



Alexander Sloan

Accountants and Business Advisers

THE BAIRDWATSON CHARITABLE TRUST

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

Charity Registration No. SC038468 (Scotland)

THE BAIRDWATSON CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Nominations (Glasgow) Limited Robert Francis Kerr CA John Ramsay Marie Jo McGurl
Charity number (Scotland)	SC038468
Principal address	Harper Macleod LLP The Ca'd'oro 45 Gordon Street Glasgow G1 3PE
Independent examiner	Alexander Sloan Accountants and Business Advisers 180 St Vincent Street Glasgow G2 5SG
Bankers	The Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2AD
Investment advisors	Rathbones George House 50 George Square Glasgow G2 1EH St James's Place St James's Place House 1 Tetbury Road Cirencester Gloucestershire GL7 1FP

THE BAIRDWATSON CHARITABLE TRUST

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THE BAIRDWATSON CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The purposes of the charity as set out in the Trust deed are:

- The relief of poverty
- The advancement of education
- The advancement of religion
- The advancement of health
- The advancement of citizenship or community development
- The advancement of the arts, heritage, culture or science
- The advancement of public participation in sport
- The provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended
- The advancement of human rights, conflict resolution or racial harmony
- The promotion of equality and diversity
- The advancement of environmental protection or improvement
- The relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage

The Trust makes grants to registered charities and to other organisations for charitable work in Scotland and India.

The Trust deed specifies a particular interest in the communities of Ayr and Airdrie and their surrounding districts, and of Darjeeling and West Bengal in India.

The Trustees have discretion in grant making and are currently focusing on specific objectives as set out on the website - education or training for employment, re-training, supporting people into work, and vocational training, especially for young people. Their aims are to relieve poverty, improve the quality of life and maximise the development of individuals by enabling them to find paid work, or to assist them to move nearer to paid employment by means of training and education. The Trustees are particularly keen to support organisations which help their clients into sustainable, paid employment. To these ends, grants are made to charitable organisations and to organisations which undertake work or training intended to further the charitable objectives of the Trust. The Trustees may also make grants to individuals with the same aim in view, although no grants were made to individuals in the year.

THE BAIRDWATSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance

Review of Activities

The target set during 2019-2020 for grant making was £86,788. This figure included the figure of £80,000 allocated annually, with an additional £6,788 rolled over from 2018-2019. Awards made during the financial year £67,407.

Applications for funding were invited on the website and the assessor engaged in promotion of the Trust through attending meetings, making contact with local voluntary service coordinating bodies and general publicity. The assessor has delegated responsibility to refuse applications which are not eligible according to the criteria set out on the website.

Grants were paid as follows:

SAVE- UK, India: A grant of £10,502 was awarded in June 2019, to support the third year of a three-year project working with two organisations in India. One project will work with 10 people with disabilities in West Bengal to support training in mobile phone repair, composting and entrepreneurship with a view to self-employment and the other project, based in Nepal, will work with 20 young women training them in tailoring skills.

Girvan Youth Trust, South Ayrshire: A grant of £10,000 was awarded in February 2020 towards the ongoing running costs of Project SEARCH in South Ayrshire. Project SEARCH provides a long term work placement for students with learning disabilities and/or on the autistic spectrum in their final year of education and who want their next step to be employment. Work placements were to be undertaken at Culzean Castle in Ayrshire.

Citizens Advice Bureau, Motherwell: A grant of £18,886 was paid to Motherwell Wishaw Citizens Advice Bureau in February 2020 for year one of a two year project designed to provide employability training, support and certificated training to enable young adults to seek work within the construction trade, a key employment area in North Lanarkshire. The award was returned to the Trust in May 2020 as the project start date is on hold due to Covid-19.

CVO East Ayrshire, East Ayrshire: A grant was awarded in February 2020 for £10,000 for year two of a two year project designed to support the life chances and employability of up to 88 vulnerable young people from across North Lanarkshire and East Ayrshire by combining practical environmental skills training with employability skills training.

One Parent Families Scotland Ltd (OPFS), North Lanarkshire: A grant of £11,500 was awarded in February 2020 for the third year of a three year project designed to support up to 30 young parents per year from Airdrie and the surrounding areas to improve their self-esteem, confidence and employability skills. A full 26 weeks of aftercare was integrated in to the project to support the participants to move in to employment, training or education.

Lanarkshire Enterprise Services Ltd, North Lanarkshire: A grant of £2,000 was awarded in June 2019 and a further grant of £4,000 was awarded in February 2020 as part of year two for a four year project. It will fund three young people in three year apprenticeships. One apprentice started a year before the other two and therefore the project has been extended from the three years initially agreed.

