

REGISTERED COMPANY NUMBER: SC361942 (Scotland)  
REGISTERED CHARITY NUMBER: SC024589

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31st March 2015**  
**for**  
**Crichton Foundation**

Farries, Kirk and McVean  
Chartered Accountants  
Statutory Auditors  
Dumfries Enterprise Park  
Heathhall  
Dumfries  
DUMFRIESSHIRE  
DG1 3SJ

**Crichton Foundation**

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for the Year Ended 31st March 2015**

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**Crichton Foundation**

**Report of the Trustees**  
**for the Year Ended 31st March 2015**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC361942 (Scotland)

**Registered Charity number**

SC024589

**Registered office**

Browne House  
Crichton University Campus  
Dumfries  
DG1 4ZZ

**Trustees**

C Endacott OBE	- resigned 26.11.14
E Hastings OBE	
Dr M A E Smyth MIEEnvSc AIEEM	
A Walls FRCS	
I Wilson	
Professor D Hannay	
G Macfarlane	
Y Stirling	- resigned 26.11.14
D Holland	- appointed 14.4.14
T Hydes FCIPD	- resigned 28.5.14
Professor A Anderson MA PhD OBE	
T Laurie	
V McElroy	- appointed 26.11.14
G McKerrow	- appointed 26.11.14
Dr S Norris	- appointed 26.11.14
J Henderson	- appointed 8.9.14

**Company Secretary**

K Barbour

**Auditors**

Farries, Kirk and McVean  
Chartered Accountants  
Statutory Auditors  
Dumfries Enterprise Park  
Heathhall  
Dumfries  
DUMFRIESSHIRE  
DG1 3SJ

**Bankers**

Clydesdale Bank PLC  
84-86 High Street  
Dumfries  
DG1 2BJ

**Investment Managers**

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

## Crichton Foundation

### Report of the Trustees for the Year Ended 31st March 2015

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, the memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Recruitment and appointment of new trustees**

The Memorandum and Articles of Association of the company state the number of Trustees shall not be less than three nor more than seventeen, unless determined in advance by Special Resolution at General Meeting. They allow for the election of up to nine Trustees by the Members, a majority of whom should either live or work in Dumfries & Galloway. In addition up to one individual Trustee nominated by each of four specified organisations noted below. There is also provision for up to four co-opted Trustees including a representative from the Crichton University Campus Student Association or Dumfries and Galloway College Student Association and up to three of the Board's choice.

The four organisations with the right to nominate a Trustee are the Crichton Trust, the Board of Management of Dumfries & Galloway College, Dumfries and Galloway Council and finally, the University of Glasgow Court and the Court of the University of West of Scotland, both acting together to elect one Trustee on behalf of both of them.

Trustees may serve two terms of office maximum before having to leave office for a period of at least one year unless acting as Convenor or Vice Convenor at the end of the second term of office, in which case a further four years may be allowed providing re-elected annually.

The Crichton Foundation operated with the following officers:

Andrew Walls FRCS, Convenor, Chair of Executive and Fundraising & Events Committees  
Colin Endacott OBE, Honorary Treasurer (resigned November 2014)  
Ian Wilson, Chair of Awards and Grants Committee  
Graeme Macfarlane, Chair of Audit Committee  
Kirsty Barbour, Company Secretary

#### COMMITTEE MEMBERSHIP 2014-2015

##### Executive Committee

Andrew Walls (Chairman), Colin Endacott (resigned November 2014), Evelyn Hastings, Tom Hydes (resigned July 2014), Graeme Macfarlane, Gordon McKerrow (appointed November 2014) and Ian Wilson.

##### Audit Committee

Graeme Macfarlane (Chairman), Evelyn Hastings, Gordon McKerrow (appointed August 2014) and Ian Wilson.  
In attendance Colin Endacott (resigned November 2014) and Andrew Walls

##### Fundraising & Events Committee

Andrew Walls, Evelyn Hastings, Vicky Jardine-Paterson, Stephanie Norris and Yvonne Stirling (resigned November 2014).

##### Awards and Grants Committee

Ian Wilson (Chairman), Margaret Carruthers, William Farrell (resigned October 2014), Evelyn Hastings, Tom Hydes, Sue Irving, Arthur Jardine, Valerie McElroy (appointed November 2014), Fraser Sanderson and Andrew Walls.

