

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

Report of the Trustees and
Financial Statements for the Year Ended 31st March 2017
for
Crichton Foundation

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

Crichton Foundation

**Contents of the Financial Statements
for the Year Ended 31st March 2017**

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 to 21

Crichton Foundation

Report of the Trustees for the Year Ended 31st March 2017

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 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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 currently managed by Brewin Dolphin Limited who are members of the London Stock Exchange and regulated by The Financial Conduct Authority.

Grantmaking

All award 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 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 Committee or student support services. The committee met four times between 1 April 2016 and 31 March 2017. All awards in excess of £10,000 are referred to the Executive Committee and ratified by the Board.

ACHIEVEMENT AND PERFORMANCE REVIEW OF ACTIVITIES

1. Gross Fundraising

A gross total of £41,009 was raised from 1 April 2016 - 31 March 2017.

The Foundation hosted the inaugural St Andrew's Dinner and Dance on 18th November 2016 at Easterbrook Hall. Two hundred and sixty guests enjoyed a drinks reception followed by a candle lit three course meal. Special guest speakers for the evening were Fiona Armstrong, Lord-Lieutenant for Dumfries and Lt Col Sir Malcolm Ross, Lord-Lieutenant for the Stewartry of Kirkcudbright. Guests then enjoyed dancing for the rest of the evening to local ceilidh band Two Left Feet.

The event was organised by a Committee of enthusiastic volunteers led by Evelyn Hastings. The Foundation is grateful to the Committee and the many donors who supported the raffle and who took advertising in the programme.

The evening proved to be a great success generating a fundraising profit of £9,144.

The 15th annual Women of Dumfries and Galloway Lunch took place on Friday 10th March 2017. Chairman Vicky Jardine-Paterson welcomed over three hundred and eighty guests on the day. Two guest speakers were welcomed to the stage following the drinks reception and two course lunch. Singer, broadcaster, actress and producer Fiona Kennedy Clark regaled the audience with her wonderful stories, humorous anecdotes and beautiful singing, accompanied by Jenn Butterworth. Kirsty Wark, a patron of the Crichton Foundation gave a captivating talk covering everything from her love of the region, the value of female friendship and culminating in her rendition of the tale of Kate O'Shanter. The Foundation is very grateful to both speakers for their fascinating and entertaining talks.

Crichton Foundation

Report of the Trustees for the Year Ended 31st March 2017

ACHIEVEMENT AND PERFORMANCE

Our thanks go to Vicky and the Women's Lunch Committee, the many businesses that took advertising within the programme, those who gave donations and of course to Bonham's who once again provided very generous support as the main sponsor. The Foundation offers them all our grateful thanks for their support, which has helped to ensure the success of the event by raising £12,259.

2. Awards

The main achievements from 1 April 2016 - 31 March 2017 were as follows:

General Education Awards

The Foundation received 15 applications and issued 10 Awards totalling £3,800.

Academic Excellence Award

The Foundation received 5 applications and issued 4 Awards totalling £1,100.

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

Carson Reaching Potential Award

The Foundation received 22 applications and issued 18 Awards totalling £5,350. 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.

Hardship Awards

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 Awards

These awards for undergraduates and postgraduates are assessed by Student Services and monitored by the Awards Committee. 18 hardship grants were awarded during the year to a total value of £5,520. A further £7,000 has been awarded for the 2017/18 academic year.

Awards to Partners

Dumfries & Galloway College - Discretionary Fund (Ref: 1686)

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. A further £10,000 has been awarded for the 2017/18 Academic Year

Dumfries & Galloway College - The Crichton Foundation Prize & Shield (Ref: 1690)

The Foundation contributed 2 prizes totalling £1,000.

Dumfries & Galloway Council - Schools Da Vinci Challenge (Ref: 1683)

The Foundation sponsored £500 for the students T shirts at this event

Dumfries & Galloway Council - Business Week Lunch (Ref: 1715)

The Foundation contributed £800 towards the Business Week Lunch in the Crichton Church.

The Crichton Trust "Let's Get Sporty" (Ref: 1688)

The Foundation sponsored £100 towards the "Let's Get Sporty" family fun day

University of Glasgow - The Whithorn Pilgrimage: Sacred Journeys (Ref: 1677)

The Foundation contributed £350 to Dr V Bold to attend and present her paper at a conference in Prague.

