

**Foundation
Scotland**

Foundation Scotland

(a company limited by guarantee and not having share capital)

Annual Report and financial statements

31 March 2018

Company number SC152949
Scottish charity number SC022910
VAT registration number 250379900

Contents

REPORT OF THE BOARD OF TRUSTEES	2
About Foundation Scotland	2
Reference and administrative details	2
STRATEGIC REPORT	9
Fund distribution	9
Financial review	10
Plans for future periods	11
Reserves policy	11
Investment policy	11
Risks	12
Structure, governance and management	13
Trustees	13
Committees	14
Management and staff	14
Key management personnel remuneration	14
Volunteers	15
Trustees' indemnity insurance	15
FINANCIAL STATEMENTS	16
Disclosure of information to auditors	16
Statement of Trustees' Responsibilities	16
Independent auditors' report to the trustees and members of Foundation Scotland	17
Opinion	17
Statement of financial activities	20
Balance sheet	21
Cash flow statement	22
Notes forming part of the financial statements	23

REPORT OF THE BOARD OF TRUSTEES

About Foundation Scotland

Foundation Scotland's theory of change

As we grow our place-based approach, we believe that:

- ... with a mosaic of people as changemakers – philanthropists, citizens and investors
- ... who have access to diverse, long-term funding
- ... and with our committed support – of brokering, facilitation, coaching and partnership
- ... this will lead to more sustainable, empowered and resilient communities

Our priorities

We have four (near or medium) term strategic priorities:

1. Build long-term FS Capital Funds for sustainable communities in Scotland (achieve collective funds totalling £45million)
2. Grow long-term, non-invested funds to support charities, social enterprises and communities in Scotland (grow annual fund distribution to £10million)
3. Develop an inspiring Foundation
4. Achieve a thriving Foundation

Public Benefit

Foundation Scotland provides public benefit in a range of ways. Through a process of research and due diligence and using long-term expertise, we bring together deserving needs and opportunities across Scotland's communities with independent funders. We ensure that public benefit is targeted and has lasting impact.

Reference and administrative details

Trustees:

Toby Anstruther	Ian Marr	Isabella Simpson
Robert Benson (Resigned 05/12/17)	James McCulloch ^{2,3}	Emily Stair (Resigned 6/12/16)
Gillian Donald (Resigned 05/12/17)	John Naylor ²	Thomas Ward (Chair) ^{2,3,4}
Samantha Fiander	Lauren Scott (Resigned 27/02/18)	
James Hilder (appointed 12/06/18)	Barry Sillers (appointed 13/6/17)	

Membership of Board Sub-Committees

² Finance and Investment ³ Remuneration

⁴ Women's Fund for Scotland Development

Chief Executive Giles Ruck

Senior Management team:

Charmaine Ferris - Head of Philanthropy	Rachel Searle-Mbullu - Head of Community Investment
Hamish McCall-Smith (to February 2018) - Head of Finance	Jan Torrance (to May 2017) - Head of Communications
Helen Wray (from May 2017) - Head of Programmes	Liz Sams (from February 2018) - Chief Finance and Operations Officer

Secretary

Hamish McCall-Smith

Registered office

15 Calton Road, Edinburgh, EH8 8DL.

Solicitors

Shepherd & Wedderburn, 1 Exchange Crescent, Conference Square, Edinburgh, EH3 8UL

Investment advisors

Brewin Dolphin Ltd, Sixth Floor, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX
Charles Stanley & Co. Ltd, 2 Multrees Walk, St Andrew Square, Edinburgh, EH1 3DQ
Newton Investment Management Ltd, 160 Queen Victoria Street, London, EC4V 4LA
Rossie House Investment Management, 50 Moray Place, Edinburgh, EH3 6BQ
Speirs & Jeffrey Ltd, George House, 50 George Square, Glasgow, G2 1EH
Standard Life Wealth Ltd, Standard Life House, 1 George Street, Edinburgh EH2 2LL

Bankers

Royal Bank of Scotland plc, 36 St Andrew Square, Edinburgh, EH2 2YB

Auditors

Henderson Loggie, 11 -15 Thistle Street, Edinburgh, EH2 1DF

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Progress against Planned Objectives

(1) Pathways to Change

During 2017 the Chief Executive launched an organisational change project, Pathways to Change. The project had two main purposes. Firstly to ensure that the team structure, capacity and expertise matched the range of delivery required by the Foundation's funding clients. Secondly, the restructure was intended to pave the way toward improved collaborative working, ultimately to support a future objective of working with communities to develop community endowment funds.

The re-organisation was successfully implemented between April and August. The resulting team structure improved the focus on particular client types, and also improved the financial and operational support capacity and expertise, as follows.