##### Event Committees

##### Gala Evening

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

##### Women of Dumfries and Galloway Lunch

Vicky Jardine-Paterson (Chairman), Jenny Colledge (appointed April 2014), Gisele Hammond, Mary Gladstone, Barbara Kelly, Annie Norrie (resigned June 2014), Stevie Norris, Susie Ross (resigned December 2014), Helen Steele (appointed April 2014) Jean Tulloch, and Kim Wilson (appointed November 2014). In attendance, Andrew Walls.

## Crichton Foundation

### Report of the Trustees for the Year Ended 31st March 2015

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **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 2014 at the Company's AGM. Valerie McElroy, Gordon McKerrow and Stephanie Norris were as elected as Trustees. Colin Endacott and Yvonne Stirling resigned their positions as elected Trustees.

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

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

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.

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 Limited 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.

##### **Grantmaking**

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 four times between 1 April 2014 and 31 March 2015. All awards and grants in excess of £5,000 are referred to the Executive Committee and ratified by the Board.

## Crichton Foundation

### Report of the Trustees for the Year Ended 31st March 2015

#### **ACHIEVEMENT AND PERFORMANCE REVIEW OF ACTIVITIES**

##### **1. Fundraising**

A total of £43,188 was raised from 1 April 2014 - 31 March 2015

The Gala Evening event was held on 7 November 2014. 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 Society Syncopators Dance Orchestra. 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 £12,191.

The Women of Dumfries and Galloway Lunch on 20 March 2015 was attended by a capacity audience of 380 women who were entertained by our speakers, Victoria Stapleton Founder and creative director of Brora and Dr Brooke Magnanti, Child Health Scientist and 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 £1570 from Bonham's and £430 from Knight Frank and generated a fundraising profit of £11,647.

##### **2. Awards & Grants**

The main achievements from 1 April 2014 - 31 March 2015 were as follows:

###### Dame Barbara Kelly Fellowship

13 applications were considered by the Fellowship panel and the recipient will receive £25,000 per annum for three years.

###### General Education Grants

The Foundation received 8 applications and issued 4 Awards totalling £1500.

###### Academic Excellence Award

The Foundation received 9 applications and issued 9 Awards totalling £3500

These awards are given to students who provide evidence of excellence to the Committee.

###### Carson Reaching Potential Award

The Foundation received 16 applications and issued 10 Awards totalling £4600. 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 Vision Award

The Foundation received 2 applications and issued 2 Awards totalling £1000.

#### 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. 19 hardship grants were awarded during the year to a total value of £5200.

#### GRANTS TO PARTNERS

##### Summer School

The Foundation made an award of £4190.20 to support the 2014 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 & Shield

The Foundation contributed 1 prize totalling £500.

**Crichton Foundation**  
**Report of the Trustees**  
**for the Year Ended 31st March 2015**

**ACHIEVEMENT AND PERFORMANCE**

University of Glasgow - Boyan Ensemble  
The Foundation supported this event to the value of £300

University of Glasgow - Teaching & Phenology Garden  
The Foundation contributed £2700 towards this project

University of West of Scotland - Queens Baton Relay & Sports Day  
The Foundation supported this event to the value of £250

University of West of Scotland - Innovation & Enterprise  
The Foundation supported this project to the value £500

Crichton Campus Leadership Group (CCLG)  
The Foundation contributed £1500 towards the production of a CCLG booklet

Crichton University Campus Students Association (CUCSA)  
The Foundation supported The Crichton University Campus Boat Club to the value of £2860

Crichton University Campus Students Association (CUCSA)  
The Foundation contributed £534. Riding club £384 and Health week £150

Dumfries & Galloway Council  
The Foundation provided £50 sponsorship towards the School's Da Vinci challenge

**3. Awareness Raising Activities**

Between 01 April 2014 and 31 March 2015 the Foundation ran a successful series of seven Crichton Conversations delivered by high profile speakers on a range of contemporary topics. These included:

- Professor John Curtice, Professor of Politics at Strathclyde University and a Research Consultant to ScotCen Social Research addressed the question "Is Scotland Set to Separate?"
- The annual SRUC lecture "Health by Stealth - Delivery of real change. What are the roles of food, farming and nature?" was delivered by Dr Caroline Drummond, Chief Executive of LEAF (Linking Environment and Farming).
- Ken McQuarrie, Director of BBC Scotland spoke on the topic "The BBC: the next ten years."
- Sir John Elvidge, a Fellow of the Carnegie UK Trust delivered the lecture "Family and Community Foundations for an Enabling State."
- Professor Sir Drummond Bone, Master of Balliol College posed the question "What do we mean by the term university?"
- Kate Mavor, Chief Executive of the National Trust for Scotland considered the topic "Roots, Heritage and Identity: a human need in a crazy and turbulent world."
- Professor Ted Cowan, Emeritus Professor of Scottish History and Literature at the University of Glasgow explored the subject "The Dumfries and Galloway Enlightenment."

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 Foundation is very grateful to the sponsors for this Conversation series: Armstrong Watson, Brewin Dolphin, Crichton Carbon Centre, The Crichton Development Company, The Crichton Institute, The Open University in Scotland, Scotland's Rural College, The Solway Centre, University of Glasgow and University of the West of Scotland.

## Crichton Foundation

### Report of the Trustees for the Year Ended 31st March 2015

#### **ACHIEVEMENT AND PERFORMANCE**

##### **4. Breakdown of Income Received**

Actual Income to 31 March 2015

Income raised from events £56,222.

Income raised from Friends Scheme £6,040.

Income received for Awards and Bursaries:

General Fund £36,943.

##### **5. Crichton Campus Leadership Group**

Following Scottish Government reforms of Further and Higher education in 2013, the Crichton Campus Leadership Group was established and began meeting in early 2014. Chaired by Dame Barbara Kelly and supported by the Scottish Funding Council, the group comprises representatives from all the institutions and agencies that have responsibilities for development of the Crichton Quarter. The Foundation is represented on the Group. In the course of its first year a Consolidated Outcome Agreement has been signed off and the Foundation has been pleased to support financially the publication of a Crichton Campus brochure.

##### **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 2015 53 subscriptions generated a total of £ 6,040 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 2015 was £53,352.

#### **FINANCIAL REVIEW**

##### **a. FINANCIAL ACTIVITIES**

The results for the year to 31 March 2015 are set out in the statement of financial activities on page 11. The surplus amounted to £39,962.

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 Andrew Walls met once during the year and has power to set up sub committees for specific events. All fund raising 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 four 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.

##### **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.

## Crichton Foundation

### Report of the Trustees for the Year Ended 31st March 2015

#### **c. RESERVES POLICY**

##### **FINANCIAL REVIEW**

The Foundation's financial reserves comprise of the funds invested in securities and cash held on their behalf by Brewin Dolphin Limited. 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 securities and cash 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 Crichton Campus Leadership Group. It continues to participate in discussions on key issues that affect the Campus and the Crichton Quarter in general. Nominated representatives of the academic institutions and the Crichton Trust sit as appointed Trustees on the Foundation's Board.

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

During the year a number of grants were made to stakeholder organisations. These transactions were agreed by the Awards and 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.

The Foundation was pleased to create the Dame Barbara Kelly Fellowship in 2014. Intense competition resulted in the award of an annual sum of £25,000 for three years being granted to Professor David Clark of Glasgow University. The student undertaking the doctoral studies is Jacqueline Kandsberger and she will commence her research work in September 2015.

##### **Plans for the future**

##### **FUTURE DEVELOPMENTS**

###### **Forward Strategy**

These are exciting times for the Crichton. Major changes are anticipated and include a radical reorganisation of Scotland's Rural College. This will see closure of the Barony College and a move of very substantial numbers of students onto Campus. The University of the West of Scotland is looking to increase its presence and Glasgow University is also expanding. While these changes are being facilitated by the Crichton Development Company, the Foundation plays an active part in the review process and provision of financial support.

No significant changes are anticipated in the Foundation's role. We will continue to engage in fund raising for both worthy students and their parent institutions, while at the same time fostering links with the wider community. As well as the developments mentioned above, a number of others are currently being discussed, all of which carry large costs. The Foundation therefore anticipates becoming involved in a major fund-raising project, the precise nature of which will emerge over the coming months.