University of Glasgow - A concept testing study - Developing a "Care Campus" on the Crichton campus (Ref: 1687)

The Foundation contributed £2,000 towards this project

University of Glasgow - Performance and Visitors' Perception of Authenticity in Eco-cultural Tourism Conference (Ref: 1689)

The Foundation contributed £200 to Dr G Tiberghien to attend and present his paper at a conference in Canterbury.

University of Glasgow - Hunterian In The South (Ref:108)

The Foundation contributed £31,250 to establish the Hunterian exhibits on the Crichton campus; this was made possible through generous donations for this purpose.

Crichton Foundation

Report of the Trustees for the Year Ended 31st March 2017

ACHIEVEMENT AND PERFORMANCE

3. Awareness Raising Activities

Between 01 April 2016 and 31 March 2017 the Foundation ran a successful series of seven Crichton Conversations delivered by high profile speakers on a range of contemporary topics. These included:

- Dr. Jeffrey Hoffman, Professor of the Practice of Aerospace Engineering delighted our audience discussing "What with wrong with the Hubble Space Telescope and How Did We Fix It?"
- Professor Michael Keating, Professor of Politics at the University of Aberdeen addressed the question "Where is Europe Heading."
- Neil Baxter Hon FRIAS, Chief Executive of the Royal Incorporation of Architects considered the topic "Building Health in with the Bricks"
- Richard, Duke of Buccleuch and Charles Jenks, renowned landscape designer spoke on "The Crawick Multiverse Land Art site: social transformation and public regeneration through art"
- The Annual SRUC lecture "Saving Nature: people and protected areas" was delivered by Simon Pepper OBE.
- Professor James Hough OBE FRS FRSE, physicist, led our audience through the topic "Ripples from the dark side of the universe"
- Hugh Pym, The BBC's Health editor, made a welcome return to discuss "The NHS: Challenges and opportunities for the decade ahead"

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: Farries, Kirk & McVean, The Open University in Scotland, Scotland's Rural College, University of Glasgow, University of the West of Scotland and other anonymous donors.

4. Breakdown of Income Received

Actual Income to 31 March 2017

Income raised from events £52,486

Income raised from Friends Scheme £8,370

Income received for Awards and Bursaries

General Education Fund £3,222

5. Crichton Campus Leadership Group

The CCLG continues to oversee the development of Academic activities in the Crichton Quarter. It has met on four occasions during the year and has, as well as hearing reports of progress from individual institutions, received presentations of a number of papers relating to possible and likely future developments. Notable amongst these has been the anticipated Crichton Care Campus which is generating considerable interest and involvement from several of the partners. The critical continuing support of the Funding Council is fully appreciated by all members of the Group.

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 2017 subscriptions generated a total of £ 8,370 in donations, 80% of which is allocated to educational grants with 20% allocated to administrative costs.

Crichton Foundation

Report of the Trustees for the Year Ended 31st March 2017

ACHIEVEMENT AND PERFORMANCE

8. Management Costs

The Foundation's activities are divided between fund-raising and awareness-raising. The total spent on administration to 31 March 2017 was £45,264.

FINANCIAL REVIEW

a. FINANCIAL ACTIVITIES

The results for the year to 31 March 2017 are set out in the statement of financial activities on page 11. The surplus amounted to £259,796. The surplus for the year was £60,792 before taking into account unrealised gains on investment assets of £199,004.

At the end of the reporting period, the charitable company has Total Funds of £2,316,938 (2016 - £2,057,142). Included within this total is Restricted Funds of £42,203 (2016 - £27,533). Amounts falling due within one year were £84,173, of which £566 was Trade Creditors (2016 - £53,295 and £7,210 respectively).

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 Awards Committee, chaired by Ian Wilson (retired September 2016) and Miss Evelyn Hastings OBE (appointed September 2016) 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 £10,000 must be referred to the Executive Committee for approval and ratified by the Board.

A legacy of £20,000 was received. The monies are to be used to fund an annual prize of £500 to the University student who is nominated for making an outstanding contribution to the Crichton Campus. No award was made in this financial year.

b. RISK MANAGEMENT REVIEW

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

c. RESERVES POLICY

At the end of the reporting period, the charitable company held reserves of £2,316,938 (2016 - £2,057,142). The Foundation's reserves mostly comprise of the funds invested in securities and cash held on their behalf by Brewin Dolphin Limited with a view towards generating the income required to cover expenditure each year. 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 Open University in Scotland, 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 Committee and ratified by the Board where appropriate. 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.