The Princes Foundation, A grant of £10,389 was awarded in June 2019 for a project designed to be an eight-week programme for between six and nine participants which addresses the shortage of textile artists in the UK while also helping local unemployed people into work. The programme ran in the bespoke textile training centre on the Dumfries House Estate, Ayrshire.

Right Track, A grant of £9,016 was awarded in June 2019 to support young people to have the confidence and aspiration to consider a different path, via individual and intensive access to vocational understanding and Employment opportunities. The project hoped 100 disadvantaged young people would have improved understanding of the local Employment market.

THE BAIRDWATSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Financial review

Review of results

Per the Statement of Financial Activities on page 8, the Trust reported net expenditure of £357,169 (2019: £5,838 net Surplus) after unrealised losses of £314,822 (2019: £67,690 unrealised gains).

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reserves Policy

The Trustees agreed that grants should be made from income and exceptionally from capital where projects meet the aims of the Trust, whilst ensuring sufficient reserves are maintained. At close of the Accounts the Trustees held liquid funds of £11,304 which they considered adequate for the purposes of investment and grant making to appropriate recipients.

Investment policy and performance

The Trustees retain Rathbones and St James's Place Wealth Management as their investment advisers. Both Rathbones and St James's Place report to the Trustees quarterly on the performance of the Trust's investments and meet with the Trustees at each Trustee meeting. The portfolio is managed to achieve a balance between income generation and capital growth.

Risk Management

The Trustees have reviewed the risks to which the Trust is exposed and are satisfied that there are no major risks to the Trust, and that procedures to monitor and manage risk are in place. The Trustees consider the key risks to be in operational matters and compliance. The Trustees employ an experienced assessor and engage the services of professional firms to mitigate these risks.

Future Developments

The Trustees' plans for the future include:

- A grants programme of £72,995 in 2020/2021, and further review of the funds available. The Trustees anticipate less income this year and therefore reduced the grants programme by £10,000.
- Increasing publicity for the work of the Trust and more support for potential applicants
- Continuing to be proactive in North Lanarkshire and South Ayrshire to stimulate more applications
- Continuing relationship with SAVE UK to explore further potential projects in West Bengal
- Providing continuing education and training for Trustees by various means including inviting speakers to meetings and circulating information papers

THE BAIRDWATSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management

Constitution

The Baird Watson Charitable Trust was established by a trust deed dated 3 May 2007, 23 June 2007 and 3 July 2007. The purposes set out in the trust deed are widely expressed, but the Trustees have given priority to the geographical areas specified in the deed, viz. Ayr, Airdrie and their surrounding districts, and West Bengal, especially Darjeeling, in India. They have also concentrated grant making on employment related areas.

The Trust is a charity registered with the Office of the Scottish Charity Regulator, SC038468. The Trust was initially established by a grant from Mrs Philomena Baird Watson who was one of the original Trustees until her death and, while having wide charitable aims, seeks to follow the interests and concerns of Neil Baird Watson, her late husband and Managing Director of the former Caldervale Engineering Services Ltd., Airdrie. The Trustees assumed a new Trustee, Marie Jo McGurl, by Deed of Assumption dated 25 April 2019, 29 April 2019, 2 May 2019 and 12 May 2019.

The Trustees were selected for their skills, knowledge and experience. All of the Trustees are familiar with the interests of the late Neil Baird Watson, and have been made aware of the guidance available for trustees and the requirements and responsibilities of trustees as set out by OSCR (Office of the Scottish Charity Regulator), the Statement of Recommended Practice and in charity regulations.

The deed specifies the number of Trustees to be not less than 3 or more than seven. There are currently four Trustees. The Trustees met 3 times in the year to 31 March 2020 for the purposes of making and reviewing grants and general business. At these meetings, the Trustees reviewed their strategy, risks and investments, grant payments and reports from grant holders. The day to day administration of the Trust was carried out by Harper Macleod LLP. The assessment and monitoring of grants was done by a self-employed assessor, Linda Anderson. The assessor acts as the point of contact for all grant related enquiries, produces information and recommendations for the Trustees, and holds a contract from the Trust for a maximum of 20 hours per month. Linda Anderson was paid a total of £4,910 in fees and expenses for 140 hours.

Legal services were provided by Harper Macleod LLP. Some of the partners of Harper Macleod LLP are also directors of Nominations (Glasgow) Limited, which is one of the Trustees. Invoices totalling £18,168 (2019: £17,772) were paid by the Trust to Harper Macleod LLP for work carried out in the year.

