising & Events Committee

Dame Barbara Kelly (Chair), Hilary Grieve, Maureen McKerrow, Vicky Jardine-Paterson, Judy Syme

Awards and Grants Committee

Ian Wilson (Chair), William Farrell, Hilary Grieve, Tom Hydes, Arthur Jardine, Dame Barbara Kelly, Fraser Sanderson. Representing CUSSAG Charles Anderson and Rene Anderson

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

Event Committees

Gala Opera

Maureen McKerrow (Chair), Maureen Crowley, Dame Barbara Kelly, Fiona Kerr, Kay Macfarlane, Judy Syme, Pam Pumphrey, Tina Walker, Caroline Clayton, Morag Shearer, Deborah Thurlow and Dr Stevie Norris.

Women of Dumfries and Galloway Lunch

Vicky Jardine-Paterson (Chair), Dame Barbara Kelly, Jean Tulloch, Noel Whamond, Dr Stevie Norris, Lady Norrie, Lady Ross and Gisele Hammond.

OBJECTIVES AND ACTIVITIES

The objects of the Crichton Foundation

The Crichton Foundation, was Incorporated on 30 June 2009 as a Company limited by guarantee and not having a share capital (Company Number 361942). The new Company was recognised by OSCR as a Scottish Charity under Scottish Charity Number SC024589. 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 protect, preserve, manage, develop and assist in the protection, management and development of the buildings, landscape and heritage of the Crichton site
2. To assist in the maintenance and development of the Crichton University Campus, Dumfries and the facilities for the education, training, recreation and advancement of students at any or all of the academic institutions operating on the Campus
3. To advance education at the Campus or elsewhere and provide, assist, form or encourage reputable educational or training establishments.

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 Services Authority. The investment income generated from this fund is utilised in the furtherance of the Trust's principal objectives.

GRANT MAKING POLICY

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.

Grant applications fall within three main headings:

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

All grant applications are dealt with by the Awards and Grants Committee which met six times between 1 April 2010 and 31 March 2011.

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

ACHIEVEMENTS AND PERFORMANCE

Key Areas of Activity

1. Fundraising

The Opera Gala event held on 5 November 2010 was sponsored by Adam & Co. This followed a similar event held the previous year. The theme was "Gunpowder Treason & Plot" and the musical selection was delivered by John Pumphrey and associates followed by a meal. The event organised by the Committee of enthusiastic volunteers led by Maureen McKerrow was held at the Easterbrook Hall and proved to be a great success and generated a fundraising profit of £11,271 (an increase of £3,168 on the previous year).

The Women of Dumfries and Galloway lunch on 11 March 2011 was attended by 276 women who were entertained by two speakers, The Honourable Mrs Justice Gloster DBE, the first woman Commercial Court Judge and Professor Anne Glover CBE FRSE, Chief Scientific Officer for Scotland. The event received sponsorship of £2,000 from Bonhams and generated a fundraising profit of £8,440.

2. Awards & Grants

The main achievements from 1 April 2010 - 31 March 2011 were as follows:

Henry Duncan Building

The Foundation received settlement from Dumfries & Galloway College with regard to the VAT reimbursement that had been agreed with HMRC. Receipt of these funds enabled the Foundation to repay the loan from the Endowment. The Users group continues to monitor use of the building by students and external organisations. Agreement in principle has been given to extend use of the building as a base for a Research Institute led by the University of Glasgow in collaboration with UWS and other partners on the campus.

Crichton University Scholarship Agreement (CUSA)

- The Crichton University Scholarship Agreement (CUSA) supports local school leavers who choose to study on the Campus rather than leaving the area.
- On enrolment students receive a bursary of £200 a year up to 4 years subject to satisfactory progression.
- The scheme welcomed 26 new entrants during the period 1 April 2010 - 31 March 2011 and the total value of scholarships awarded during this period was £13,700.
- The Scheme has run since 2002 and an evaluation took place in first quarter of 2011. Since inception 272 school leavers in Dumfries and Galloway have been attracted to enrol in Higher Education at the Campus and benefited from the scheme. Following the review it was concluded that CUSA had run its course and the Awards & Grants Committee recommended that the scheme should be closed to new applicants in the next academic session.