Crichton Foundation

Report of the Trustees
for the Year Ended 31st March 2017

FINANCIAL REVIEW

Plans for the future

a. FUTURE DEVELOPMENTS

Forward Strategy

The Foundation's main aim remains to be to make awards to students and campus partners. We have a close working relationship with our academic and other colleagues on campus.

Considerable changes have taken place in the Crichton Trust over the last year and it is very gratifying that an excellent relationship has been established between the Foundation and the Trust. We are beginning to look at joint projects aimed at improving overall facilities on Campus, to make it more student friendly, and indeed to encourage the public to embrace Crichton as part of their heritage which should be cherished.

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.

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 nineteen, unless determined in advance by Special Resolution at a 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 may be nominated by each of the six 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 six organisations with the right to nominate a Trustee are the Crichton Trust, the Board of Management of Dumfries & Galloway College, Dumfries and Galloway Council, the University of Glasgow Court, the Court of the University of West of Scotland and finally Scotland's Rural College.

Trustees may serve three 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 third 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 Committee
Gordon McKerrow, Honorary Treasurer
Ian Wilson, Chair of Awards and Grants Committee (retired September 2016)
Evelyn Hastings, Chair of Awards and Grants Committee (appointed September 2016)
Graeme Macfarlane, Chair of Audit Committee (retired September 2016)
Tom Aitken, Chair of Audit Committee (appointed September 2016)
Kirsty Barbour, Company Secretary

Crichton Foundation

Report of the Trustees for the Year Ended 31st March 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT COMMITTEE MEMBERSHIP 2016-2017

Executive Committee

Andrew Walls (Chairman), Evelyn Hastings, Graeme Macfarlane (retired September 2016), Gordon McKerrow and Ian Wilson (retired September 2016).

Audit Committee

Graeme Macfarlane (Chairman) (retired September 2016), Tom Aitken (Chairman) (appointed September 2016), Gill Dykes (appointed August 2016), Charles Grieve (appointed January 2017) Evelyn Hastings (retired September 2016) and Ian Wilson (retired September 2016). In attendance Gordon McKerrow and Andrew Walls.

Awards Committee

Ian Wilson (Chairman) (retired September 2016), Evelyn Hastings (Chairman) (appointed September 2016), Margaret Carruthers, Sue Irving, Arthur Jardine, Valerie McElroy, Netta Moffat (appointed October 2016) and Fraser Sanderson. In attendance Andrew Walls.

Event Committees

Women of Dumfries and Galloway Lunch

Vicky Jardine-Paterson (Chairman), Jenny Colledge, Mary Gladstone, Elizabeth Ann Hughes (appointed April 2016), Barbara Kelly, Stevie Norris, Helen Steele, Jean Tulloch, and Kim Wilson. In attendance, Andrew Walls.

St Andrew's Dinner Committee

Evelyn Hastings (Chairman), Maureen Crowley, Fiona Kerr, Netta Moffat (appointed January 2017) and Yvonne Stirling. In attendance Andrew Walls.

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.

At the Company's AGM on 7 September 2016 Graeme Macfarlane and Ian Wilson retired as elected Trustees, both having served two terms of office. No new Trustees were elected.

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 Events. These are chaired by a person nominated by the Board.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC361942 (Scotland)

Registered Charity number

SC024589

Registered office

Browne House
Crichton University Campus
Dumfries
DG1 4ZZ

Crichton Foundation

Report of the Trustees
for the Year Ended 31st March 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

E Hastings OBE
A Walls FRCS
I Wilson - resigned 7.9.16
G Macfarlane - resigned 7.9.16
Professor A Anderson MA PhD OBE
Miss V McElroy
G McKerrow
Dr S Norris
J Henderson
Professor D J Roberts
Mrs G Dykes - resigned 11.1.17
C Grieve - appointed 11.1.17
T Knowles - appointed 12.1.17
Rev G C Moule - appointed 11.1.17
Ms M E Burton - appointed 2.11.16
- resigned 2.5.17

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
Sixth Floor
Atria One
144 Morrison Street
Edinburgh
EH3 8BR

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 Charities SORP 2015 (FRSSE);
- make judgements and estimates that are reasonable and prudent;
- 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.

Crichton Foundation

Report of the Trustees
for the Year Ended 31st March 2017

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.