The Trustees

The Trustees who served during the year and up to the date of signature of the financial statements were:

Nominations (Glasgow) Limited

Robert Francis Kerr CA

John Ramsay

Marie Jo McGurl

THE BAIRDWATSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Method of Appointment or Election of Trustees

The number of Trustees shall not be less than three or more than seven. Should the number of Trustees fall below three the Trustees shall forthwith assume such additional Trustee or Trustees as shall be necessary to restore to not less than the minimum requirement. New Trustees shall be assumed in accordance with the provisions of Section 21 and Schedule B of the Trusts (Scotland) Act 1921 and any statutory modification or re-enactment thereof in force for the time being.

Refusals

Potential applicants are encouraged to contact the assessor and discuss proposals before completing an application form. This ensures that very few formal applications reach the stage of being rejected by the assessor for not meeting the criteria as set out by the BairdWatson Charitable Trust.

A focus of the assessor's role throughout the year was raising awareness of the Trust and the work that it does.

A total of twenty-five enquires were made throughout the year which did not fit the specified criteria and no application was made.

Twenty-two full applications were received, with five being successful and seventeen applications being refused on a variety of grounds.

Following their decision last year to invite speakers to their meetings, and to develop their knowledge in particular areas, the trustees invited representatives from charities they had supported to meet with them in June 2019 to talk about their work and the challenges they face in raising funds.

Taxation

The Trust is a charity and is recognised as such by HM Revenue and Customs for taxation purposes. Accordingly, there is no direct liability to taxation on its income.

Covid-19

In March 2020, The World Health Organisation declared Covid-19 a pandemic. The Trustees have considered the impact of Covid-19 on the Trust and have concluded that any adverse effect will be relatively low.

The valuation of the investments decreased by 14.8% as at 31 March 2020 compared to the prior year. However, at the date of signing the financial statements, the stock market had shown signs of improvement since 31 March 2020. The Trustees have assessed that no assets held at the Balance Sheet date are permanently impaired.

The impact of a lower level of investments during the year ending 31 March 2021 is likely to be lower dividends. Based on recent years' financial results, the Trustees believe that even a reduced level of dividends is still likely to exceed grants awarded and running costs. The Trustees feel that they can be reactive to the implications of Covid-19 should this mean fewer meetings during the current accounting year and a smaller amount of grants being disbursed.

The Trustees do not consider that the Covid-19 pandemic will affect the charity's ability to continue as a going concern.

The Trustees' report was approved by the Board of Trustees.

Jacqueline Leslie

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Jacqueline Leslie

Nominations (Glasgow) Limited

Trustee 23/12/2020

Dated:

THE BAIRDWATSON CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland 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 charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

THE BAIRDWATSON CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BAIRDWATSON CHARITABLE TRUST

I report on the financial statements of the charity for the year ended 31 March 2020, which are set out on pages 8 to 16.

Respective responsibilities of Trustees and examiner

The charity's Trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's Trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Kevin G Booth

Kevin G Booth
Alexander Sloan
Accountants and Business Advisers
180 St Vincent Street
Glasgow
G2 5SG

23/12/2020

Dated:

THE BAIRDWATSON CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted funds 2020 £	Unrestricted funds 2019 £
	Notes		
<u>Income and endowments from:</u>			
Investments	3	63,618	58,793
Other income	4	1,039	-
Total income		<u>64,657</u>	<u>58,793</u>
<u>Expenditure on:</u>			
Raising funds	5	7,691	9,204
Cost of charitable activities	6	101,075	111,441
Total expenditure		<u>108,766</u>	<u>120,645</u>
Net gains/(losses) on investments	11	(314,822)	67,690
Net movement in funds		(358,931)	5,838
Fund balances at 1 April 2019		<u>2,583,895</u>	<u>2,578,057</u>
Fund balances at 31 March 2020		<u><u>2,224,964</u></u>	<u><u>2,583,895</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 10 to 16 form an integral part of these financial statements.

THE BAIRDWATSON CHARITABLE TRUST

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Investments	12		2,207,557		2,590,427
Current assets					
Debtors	14	18,938		1,814	
Cash at bank and in hand		11,304		5,229	
		<u>30,242</u>		<u>7,043</u>	
Creditors: amounts falling due within one year	15	<u>(12,835)</u>		<u>(13,575)</u>	
Net current assets/(liabilities)			17,407		(6,532)
Total assets less current liabilities			<u>2,224,964</u>		<u>2,583,895</u>
Income funds					
Unrestricted funds			2,224,964		2,583,895
			<u>2,224,964</u>		<u>2,583,895</u>

23/12/2020

The financial statements were approved by the Trustees on

Jacqueline Leslie

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Jacqueline Leslie

Nominations (Glasgow) Limited

Trustee

The notes on pages 10 to 16 form an integral part of these financial statements.