##### **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.

##### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Crichton Foundation for the purposes of company law) are responsible for preparing the Report of Trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;

**Crichton Foundation**

**Report of the Trustees**  
**for the Year Ended 31st March 2015**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate 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 Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

**AUDITORS**

The auditors, Farries, Kirk and McVean, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 11th November 2015 and signed on its behalf by:

A Walls FRCS - Trustee

**Report of the Independent Auditors to the Trustees and Members of  
Crichton Foundation**

We have audited the financial statements of Crichton Foundation for the year ended 31st March 2015 on pages eleven to nineteen. 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 Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company'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 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 and the charitable company's members and 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 Statement of Trustees Responsibilities set out on page eight, 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.

We have been appointed as 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 Ethical Standards for Auditors.

**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 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 31st March 2015 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 (as amended).

**Opinion on other matter prescribed by the Companies Act 2006**

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

**Report of the Independent Auditors 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Rodney Palmer, BA CA (Senior Statutory Auditor)  
for and on behalf of Farries, Kirk and McVean  
Chartered Accountants  
Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Dumfries Enterprise Park  
Heathhall  
Dumfries  
DUMFRIESSHIRE  
DG1 3SJ

11th November 2015

**Crichton Foundation**

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31st March 2015**

		Unrestricted funds	Restricted funds	2015 Total funds	2014 Total funds
	Notes	£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	9,387	2,490	11,877	12,915
Activities for generating funds	3	58,222	-	58,222	60,799
Investment income	4	<u>75,756</u>	<u>17</u>	<u>75,773</u>	<u>81,626</u>
<b>Total incoming resources</b>		143,365	2,507	145,872	155,340
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Fundraising costs	5	46,625	-	46,625	47,188
Investment management costs	6	10,594	-	10,594	2,032
<b>Charitable activities</b>					
Profile Raising	7	24,661	-	24,661	25,510
Awards and Grants		111,615	4,600	116,215	62,964
<b>Governance costs</b>	10	<u>4,200</u>	<u>-</u>	<u>4,200</u>	<u>4,440</u>
<b>Total resources expended</b>		197,695	4,600	202,295	142,134
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>					
		(54,330)	(2,093)	(56,423)	13,206
<b>Gross transfers between funds</b>	20	<u>4,253</u>	<u>(4,253)</u>	<u>-</u>	<u>-</u>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		(50,077)	(6,346)	(56,423)	13,206
Realised gains/(losses) on fixed asset investments		<u>(8,164)</u>	<u>-</u>	<u>(8,164)</u>	<u>12,386</u>
<b>Net income/(expenditure)</b>		(58,241)	(6,346)	(64,587)	25,592
Unrealised gains/losses on investment assets		<u>104,549</u>	<u>-</u>	<u>104,549</u>	<u>37,086</u>
<b>Net movement in funds</b>		46,308	(6,346)	39,962	62,678
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		2,045,139	39,827	2,084,966	2,022,288
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>2,091,447</u></u>	<u><u>33,481</u></u>	<u><u>2,124,928</u></u>	<u><u>2,084,966</u></u>

The notes form part of these financial statements

**Crichton Foundation**

**Balance Sheet**  
**At 31st March 2015**

		Unrestricted funds	Restricted funds	2015 Total funds	2014 Total funds
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	14	3,384	-	3,384	6,496
Investments	15	<u>2,000,443</u>	<u>-</u>	<u>2,000,443</u>	<u>1,853,990</u>
		2,003,827	-	2,003,827	1,860,486
<b>CURRENT ASSETS</b>					
Debtors	16	5,144	-	5,144	2,645
Cash at bank and in hand		<u>188,893</u>	<u>33,481</u>	<u>222,374</u>	<u>256,610</u>
		194,037	33,481	227,518	259,255
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(56,417)</u>	<u>-</u>	<u>(56,417)</u>	<u>(34,775)</u>
<b>NET CURRENT ASSETS</b>					
		<u>137,620</u>	<u>33,481</u>	<u>171,101</u>	<u>224,480</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		2,141,447	33,481	2,174,928	2,084,966
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	<u>(50,000)</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
<b>NET ASSETS</b>					
		<u>2,091,447</u>	<u>33,481</u>	<u>2,124,928</u>	<u>2,084,966</u>
<b>FUNDS</b>					
Unrestricted funds	20			2,091,447	2,045,139
Restricted funds				<u>33,481</u>	<u>39,827</u>
<b>TOTAL FUNDS</b>					
				<u>2,124,928</u>	<u>2,084,966</u>