Academic Excellence - Carson Reaching Potential Awards

From 1 April 2010 to 31 March 2011 the Foundation made 8 Awards of £500. These awards are given to students who provide evidence to the Committee that the funds will enable them to continue with their studies and reach their full potential.

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

Hardship grants

- Candidates must provide evidence they have applied to the appropriate bodies for financial assistance. Candidates must provide evidence that any sources of income they have secured through grants or part time employment are insufficient to meet their needs.
- The Foundation awarded 2 hardship grants of £1,000 to post-graduate students from 1 April 2010 to 31 March 2011.
- The Foundation awarded 19 hardship grants to under graduates with a total value of £4,220. These Grants were administered by Student Services.

Summer School

The Foundation made an award of £4,791 to support the 2011 Summer School run by the University of Glasgow and UWS. This award allowed for an under-spend in 2010 carried forward from the previous year of £3,209. 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 participants to progress and apply for both full time and part time courses at the two Universities.

3. Awareness Raising Activities

Between 1 April 2010 and 31 March 2011 the Foundation delivered a successful series of seven Crichton Conversations with high profile speakers on a range of contemporary topics these have included:

- Tom Pow delivered the Lecture "Among Europe's Dying Villages" sponsored by The Barfil Trust.
- Dr Judith McClure CBE FRSE, delivered the Lecture "Who is responsible for educating our children?".
- Br. Stephen Smyth, General Secretary of Action of Churches Together in Scotland (ACTS) delivered the Charteris Lecture sponsored by ACTS.
- Professor Anthony Cohen CBE FRSE spoke on "Re- thinking Universities: a Provocation."
- Professor Anne Glover CBE FRSE delivered the Lecture "Science and Engineering: What's the Point?". In partnership with the Crichton Carbon Centre and sponsored by Ashleigh Construction.
- Dr Stuart Housden OBE, RSPB Director for Scotland delivered the Lecture "Taking action for biodiversity: a proud duty or a distraction?". Sponsored by the Scottish Agricultural College.
- Professor Dame Barbara Monroe spoke on "How do we make end of life care everybody's business?". In partnership with the University of Glasgow Crichton Campus.

These events have continued to attract significant audiences and sponsorship assists in keeping the costs of attendance to a minimum.

4. Crichton 2020 Visioning Group

A successful conference was run in June 2010 to an invited audience of 48 participants representing academic partners and other stakeholders on the Campus. The Conference was also attended by Michael Russell MSP Cabinet Secretary For Education Scottish Government and Mark Batho Chief Executive Scottish Funding Council who were both keynote speakers.

The outcome of the Conference included further developments of five flagship projects that represent collaboration between partners and build upon the unique selling points of the Campus. These projects include a Combined Degree Programme, capacity building for a Research Institute and a project designed to attract more overseas students from China and Hong Kong.

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

Two further meetings of the Group have been held to follow up on progress with these projects and new Terms of Reference for the Group have been drafted. These Terms of Reference allow a widening of membership, encourage the group to become more aspirational about the long term vision and set out relationships with the Joint Management Group and other bodies.

5. Breakdown of Income Received and Disbursed

	Actual Income To 31 March 2011
Income raised from events	£41,290
Income raised from Friends Scheme	£3,689

Income raised for Awards and Bursaries

General Education Fund	£68,275
Hardship Fund	-
Carson Bursaries	£7,692
CUSA	£7,732

Number and value of Grants awarded to 31 March 2011:

General Education

12 grants awarded totalling £9,325

Carson Bursaries

8 bursaries awarded totalling £4,000

Mature Students Hardship Fund

19 bursaries totalling £4,220

Crichton Carbon Centre Business Development Post

The Foundation supported a new Post at the Crichton Carbon Centre with a match funding Grant of £10,000 in the first year followed by two further grants in year two & three of £6,000 and £4,000 respectively subject to performance.