THE BAIRDWATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

The BairdWatson Charitable Trust is a Scottish registered charity. The principal address is Harper Macleod LLP, The Ca'd'oro, 45 Gordon Street, Glasgow, G1 3PE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised when the shareholder's right to receive payment is established, measured at the fair value receivable. Generally this is upon notification by the investment adviser once the dividend has been declared.

THE BAIRDWATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Other income

Other income represents income that cannot be reported under the other analysis headings provided within the Statement of Financial Activities and is recognised when the charity is entitled to the income, it is probable that it will be received and the amount can be measured reliably by the charity.

1.5 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 settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Investment Management costs

Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It includes the costs of all fundraising activities and events together with those costs incurred in seeking donations, grants and legacies and investment management costs.

Charitable activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

Grant expenditure

Grants payable are made to third parties in the furtherance of the charitable objects. The award of a grant is recognised as a liability only when the criteria for a constructive obligation are met, payment is probable, it can be measured reliably and there are no conditions attaching to its payment that limit recognition.

In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.

Governance costs

Governance costs (which are included as a component of support costs in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination), strategic management, and other legal and professional fees.

VAT

The Trust is not registered for Value Added Tax and accordingly expenditure includes Value Added Tax where appropriate.

THE BAIRDWATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

THE BAIRDWATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	63,563	58,752
Interest receivable	55	41
	<u>63,618</u>	<u>58,793</u>

4 Other income

	Unrestricted funds	Total
	2020	2019
	£	£
Other income	1,039	-
	<u>1,039</u>	<u>-</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Investment management	7,691	9,204
	<u>7,691</u>	<u>9,204</u>

THE BAIRDWATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Cost of charitable activities

	2020 £	2019 £
Project and activities costs	10,745	6,504
Running costs	18,693	18,055
Governance costs	4,230	4,830
	<u>33,668</u>	<u>29,389</u>
Grant funding of activities (see note 7)	67,407	82,052
	<u>101,075</u>	<u>111,441</u>

7 Grants payable

	2020 £	2019 £
Grants to institutions (8 grants):		
Kirkshaws Neighbourhood Centre	-	10,250
Scottish Association for Mental Health	-	7,800
Save UK	10,502	10,502
Girvan Youth Trust	10,000	10,000
Impact Arts	-	10,000
Citizens Advice Bureau	-	10,000
One Parent Families Scotland	11,500	11,500
CVO East Ayrshire	10,000	10,000
Lanarkshire Enterprise Services Ltd	6,000	2,000
The Princes Foundation	10,389	-
Right Track	9,016	-
	<u>67,407</u>	<u>82,052</u>

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year except for certain amounts disclosed at note 17.

9 Employees

There were no employees during the year.

THE BAIRDWATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Net income/(expenditure)

	2020	2019
	£	£
Net income/(expenditure) for the year is stated after charging:		
Independent examination fees	4,230	4,880
	<u>4,230</u>	<u>4,880</u>

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	(308,701)	67,940
Gain/(loss) on sale of investments	(6,121)	(250)
	<u>(314,822)</u>	<u>67,690</u>

12 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Fair value (Market value)			
At 1 April 2019	2,581,592	8,835	2,590,427
Additions	93,544	-	93,544
Valuation changes	(308,701)	-	(308,701)
Cash movements	-	(5,027)	(5,027)
Disposals	(162,686)	-	(162,686)
	<u>2,203,749</u>	<u>3,808</u>	<u>2,207,557</u>
Carrying amount			
At 31 March 2020	<u>2,203,749</u>	<u>3,808</u>	<u>2,207,557</u>
At 31 March 2019	<u>2,581,592</u>	<u>8,835</u>	<u>2,590,427</u>

13 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>2,207,557</u>	<u>2,590,427</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>12,835</u>	<u>13,575</u>

THE BAIRDWATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

14 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Other debtors	18,886	-
Prepayments and accrued income	52	1,814
	<u>18,938</u>	<u>1,814</u>

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other creditors	12,835	13,575
	<u>12,835</u>	<u>13,575</u>

16 Commitments

During the year to 31 March 2020, the Trust awarded a grant of £6,000 to Lanarkshire Enterprise Services Ltd towards the second year of project 'Edvise'. A payment of £6,000 will be awarded in the year 2020-21 towards the third year of the project and a further award of £4,000 towards the fourth year of the project in the year 2021-22.