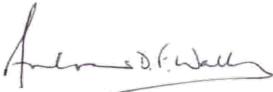
In so far as the trustees are aware:

- 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 22nd August 2017 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 2017 on pages eleven to twenty one. 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 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. 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 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 2017 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 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

22nd August 2017

Crichton Foundation

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	12,502	51,250	63,752	9,885
Other trading activities	3	52,486	-	52,486	51,082
Investment income	4	77,606	-	77,606	89,214
Total		<u>142,594</u>	<u>51,250</u>	<u>193,844</u>	<u>150,181</u>
EXPENDITURE ON					
Raising funds	5	55,485	-	55,485	54,842
Charitable activities					
Profile Raising	6	27,349	-	27,349	21,902
Awards		40,920	36,600	77,520	47,067
Governance Costs		4,500	-	4,500	4,320
Total		<u>128,254</u>	<u>36,600</u>	<u>164,854</u>	<u>128,131</u>
Net gains/(losses) on investments		<u>230,806</u>	-	<u>230,806</u>	<u>(89,836)</u>
NET INCOME/(EXPENDITURE)		245,146	14,650	259,796	(67,786)
RECONCILIATION OF FUNDS					
Total funds brought forward		2,029,589	27,553	2,057,142	2,124,928
TOTAL FUNDS CARRIED FORWARD		<u><u>2,274,735</u></u>	<u><u>42,203</u></u>	<u><u>2,316,938</u></u>	<u><u>2,057,142</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

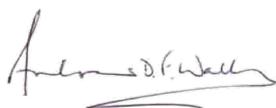
Crichton Foundation

Balance Sheet
At 31st March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	13	641	-	641	270
Investments	14	2,180,486	-	2,180,486	1,924,967
		<u>2,181,127</u>	<u>-</u>	<u>2,181,127</u>	<u>1,925,237</u>
CURRENT ASSETS					
Debtors	15	6,417	6,250	12,667	8,083
Cash at bank and in hand		140,113	67,204	207,317	202,117
		<u>146,530</u>	<u>73,454</u>	<u>219,984</u>	<u>210,200</u>
CREDITORS					
Amounts falling due within one year	16	(52,922)	(31,251)	(84,173)	(53,295)
		<u>93,608</u>	<u>42,203</u>	<u>135,811</u>	<u>156,905</u>
NET CURRENT ASSETS					
		<u>2,274,735</u>	<u>42,203</u>	<u>2,316,938</u>	<u>2,082,142</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>2,274,735</u>	<u>42,203</u>	<u>2,316,938</u>	<u>2,082,142</u>
CREDITORS					
Amounts falling due after more than one year	17	-	-	-	(25,000)
		<u>2,274,735</u>	<u>42,203</u>	<u>2,316,938</u>	<u>2,057,142</u>
NET ASSETS					
		<u>2,274,735</u>	<u>42,203</u>	<u>2,316,938</u>	<u>2,057,142</u>
FUNDS	18				
Unrestricted funds				2,274,735	2,029,589
Restricted funds				42,203	27,553
TOTAL FUNDS				<u>2,316,938</u>	<u>2,057,142</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.

The financial statements were approved for issue by the Board of Trustees on 22nd August 2017 and were signed on its behalf by:



A Walls FRCS-Trustee

Crichton Foundation

Notes to the Financial Statements for the Year Ended 31st March 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 applicable in the UK and Ireland (FRS 102) (effective 1 January 2015)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not 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.

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.

Crichton Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st March 2017

1. ACCOUNTING POLICIES - continued

Financial instruments

Cash and bank

Cash and bank comprises cash on hand and call deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for the sale of goods sold in the ordinary course of business.

Trade debtors are recognised initially at the transaction price and represent the full value of the services charged to customers, including any amounts charged on for third parties.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date they are presented as non current liabilities.

Awards and donations committed but unpaid

Awards and donations committed but unpaid are those where the charitable company has agreed to make an award but not actually paid it out yet, either because conditions are to be satisfied to obtain the award or because the commitment was for a future period.

2. DONATIONS AND LEGACIES

	2017	2016
	£	£
Donations	46,324	1,125
Gift aid	9,058	2,200
Friends of Crichton Foundation	8,370	6,560
	<u>63,752</u>	<u>9,885</u>

3. OTHER TRADING ACTIVITIES

	2017	2016
	£	£
Fundraising events	41,009	42,470
Profile raising	11,477	8,612
	<u>52,486</u>	<u>51,082</u>

4. INVESTMENT INCOME

	2017	2016
	£	£
Portfolio income	77,278	88,242
Deposit account interest	328	971
Interest on short-term deposit	-	1
	<u>77,606</u>	<u>89,214</u>

Portfolio income for 2016 includes a special dividend received of £10,625 in that year.