DGAA Healing Spaces Project

The Foundation supported a Grant of £4,500 in year 1 and £4,500 in year 2 for an Arts project at the new psychiatric hospital at Midpark. The art work celebrates the gardens and therapeutic properties of the Crichton Campus.

6. Forward Strategy

No significant change is envisaged in the new Company's Strategy of increasing fund-raising activity and fostering links with the wider community. The Chief Executive of the Foundation will act upon the outcomes of further discussions with the Crichton 2020 Visioning Group. The Foundation attends meetings of the Joint Management Group and will continue to play an active role in the development of the Crichton Campus Stakeholders Strategy and the implementation of the new Academic Strategy for the Campus.

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

7. Volunteer Recognition

The Foundation is grateful for the support of the Friends of the Crichton and for the sterling efforts of the many volunteers who support the fund-raising events.

8. Friends Scheme and Membership

The Chief Executive wrote to all Friends of the former Trust inviting them to consider becoming members of the Crichton Foundation which provides an entitlement to vote at the AGM of the new Company. This resulted in 43 Friends taking up membership and entitlement to vote in election of Trustees which took place on 25 March 2010. The Friends scheme has been rationalised and new subscription rates were approved at the company's second AGM in December 2010.

9. Management Costs

The Foundation's activities are divided between fund-raising and awareness-raising. The total spent on administration to 31 March 2011 was £63,167.

FINANCIAL REVIEW

Financial Activities

The results for the year to 31 March 2011 are set out in the statement of financial activities on page 14. The surplus amounted to £41,593.

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 such as the library project are identified a percentage management fee will be built into bids seeking funding.

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. The Committee may co-opt non Foundation members.

The Awards and Grants Committee, chaired by Ian Wilson met six 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.

Related Parties

The Foundation has a close relationship with the Crichton Stakeholders and attends meetings of the Joint Management Group for the Campus. It has participated in discussions on key issues such as the new Academic Strategy for the Campus and the Regional Economic Strategy.

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, Scottish Agricultural 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.

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 investment strategy undertaken by Brewin Dolphin on the Foundation's behalf follows closely the benchmark set by The Association of Private Client Investment Managers and Stockbrokers for an investment objective of income return with a cautious risk profile.

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

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. The Audit Sub Committee oversees risk management policies and procedures.

RESPONSIBILITIES OF THE TRUSTEES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that 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 trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Armstrong Watson are the Foundation's auditors and have a contract until the year ended 31st March 2011.

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
51 Rae Street
Dumfries
DG1 1JD

Signed on behalf of the trustees

Dame Barbara Kelly CBE, DL, LLD
Trustee

14 September 2011

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF CRICHTON FOUNDATION

YEAR ENDED 31ST MARCH 2011

We have audited the financial statements of Crichton Foundation for the year ended 31st March 2011 which comprise the Statement of Financial Activities, the Balance Sheet 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 Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees 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 page 10, the trustees (who also act as directors of Crichton Foundation 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 to you in accordance with 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2011 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; 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.

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF
CRICHTON FOUNDATION**

YEAR ENDED 31ST MARCH 2011

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 or 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; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime.

DUMFRIES

DAVID McMILLAN
(Senior Statutory Auditor)
For and on behalf of
ARMSTRONG WATSON
Chartered Accountants
& Statutory Auditors