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

The financial statements were approved for issue by the Board of Trustees on 11th November 2015 and were signed on its behalf by:

A Walls FRCS-Trustee

## Crichton Foundation

### Notes to the Financial Statements for the Year Ended 31st March 2015

#### 1. ACCOUNTING POLICIES

##### **Accounting convention**

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, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) regulations 2006 (as amended).

##### **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.

##### **Incoming resources**

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

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

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

##### **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. In the event of a grant being repaid after payment due to a subsequent non-fulfilment of conditions or non-requirement of the funding, such sums would be credited against grant expenditure and not treated as income.

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

All resources expended are inclusive of irrecoverable VAT.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Tenants improvements	- Straight line over 14 years
Office equipment	- 25% on cost
Computer equipment	- 25% on cost

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds comprise a General fund and may also include Designated funds from time to time. 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. Designated funds have been set aside for a particular purpose by the trustees although such funds may still be used at the discretion of the trustees.

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.

**Crichton Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2015**

**1. ACCOUNTING POLICIES - continued**

**Leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

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.

**2. VOLUNTARY INCOME**

	2015	2014
	£	£
Donations	3,551	2,809
Gift aid	2,286	2,051
Friends of Crichton Foundation	6,040	6,355
Library appeal	-	1,700
	<u>11,877</u>	<u>12,915</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	2015	2014
	£	£
Fundraising events	43,188	45,648
Profile raising	13,034	15,151
Other income	2,000	-
	<u>58,222</u>	<u>60,799</u>

**4. INVESTMENT INCOME**

	2015	2014
	£	£
Portfolio income	74,836	79,872
Deposit account interest	847	1,739
Interest on short-term deposit	90	15
	<u>75,773</u>	<u>81,626</u>

**5. FUNDRAISING COSTS**

	2015	2014
	£	£
Staff costs	18,266	17,363
Costs of fundraising	26,732	28,132
Depreciation	1,556	1,616
Loss on sale of assets	-	2
Interest payable and similar charges	71	75
	<u>46,625</u>	<u>47,188</u>

**6. INVESTMENT MANAGEMENT COSTS**

	2015	2014
	£	£
Stock broker fees	<u>10,594</u>	<u>2,032</u>

**Crichton Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2015**

**7. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Grant funding of activities (See note 8)	Support costs (See note 9)	Totals
	£	£	£	£
Profile Raising	8,256	-	16,405	24,661
Awards and Grants	<u>-</u>	<u>105,944</u>	<u>10,271</u>	<u>116,215</u>
	<u>8,256</u>	<u>105,944</u>	<u>26,676</u>	<u>140,876</u>

**8. GRANTS PAYABLE**

	2015	2014
	£	£
Awards and Grants	<u>105,944</u>	<u>54,979</u>

The total grants paid to institutions during the year was as follows:

	2015	2014
	£	£
Summer School	-	4,190
University of West of Scotland Innovation and Enterprise	500	150
Dumfries & Galloway College - Discretionary Fund	10,000	10,000
Dumfries & Galloway College - Crichton Foundation Prize	500	500
University of West of Scotland - PhD Business School	(4,000)	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 Computer Teachers	-	1,952
National Centre for Art & the Environment	-	7,500
Crichton University Campus Students Association - Student Recognition Award	-	75
Crichton University Campus Student Association - Sports Equipment	-	4,984
Crichton Campus Teaching & Phenology	2,700	-
University of West of Scotland - Crichton Estate Publication	1,500	-
Boyan Ensemble	300	-
University of West of Scotland - Sports Day	250	-
CUC Boat Club	2,860	-
University of Glasgow - Barbara Kelly Fellowship	75,000	-
CUCSA Riding Club	384	-
CUCSA Health Week	<u>150</u>	<u>-</u>
	<u>90,144</u>	<u>34,356</u>

The total grants paid to individuals during the year was as follows:

	2015	2014
	£	£
Carson Bursaries	4,600	3,000
CUSA	-	(600)
Post Graduate Excellence Award	2,000	1,700
Under Graduate Excellence Award	1,500	6,000
General	-	3,748
Elizabeth Crichton Post Graduate Award	-	2,000
Crichton Foundation Hardship	5,200	4,775
General Education Award	1,500	-
Crichton Vision Award	<u>1,000</u>	<u>-</u>
	<u>15,800</u>	<u>20,623</u>

Awards granted are those awards committed in the year and to be paid to individuals and institutions.