Crichton Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st March 2017

5. RAISING FUNDS

Other trading activities

	2017	2016
	£	£
Staff costs	17,824	17,494
Costs of fundraising	25,932	24,459
Depreciation	129	1,557
Interest payable and similar charges	80	70
	43,965	43,580

Investment management costs

	2017	2016
	£	£
Stockbroker fees	14,600	11,262
Aggregate amounts	55,485	54,842

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 7)	Support costs (See note 8)	Totals
	£	£	£	£
Profile Raising	7,057	-	20,292	27,349
Awards	-	77,520	-	77,520
Governance Costs	-	-	4,500	4,500
	7,057	77,520	24,792	109,369

7. GRANTS PAYABLE

	2017	2016
	£	£
Awards	77,520	37,248

Crichton Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st March 2017

7. GRANTS PAYABLE - continued

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

	2017	2016
	£	£
Summer School	-	3,709
Dumfries & Galloway College - Discretionary Fund	20,000	10,000
Dumfries & Galloway College - Crichton Foundation Prize	1,000	500
Dumfries & Galloway Schools - Da Vinci Challenge	500	-
CUC Boat Club	-	2,160
University of West of Scotland Raspberry Pi Project	-	400
University of West of Scotland Social Work Summer School	-	224
University of Glasgow Outreach Project	-	500
University of Glasgow Summer School	(1,450)	1,500
University of Glasgow Bethan Woods	-	500
University of Glasgow - Hunterian Project	31,250	-
University of Glasgow - Valentina Bold	350	-
University of Glasgow - Crichton Care	2,000	-
Lets Get Sporty	100	-
University of Glasgow - Canterbury Conference	200	-
Dumfries & Galloway Council - business week	800	-
	<u>54,750</u>	<u>19,493</u>

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

	2017	2016
	£	£
Carson Bursaries	5,350	5,600
Post Graduate Excellence Award	-	600
Under Graduate Excellence Award	1,100	2,905
Crichton Foundation Hardship	12,520	5,550
General Education Award	3,800	1,300
Crichton Vision Award	-	1,800
	<u>22,770</u>	<u>17,755</u>

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

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Profile Raising	20,292	-	20,292
Governance Costs	-	4,500	4,500
	<u>20,292</u>	<u>4,500</u>	<u>24,792</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Auditors' remuneration	4,500	4,320
Depreciation - owned assets	258	3,114
Hire of plant and machinery	440	460
Deficit on disposal of fixed asset	2	-
	<u>5,200</u>	<u>8,904</u>

Crichton Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st March 2017

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2017 nor for the year ended 31st March 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2017 nor for the year ended 31st March 2016.

11. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	33,912	33,038
Social security costs	-	320
Other pension costs	1,736	1,630
	35,648	34,988
	35,648	34,988

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

	2017	2016
Administration and support	2	2
	2	2
	2	2

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 11 (2016 - 11).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	9,885	-	9,885
Other trading activities	51,082	-	51,082
Investment income	89,214	-	89,214
	150,181	-	150,181
Total	150,181	-	150,181
EXPENDITURE ON			
Raising funds	54,514	328	54,842
Charitable activities			
Profile Raising	21,902	-	21,902
Awards	41,467	5,600	47,067
Governance Costs	4,320	-	4,320
	122,203	5,928	128,131
Total	122,203	5,928	128,131
Net gains/(losses) on investments	(89,836)	-	(89,836)
NET INCOME/(EXPENDITURE)	(61,858)	(5,928)	(67,786)
RECONCILIATION OF FUNDS			
Total funds brought forward	2,091,447	33,481	2,124,928
	2,029,589	27,553	2,057,142
TOTAL FUNDS CARRIED FORWARD	2,029,589	27,553	2,057,142

Crichton Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2017**

13. TANGIBLE FIXED ASSETS

	Tenants improvements £	Office equipment £	Computer equipment £	Totals £
COST				
At 1st April 2016	18,334	6,119	1,442	25,895
Additions	-	-	631	631
Disposals	-	-	(2)	(2)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2017	18,334	6,119	2,071	26,524
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1st April 2016	18,334	6,110	1,181	25,625
Charge for year	-	-	258	258
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2017	18,334	6,110	1,439	25,883
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31st March 2017	-	9	632	641
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st March 2016	-	9	261	270
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2016	1,924,967
Additions	689,336
Disposals	(632,821)
Unrealised gains	199,004
	<hr/>
At 31st March 2017	2,180,486
	<hr/>
NET BOOK VALUE	
At 31st March 2017	2,180,486
	<hr/> <hr/>
At 31st March 2016	1,924,967
	<hr/> <hr/>