Armstrong Watson are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

14 October 2011

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND
EXPENDITURE ACCOUNT)**

YEAR ENDED 31ST MARCH 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 Mar 11 £	Total Funds Period from 30 Jun 09 to 31 Mar 10 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	4,551	16,191	20,742	207,589
Activities for generating funds	3	–	41,290	41,290	33,161
Investment income	4	67,208	205	67,413	24,613
Other incoming resources	5	–	–	–	1,538,913
TOTAL INCOMING RESOURCES		71,759	57,686	129,445	1,804,276
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	6	(31,583)	(16,408)	(47,991)	(25,680)
Investment management costs	7	(1,851)	–	(1,851)	(818)
Charitable activities	8/9	(31,584)	(56,256)	(87,840)	(31,568)
Governance costs	10	(3,623)	–	(3,623)	(2,779)
TOTAL RESOURCES EXPENDED		(68,641)	(72,664)	(141,305)	(60,845)
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR	12	3,118	(14,978)	(11,860)	1,743,431
Transfer between funds	13	18,000	(18,000)	–	–
NET INCOMING RESOURCES FOR THE PERIOD		21,118	(32,978)	(11,860)	1,743,431
Gains/(Losses) on investment assets:					
- realised		(20,550)	–	(20,550)	(1,684)
- unrealised		73,303	–	73,303	85,814
Net actuarial gains/(losses) on defined benefit pension schemes		–	700	700	(35,000)
NET MOVEMENT IN FUNDS/NET INCOME FOR THE YEAR		73,871	(32,278)	41,593	1,792,561
RECONCILIATION OF FUNDS					
Total funds brought forward		1,658,957	133,604	1,792,561	–
TOTAL FUNDS CARRIED FORWARD		1,732,828	101,326	1,834,154	1,792,561

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 16 to 27 form part of these financial statements.

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

Company Registration Number SC361942

BALANCE SHEET

31ST MARCH 2011

	Note	2011		2010	
		£	£	£	£
FIXED ASSETS					
Tangible assets	15		14,663		17,357
Investments	16		1,618,670		1,519,904
			<u>1,633,333</u>		<u>1,537,261</u>
CURRENT ASSETS					
Debtors	17	6,175		29,133	
Cash at bank and in hand		283,285		342,725	
		<u>289,460</u>		<u>371,858</u>	
CREDITORS: Amounts falling due within one year	18	<u>(63,039)</u>		<u>(80,818)</u>	
NET CURRENT ASSETS			226,421		291,040
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,859,754</u>		<u>1,828,301</u>
CREDITORS: Amounts falling due after more than one year	19		<u>(17,600)</u>		<u>(27,040)</u>
			1,842,154		1,801,261
PROVISIONS FOR LIABILITIES					
Pensions	20		<u>(8,000)</u>		<u>(8,700)</u>
NET ASSETS			<u>1,834,154</u>		<u>1,792,561</u>
FUNDS					
RESTRICTED INCOME FUNDS:					
General funds	21	109,326		142,304	
Pension reserve	21	<u>(8,000)</u>		<u>(8,700)</u>	
TOTAL RESTRICTED INCOME FUNDS			101,326		133,604
Unrestricted income funds	22		<u>1,732,828</u>		<u>1,658,957</u>
TOTAL FUNDS			<u>1,834,154</u>		<u>1,792,561</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the members of the committee on the 14 September 2011 and are signed on their behalf by:

.....
DAME BARBARA KELLY DBE, DL, LLD

The notes on pages 16 to 27 form part of these financial statements.

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Fund accounting

The charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a particular purpose.

All other funds are unrestricted funds.

Donations, legacies and similar incoming resources

Donations receivable and similar incoming resources are included in the income for the year in which they are receivable, except for as follows:

- when donors state that donations and similar incoming resources given to the charity must be used in future accounting periods, the income is deferred until those periods;

- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in the incoming resources until the pre-conditions for use have been met.

Incoming resources are not recognised until the charity has assurance that the income will be received. The charity must be satisfied over their entitlement, be certain that the income will be received and that the monetary value can be measured with sufficient reliability. Gifts in kind

Gifts in kind are converted into cash and are used for the furtherance of the foundation's objectives, and are included within 'activities to generate funds' when the gift in kind is sold. The basis of valuation is what is actually received for the gift in kind. At the year end there were no undistributed assets.

Investment income

Income from investments is included in the statement of financial activities in the year in which it is receivable.

CRICHTON FOUNDATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

1. ACCOUNTING POLICIES *(continued)*

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. The foundation is not registered for value added tax and accordingly expenditure is shown gross of irrecoverable value added tax.

Costs of generating funds comprise those costs directly attributable to fund raising from all possible sources of incoming resources, and investment management costs.