**Crichton Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2015**

**9. SUPPORT COSTS**

	Management £
Profile Raising	16,405
Awards and Grants	<u>10,271</u>
	<u>26,676</u>

**10. GOVERNANCE COSTS**

	2015 £	2014 £
Auditors' remuneration	<u>4,200</u>	<u>4,440</u>

**11. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	2015 £	2014 £
Auditors' remuneration	4,200	4,440
Depreciation - owned assets	3,112	3,233
Hire of plant and machinery	460	460
Deficit on disposal of fixed asset	<u>-</u>	<u>2</u>

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st March 2015 nor for the year ended 31st March 2014.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st March 2015 nor for the year ended 31st March 2014.

**13. STAFF COSTS**

	2015 £	2014 £
Wages and salaries	32,580	31,019
Social security costs	2,370	2,161
Other pension costs	<u>1,582</u>	<u>1,546</u>
	<u>36,532</u>	<u>34,726</u>

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

	2015	2014
Administration and support	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

In addition the average monthly number of unpaid Trustees acting during the year under review was 12 (2014 - 11).

**Crichton Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2015**

**14. TANGIBLE FIXED ASSETS**

	Tenants improvements £	Office equipment £	Computer equipment £	Totals £
<b>COST</b>				
At 1st April 2014 and 31st March 2015	<u>18,334</u>	<u>6,119</u>	<u>1,442</u>	<u>25,895</u>
<b>DEPRECIATION</b>				
At 1st April 2014	12,618	6,110	671	19,399
Charge for year	<u>2,857</u>	<u>-</u>	<u>255</u>	<u>3,112</u>
At 31st March 2015	<u>15,475</u>	<u>6,110</u>	<u>926</u>	<u>22,511</u>
<b>NET BOOK VALUE</b>				
At 31st March 2015	<u>2,859</u>	<u>9</u>	<u>516</u>	<u>3,384</u>
At 31st March 2014	<u>5,716</u>	<u>9</u>	<u>771</u>	<u>6,496</u>

**15. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1st April 2014	1,853,990
Additions	427,424
Disposals	(377,357)
Revaluations	<u>96,386</u>
At 31st March 2015	<u>2,000,443</u>
<b>NET BOOK VALUE</b>	
At 31st March 2015	<u>2,000,443</u>
At 31st March 2014	<u>1,853,990</u>

There were no investment assets outside the UK.

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Prepayments and accrued income	<u>5,144</u>	<u>2,645</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	9,208	3,044
Social security and other taxes	627	526
Accruals and deferred income	17,242	17,388
Awards and donations committed but unpaid	<u>29,340</u>	<u>13,817</u>
	<u>56,417</u>	<u>34,775</u>

**Crichton Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2015**

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2015 £	2014 £
Awards and donations committed	<u>50,000</u>	<u>-</u>