There were no investment assets managed outside the UK.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other debtors	-	2,941
Prepayments and accrued income	12,667	5,142
	<hr/>	<hr/>
	12,667	8,083
	<hr/> <hr/>	<hr/> <hr/>

Crichton Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st March 2017

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	566	7,210
Social security and other taxes	536	750
Accruals and deferred income	9,821	18,611
Awards and donations committed but unpaid	73,250	26,724
	<u>84,173</u>	<u>53,295</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Awards and donations committed	-	25,000
	<u>-</u>	<u>25,000</u>

18. MOVEMENT IN FUNDS

	At 1.4.16	Net movement	Transfers	At 31.3.17
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	2,006,272	250,970	(1,654)	2,255,588
Friends of Crichton Foundation	19,147	6,696	(6,696)	19,147
Hardship Fund	4,170	(12,520)	8,350	-
	<u>2,029,589</u>	<u>245,146</u>	<u>-</u>	<u>2,274,735</u>
Restricted funds				
Lloyds Henry Duncan Fund	2,161	-	-	2,161
Carson Reserve Fund	25,392	(5,350)	-	20,042
Sir David Landale Prize Fund	-	20,000	-	20,000
	<u>27,553</u>	<u>14,650</u>	<u>-</u>	<u>42,203</u>
TOTAL FUNDS	<u>2,057,142</u>	<u>259,796</u>	<u>-</u>	<u>2,316,938</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	135,898	(115,734)	230,806	250,970
Friends of Crichton Foundation	6,696	-	-	6,696
Hardship Fund	-	(12,520)	-	(12,520)
	<u>142,594</u>	<u>(128,254)</u>	<u>230,806</u>	<u>245,146</u>
Restricted funds				
Hunterian Project Fund	31,250	(31,250)	-	-
Sir David Landale Prize Fund	20,000	-	-	20,000
Carson Reserve Fund	-	(5,350)	-	(5,350)
	<u>51,250</u>	<u>(36,600)</u>	<u>-</u>	<u>14,650</u>
TOTAL FUNDS	<u>193,844</u>	<u>(164,854)</u>	<u>230,806</u>	<u>259,796</u>

Crichton Foundation

Notes to the Financial Statements - continued for the Year Ended 31st March 2017

18. MOVEMENT IN FUNDS - continued

Transfers between funds

During the year there was a transfer of £6,696 from the Friends of Crichton Fund to the General Fund which represents the surplus for the year from Friends memberships. Also £7,000 was transferred from the General Fund to the designated Hardship Fund.

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. The fund therefore remains as restricted for use against such an event in the future.

Two new Restricted funds were instigated during the year to March 2017:

The Sir David Landale Prize Fund is to be used initially, but with flexibility for the future, to provide an annual award of £500 to a single outstanding University student on the Crichton Campus.

The Hunterian Project Fund represents funds donated for the specific purpose of moving part of the Hunterian Collection from University of Glasgow to be put on permanent display on the Crichton Campus. This fund was fully spent in the year under review.

19. 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 expired on 25 June 2016 and a peppercorn rental of £1 is payable per annum.

In addition, during the year under review £28,523 (2015 - £21,073) was paid for event hire at the Easterbrook Hall. The Easterbrook Hall is run by the Crichton Development Company Ltd. Furthermore, £839 (2016 - £687) 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 Margaret Burton was a Trustee of both during the year under review.

During the year under review £33,800 (2016 - £2,500) was awarded to 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 £21,000 (2016 - £10,500) was awarded to Dumfries & Galloway College in awards. Trustee John Henderson is a Board member of Dumfries & Galloway College.

20. 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 £1,736 (2016 - £1,630). There was £144 (2016 - £2,955) outstanding at the year end.

Crichton Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st March 2017

21. FINANCIAL INSTRUMENTS

The carrying amounts of the company's financial instruments are as follows:

	2017	2016
Financial assets		
Debt instruments measured at amortised cost:		
Other debtors	-	2,941
Total	<u>-</u>	<u>£2,941</u>
Financial liabilities		
Measured at amortised cost:		
Trade creditors	566	7,210
Other creditors	73,250	51,724
Total	<u>£73,616</u>	<u>£58,934</u>