Charitable activity costs comprise costs in raising the profile of the foundation, costs of grants payable, and an apportionment of support costs. Grants payable are charged in the year when the offer is conveyed to the recipient. When there are no conditions or the conditions attached to the grant are outwith the charity's control the full grant payable is provided for. Grants offered subject to conditions which are within the charity's control but have not been met in the year, are noted as a commitment, but not accrued as expenditure.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs may include costs relating to statutory audit and legal fees together with an apportionment of overhead and support costs.

Investments

In line with the statement of recommended practice 2005 'accounting and reporting by charities', investments are stated at the market value at the year end, the unrealised gains being transferred to reserves or the unrealised loss being charged against reserves.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	- 25% straight line
Office furniture	- 20% straight line
Tenant's improvements	- straight line over 14 years

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

1. ACCOUNTING POLICIES *(continued)*

Pension costs

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

Eligible employees of the Crichton Foundation have in the past been admitted to the Dumfries and Galloway Council Pension Scheme. The pension scheme is a funded defined benefit pension scheme with employee contributions fixed by statute. The charity ceased to be a member of the scheme on 17 February 2010.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus (to the extent that it can be recovered) is recognised in full on the balance sheet, net of related deferred tax.

2. VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Donations				
Educational donations (General)	862	–	862	175,203
Friends of The Crichton Foundation	3,689	–	3,689	1,778
Carson Bursary	–	7,692	7,692	–
CUSA Fund	–	7,732	7,732	–
Library appeal	–	267	267	30,608
CUSSAG fund	–	500	500	–
	<u>4,551</u>	<u>16,191</u>	<u>20,742</u>	<u>207,589</u>

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Fundraising	36,118	36,118	31,341
Profile raising	5,172	5,172	1,820
	<u>41,290</u>	<u>41,290</u>	<u>33,161</u>

4. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Dividend income	67,184	–	67,184	24,301
Interest on short term deposits	24	–	24	54
Bank interest receivable	–	205	205	258
	<u>67,208</u>	<u>205</u>	<u>67,413</u>	<u>24,613</u>

5. OTHER INCOMING RESOURCES

	Total Funds 2011	Total Funds 2010
	£	£
Funds transferred from Trust	–	1,538,913
	<u>–</u>	<u>1,538,913</u>

6. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Costs of generating income	–	16,408	16,408	13,238
Support costs	31,583	–	31,583	12,442
	<u>31,583</u>	<u>16,408</u>	<u>47,991</u>	<u>25,680</u>

7. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Stockbroker fees	1,851	1,851	818
	<u>1,851</u>	<u>1,851</u>	<u>818</u>

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

8. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Profile raising	–	8,129	8,129	2,732
Awards and grants	–	48,127	48,127	16,395
Support costs	31,584	–	31,584	12,441
	<u>31,584</u>	<u>56,256</u>	<u>87,840</u>	<u>31,568</u>

9. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	Total Funds 2011	Total Funds 2010
	£	£	£	£
Profile raising	8,129	18,950	27,079	10,196
Awards and grants	48,127	12,634	60,761	21,371
	<u>56,256</u>	<u>31,584</u>	<u>87,840</u>	<u>31,568</u>

10. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Audit fees	3,623	3,623	2,779
	<u>3,623</u>	<u>3,623</u>	<u>2,779</u>

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

11. ANALYSIS OF GRANTS

	2011 £	2010 £
Grants to institutions		
Summer School	4,791	8,000
University of West of Scotland	75	50
Summer School	–	(6,000)
Scottish Agricultural College	–	(298)
University of Glasgow	(2,209)	(4,005)
Crichton Trust	(10,000)	–
Crichton Carbon Centre	20,000	–
Dumfries & Galloway Arts Association	9,000	–
	<u>21,657</u>	<u>(2,253)</u>
Grants to individuals		
Carson Bursaries	4,000	1,500
CUSA	9,000	20,800
Hardship	4,220	1,850
General	750	(115)
Heritage & Environmental	–	(2,270)
Post Graduate Excellence Awards	8,000	–
CUSSAG	500	–
	<u>26,470</u>	<u>21,765</u>
Total grants	<u>48,127</u>	<u>19,512</u>

Grants totalling £16,909 previously awarded but not paid were no longer required by the recipients (this includes £4,700 CUSA Awards).

12. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	Year to 31 Mar 11 £	Period from 30 Jun 09 to 31 Mar 10 £
Staff pension contributions	352	827
Depreciation	3,176	1,274
Auditors' fees	<u>3,623</u>	<u>2,779</u>

13. FUND TRANSFERS

£7,000 was transferred from the unrestricted General Fund to the restricted Hardship Fund to help meet the demand on this Fund.

£25,000 was transferred from the restricted Library Fund to the unrestricted General Fund as the balance of the repayment of the £60,000 transferred from the General Fund to the Library Fund in 2009.

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

14. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	Year to 31 Mar 11 £	Period from 30 Jun 09 to 31 Mar 10 £
Wages and salaries	21,312	9,691
Social security costs	1,316	529
Other pension costs	352	827
	<u>22,980</u>	<u>11,047</u>

Particulars of employees:

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

	Year to 31 Mar 11 No	Period from 30 Jun 09 to 31 Mar 10 No
Administration and support	2	2
Trustees	10	10
	<u>12</u>	<u>12</u>

No employee received remuneration of more than £60,000 during the year (2010 - Nil).

Eleven trustees served during the period, none of whom received any remuneration.

Trustees are able to claim travel and subsistence expenses. During the period £Nil was paid to trustees.

15. TANGIBLE FIXED ASSETS

	Computer equipment £	Office furniture £	Tenants imp'ments £	Total £
COST				
At 1st April 2010	288	9	18,334	18,631
Additions	482	-	-	482
At 31st March 2011	<u>770</u>	<u>9</u>	<u>18,334</u>	<u>19,113</u>
DEPRECIATION				
At 1st April 2010	84	-	1,190	1,274
Charge for the year	319	-	2,857	3,176
At 31st March 2011	<u>403</u>	<u>-</u>	<u>4,047</u>	<u>4,450</u>
NET BOOK VALUE				
At 31st March 2011	<u>367</u>	<u>9</u>	<u>14,287</u>	<u>14,663</u>
At 31st March 2010	204	9	17,144	17,357

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

16. INVESTMENTS

Movement in market value

	2011	2010
	£	£
Market value at 1st April 2010	1,519,904	-
Market value transferred from Trust	-	1,225,976
Acquisitions at cost	245,259	227,809
Disposals at opening book value	(219,796)	(19,695)
Net gains on revaluations in the year ended 31st March 2011	73,303	85,814
Market value at 31st March 2011	<u>1,618,670</u>	<u>1,519,904</u>
Historical cost at 31st March 2011	<u>1,539,151</u>	<u>1,536,716</u>

17. DEBTORS

	2011	2010
	£	£
Other debtors	-	26,025
Prepayments and accrued income	6,175	3,108
	<u>6,175</u>	<u>29,133</u>

18. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
PAYE and social security	419	-
Awards and donations committed but unpaid		
- Library appeal	-	20,483
- Other	48,491	41,459
Other creditors	69	8,496
Accruals	14,060	10,380
	<u>63,039</u>	<u>80,818</u>

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

19. CREDITORS: Amounts falling due after more than one year

	2011	2010
	£	£
Awards and donations committed but unpaid		
- Other	<u>17,600</u>	<u>27,040</u>

20. PENSIONS

The charity pays contributions in to the personal pension plans of employees. The pension cost charge represents contributions due by the charity to the fund and amounted to £352. This amount was outstanding at the year end.

Defined Benefit Scheme

Two employees were members of the Dumfries and Galloway Council Pension Scheme until 17 February 2010, which is a multi-employer defined benefit scheme in the United Kingdom. The scheme is funded and contracted out of the State earnings Related Pension Scheme. The latest formal valuation of the Fund for the purpose of setting the employer's cessation payment was at 17 February 2010, which was carried out by a professionally qualified actuary.

The financial assumptions used by the actuary were as follows:

	Gilts basis as at 17 February 2010
	%p.a.
Price increase rate	3.2
Salary increase rate	n/a
Discount rate	4.6
Real discount rate	1.4

The real discount rate is the discount rate net of pension increases (inflation).