**19. OPERATING LEASE COMMITMENTS**

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

	2015 £	2014 £
Expiring: Between one and five years	<u>460</u>	<u>460</u>

**20. MOVEMENT IN FUNDS**

	At 1.4.14 £	Net movement in funds £	Transfers between funds £	At 31.3.15 £
<b>Unrestricted funds</b>				
General fund	2,023,072	42,423	4,085	2,069,580
Friends of Crichton Foundation	19,147	4,832	(4,832)	19,147
Hardship Fund	<u>2,920</u>	<u>(5,200)</u>	<u>5,000</u>	<u>2,720</u>
	2,045,139	42,055	4,253	2,091,447
<b>Restricted funds</b>				
Library Fund	4,235	18	(4,253)	-
Lloyds Henry Duncan Fund	-	2,489	-	2,489
Carson Reserve Fund	<u>35,592</u>	<u>(4,600)</u>	<u>-</u>	<u>30,992</u>
	39,827	(2,093)	(4,253)	33,481
<b>TOTAL FUNDS</b>	<u>2,084,966</u>	<u>39,962</u>	<u>-</u>	<u>2,124,928</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	138,533	(192,495)	96,385	42,423
Friends of Crichton Foundation	4,832	-	-	4,832
Hardship Fund	<u>-</u>	<u>(5,200)</u>	<u>-</u>	<u>(5,200)</u>
	143,365	(197,695)	96,385	42,055
<b>Restricted funds</b>				
Library Fund	18	-	-	18
Lloyds Henry Duncan Fund	2,489	-	-	2,489
Carson Reserve Fund	<u>-</u>	<u>(4,600)</u>	<u>-</u>	<u>(4,600)</u>
	2,507	(4,600)	-	(2,093)
<b>TOTAL FUNDS</b>	<u>145,872</u>	<u>(202,295)</u>	<u>96,385</u>	<u>39,962</u>

## Crichton Foundation

### Notes to the Financial Statements - continued for the Year Ended 31st March 2015

#### **20. MOVEMENT IN FUNDS - continued**

##### **Transfers between funds**

During the year there was a transfer of £4,832 from the Friends of Crichton Fund to the General Fund which represents the surplus for the year from Friends memberships. Also £5,000 was transferred from the General Fund to the designated Hardship Fund.

The Library Fund balance represented 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. With all expenditure now complete the Trustees decided during the year under review to transfer the remaining balance back to Unrestricted General Funds which is an appropriate transfer in this case as excess construction costs had previously been borne out of general funds.

The Friends of Crichton Foundation is an opportunity for individuals to become members of the Foundation and pay an annual subscription. Such income is accounted for within the Designated Fund and the surplus in each year is usually transferred to the General Fund for use as grant awards.

The designated Hardship Fund represents funds set aside by the Trustees for use in making Hardship Grants to qualifying students who are able to demonstrate a need.

The Carson Reserve Fund represents specific funding donated to the Foundation for the restricted purpose of providing bursaries of up to £500 per student to students who have completed one year at Dumfries & Galloway College and are then enrolled on an undergraduate course at Crichton University Campus.

The Lloyds Henry Duncan Fund represents a donation made by Lloyds toward covering the cost of an event in 2012. The event in question actually ran at a profit but Lloyds did not require a refund of the donation, merely asking that it be retained and used against future loss making events of which there have been none since. This fund therefore remains as restricted for use against such an event in the future.

#### **21. RELATED PARTY DISCLOSURES**

During the year ended 31 March 2003, £40,000 was paid to Crichton Development Company Ltd to provide office space in Browne House for the Crichton Foundation, which was at that time unincorporated. On incorporation the outstanding net book value at that point was capitalised as an addition in Tenants Improvements where it remains at a cost of £18,334. The lease expires on 25 June 2016 and a peppercorn rental of £1 is payable per annum.

In addition, during the year under review, £21,360 was paid for event hire at the Easterbrook Hall. The Easterbrook Hall run by the Crichton Development Company Ltd. Furthermore, £899 was paid to Crichton Development Company for telephone rental and charges. Crichton Development Company is a related party as it is owned by the Crichton Trust and both Evelyn Hastings and Delia Holland were Trustees of both Crichton Trust and Crichton Foundation during the year under review.

During the year under review £78,000 was paid to the University of Glasgow in awards. Trustee Anne Anderson is Vice Principal and Head of the College of Social Sciences and Gender Champion of University of Glasgow.

During the year under review £10,500 was paid to Dumfries & Galloway College in awards. Trustee John Henderson is a Board member of Dumfries & Galloway College.

During the year under review £3,394 was paid to Crichton University Campus Students Association in awards. Trustee Tina Laurie is Student Support Administrator for CUCSA.

During the year under review £1,500 was paid to Crichton Campus Leadership Group in awards. Trustee Andrew Walls attends CCLG meetings.

During the year under review £750 was paid to University of West of Scotland in awards. Trustee Anne Anderson also represents the University of West of Scotland on the Crichton Foundation board.

#### **22. 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 £1,583 (2014 - £1,545). There was £2,111 (2014 - £1,314) outstanding at the year end.