During the year to 31 March 2020, the Trust awarded a grant of £18,886 to Citizens Advice Bureau Motherwell and Wishaw towards the first year of their project which will be paid in 2020-21. A grant of £19,237 will be awarded in the year 2020-21 towards the second year of the project which will be paid in 2021/22.

17 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The Trust employs the services of Harper Macleod LLP. Some of the partners of this firm are also directors of Nominations (Glasgow) Limited, one of the charity Trustees. The firm has charged £18,168 (2019: £17,772) in respect of professional services provided to the Trust during the year, of which £4,536 (2019: £2,434) was outstanding at the year end.

No emoluments or reimbursement of expenses were paid to Trustees in the current year (2019: £nil of expenses were reimbursed).

The following pages do not form part of the statutory accounts

THE BAIRDWATSON CHARITABLE TRUST

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	2020		2019	
	£	£	£	£
<u>Investment income</u>				
Dividends	63,563		58,752	
Other interest receivable	55		41	
	<hr/>		<hr/>	
		63,618		58,793
<u>Other income</u>				
UF Other income	1,039		-	
	<hr/>		<hr/>	
		1,039		-
Total income		<hr/>		<hr/>
		64,657		58,793
Total expenditure		(108,766)		(120,645)
Net gains/(losses) on investments		<hr/>		<hr/>
		(314,822)		67,690
Net (deficit)/surplus for the year		<hr/>		<hr/>
		<u>(358,931)</u>		<u>5,838</u>

THE BAIRDWATSON CHARITABLE TRUST

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Raising funds		
Investment management costs	7,691	9,204
	<hr/>	<hr/>
Total raising funds expenditure	7,691	9,204
	<hr/> <hr/>	<hr/> <hr/>
<u>Charitable activities</u>		
<u>Grants payable</u>		
Grants to institutions	67,407	82,052
	<hr/>	<hr/>
	67,407	82,052
<u>Projects and activities</u>		
Administration of donations	10,745	6,504
	<hr/>	<hr/>
	10,745	6,504
<u>Running costs</u>		
Computer, website and IT costs	525	283
Administration	18,168	17,772
	<hr/>	<hr/>
	18,693	18,055
<u>Governance costs</u>		
Independent examination fees	4,230	4,830
	<hr/>	<hr/>
	4,230	4,830
Total charitable activities expenditure	33,668	29,389
	<hr/> <hr/>	<hr/> <hr/>
Total expenditure	108,766	120,645
	<hr/> <hr/>	<hr/> <hr/>

Certificate Of Completion

Envelope Id: 566AFE06AFA94F6297BDDAA9DE6E597F	Status: Completed
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	nil
	Glasgow, Glasgow G2 5SG
	kevin.booth@alexandersloan.co.uk
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Signer Events

Signer Events	Signature	Timestamp
Jacqueline Leslie Jacqueline.Leslie@harpermacleod.co.uk Security Level: Email, Account Authentication (None)	<i>Jacqueline Leslie</i> Signature Adoption: Pre-selected Style Using IP Address: 194.70.179.58	Sent: 12/23/2020 7:46:48 AM Viewed: 12/23/2020 7:48:28 AM Signed: 12/23/2020 7:50:25 AM

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Kevin G Booth kevin.booth@alexandersloan.co.uk Partner Alexander Sloan Security Level: Email, Account Authentication (None)	<i>Kevin G Booth</i> Signature Adoption: Pre-selected Style Using IP Address: 51.132.22.113	Sent: 12/23/2020 7:50:26 AM Viewed: 12/23/2020 7:50:47 AM Signed: 12/23/2020 7:51:22 AM
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In Person Signer Events

In Person Signer Events	Signature	Timestamp
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Editor Delivery Events

Editor Delivery Events	Status	Timestamp
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Agent Delivery Events

Agent Delivery Events	Status	Timestamp
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Intermediary Delivery Events

Intermediary Delivery Events	Status	Timestamp
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Certified Delivery Events

Certified Delivery Events	Status	Timestamp
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Carbon Copy Events

Carbon Copy Events	Status	Timestamp
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Megan Dunbar Megan.Dunbar@harpermacleod.co.uk Security Level: Email, Account Authentication (None)	COPIED	Sent: 12/23/2020 7:51:23 AM
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Witness Events

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	12/23/2020 7:46:48 AM
Certified Delivered	Security Checked	12/23/2020 7:50:47 AM
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Payment Events	Status	Timestamps
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