The financial assumptions at the cessation date allow for pension increases in line with the Consumer Prices Index.

**Analysis of the amount charged to the Statement of
Financial Activities**

	2011	2010
	£	£
Current Service cost	-	1,000

**Analysis of the amount credited to the Statement of
Financial Activities**

Expected Return on Pension Scheme Assets	-	4,000
Interest on pension scheme liabilities	-	(3,000)
Net Return	-	1,000

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

**Analysis of the amount recognised to the Statement of
Financial Activities**

	2011	2010
	£	£
Actual return less expected return on pension scheme assets	-	15,000
Experience gains & losses arising on the Scheme Liabilities	-	-
Changes in assumption underlying the present value of the scheme liabilities	700	(50,000)
Actuarial gain/(loss) recognised in the Statement of Financial Activities	700	(35,000)

Movement in surplus/(deficit) during the year

Surplus/(Deficit) at the beginning of the year	(8,700)	22,000
Movement in the year:		
Current service cost	-	(1,000)
Employer contributions	-	4,000
Past service costs	-	300
Net return on assets	-	1,000
Actuarial gain/(loss)	700	(35,000)
Surplus/(Deficit) at the year end	(8,000)	(8,700)

21. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2010	Incoming resources	Outgoing resources	Transfers	Gains and losses	Balance at 31 Mar 2011
	£	£	£	£	£	£
Education Fund	115,890	57,360	(72,664)	7,000	-	107,586
Library fund	26,414	326	-	(25,000)	-	1,740
	142,304	57,686	(72,664)	(18,000)	-	109,326
Defined benefit pension scheme	(8,700)	-	-	-	700	(8,000)
	133,604	57,686	(72,664)	(18,000)	700	101,326

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, CUSA 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 represent donations, gift aid claimed on these donations and bank interest. The £25,000 transfer represents the second and final repayment of the loan of £60,000 from the unrestricted General Fund in 2009.

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

22. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2010 £	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	Balance at 31 Mar 2011 £
General Funds	1,619,944	68,070	(68,641)	18,000	52,753	1,690,126
Friends of Crichton Foundation	39,013	3,689	–	–	–	42,702
General Funds	<u>1,658,957</u>	<u>71,759</u>	<u>(68,641)</u>	<u>18,000</u>	<u>52,753</u>	<u>1,732,828</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments	Net current assets £	Long term liabilities
Restricted Income Funds	–	–	151,923	(17,600)
Unrestricted Income Funds	14,663	1,618,670	74,498	–
Total Funds	<u>14,663</u>	<u>1,618,670</u>	<u>226,421</u>	<u>(17,600)</u>

	Defined benefit pension liability £	Total £
Restricted Income Funds	(8,000)	126,323
Unrestricted Income Funds	–	1,707,831
Total Funds	<u>(8,000)</u>	<u>1,834,154</u>

24. 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 Tenant's Improvements. The lease expires on 25 June 2016 and a peppercorn rental of £1 is payable per annum.

**CRICHTON FOUNDATION
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

24. RELATED PARTY TRANSACTIONS *(continued)*

Dr Mary-Ann Smyth is also a trustee of the Crichton Carbon Centre which was awarded a grant of £20,000 to fund a new Business Development post within the organisation. The Summer School, which was awarded a grant of £4,791 in the year, is jointly run by the University of Glasgow and the University of West of Scotland. Professor Malcolm Foley is the joint director of the Crichton Campus site for the University of West of Scotland.

In both cases, the trustees were not members of the Awards and Grants Committee who approved the applications for the grants awarded.

During the year, the charity paid £1,110 for telephone charges to the Crichton Development Company Limited, a related party by virtue of Mrs Hilary Grieve who is a trustee of the parent organisation, the Crichton Trust.

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

25. COMPANY LIMITED BY GUARANTEE

The Company is limited by guarantee with every member of the Company undertaking to contribute such amounts as may be required (not exceeding £1) to the Company's assets if it should be wound up while they are a member or within one year after ceasing to be a member.