- Philanthropy team – the focus is mainly on individual and family clients, with these clients advising on the funding strategy and distribution of funding for charitable and community purposes.
- Programmes team – the focus is mainly on organisational clients, such as companies and charitable trusts, with a representative(s) of the organisation advising on strategy and funding distribution.
- Communities team – the focus is on company and community company clients, with a mandate for the Foundation to develop a community representative panel to advise on funding strategy and distribution

Each of these three teams is responsible for the recruitment of appropriate clients and the delivery of services, which is mainly focussed on funding distribution to charities, community projects and social enterprises, i.e. each team can fully manage and monitor the funding pathway, from inward donation and set-up of client funds, through to grant making, grant management, monitoring and evaluation (where relevant) with their specialist client type.

- Finance and Support Team – in particular the existing finance team merged with a central administrator and a communications role, under a new senior role of Chief Finance and Operations Officer. This role was filled later in the financial year, with a raft of software platforms and systems developments awaiting, all focussed on improving effective support for the three teams listed above, and improving the underlying financial efficiency of the Foundation.

The new structure has enabled some improved collaborative working, however the structure only fully settled toward the end of the financial year, meaning it was too soon to make progress on the objective to develop significant community endowments. This is intended as a major development in the forthcoming Five Year Plan, from 2019, and it is expected that there will be progress to report in the 2018/19 financial year.

(2) Growth of Clients and Fund Distribution to Support Charities and Communities

Fund Distribution

Two of the three teams achieved their budgeted funding distribution. The Communities Team distribution of funds was below the projected level, based on timing of the launch of some new funds. The total fund distribution was broadly on track, at about £9.5m funding support.

Team	Planned	Full Year Actual
	£000's	£000's
Communities	4,094	3,459
Philanthropy	3,991	4,079
Programmes	1,732	2,042
Total	9,817	9,580
<i>Year ended 31/3/17</i>		<i>7,352</i>

FS Capital Funds – the endowment

In recent years about £4million of new funds have been donated each year to be invested, either as new client funds or as sums to add to existing endowments. In general this activity relates mainly to the Philanthropy Team. This year saw a lower income than projected, and may have related to the restructure project, which diverted time and focus from this important area. However, growing interest in community-focussed invested funds resulted in a single community establishing a new invested fund with an opening deposit of £500,000. This supports a future focus on developing community endowments.

Team	Planned	Full Year Actual
	£000's	£000's
Communities	500	525
Philanthropy	3,300	2,152
Programmes	500	0
Total	4,300	2,677
<i>Year ended 31/3/17</i>		<i>912</i>

Client, fund and project examples

The Nationwide Building Society established a funding programme, focussed on housing services to people in need and support for the most vulnerable. The three areas of support include: preventing people from being homeless, helping people into a home and supporting people to remain in their home. Project examples include stabilising rental accommodation e.g. by helping people to access bond schemes; and, supporting independent living within their current home e.g. offering adaptations to support older people or people with disabilities to live at home. This new programme supports one and two year projects, via existing housing and homelessness charities in Scotland.

The Foundation continued to develop **support for place-based community funds**. This included concluding **Fourteen** that was part of the Glasgow Commonwealth Games legacy and supported by the Spirit of 2012 Trust and which the Foundation administered in six communities – **Caithness (Highland), Islay & Jura (Argyll & Bute), Dumbiedykes (Edinburgh) and Ruchill & Possilpark, the Calton and the Gorbals (Glasgow)**. All communities established Panels that worked in partnership with the Foundation to deliver a range of funding opportunities to increase health and well-being through participation in grassroots sports and physical activity, cultural activity and the arts and youth leadership and personal development.

There was continued growth in the number of place-based funds administered which are linked to renewable energy schemes, including those in Angus, South Lanarkshire, Scottish Borders, South Ayrshire and Dumfries & Galloway. The Foundation is involved with **administration or support for well over 50 community benefit funds, at least one-third of Scotland's total**. These contribute significantly to a diverse range of social, cultural, economic and environmental outcomes. The Foundation employs a volunteer Panel model, nurturing and working with local leadership. The overwhelming response from the Annual Panel survey was that the Funds are **making a real difference** to the lives of those who live in the beneficiary communities.

Through its CARES programme (Community and Renewable Energy Scheme), **the Scottish Government** drew on Foundation expertise in community benefit fund design and implementation. Related work included improvements in the nationwide register of community benefits, compilation of case studies and development of guidance templates and good practice materials.

The Foundation developed **Education and Training Funds** on behalf of communities which benefit from **EDF Renewables** funding. These contribute to the prospects of local people by encouraging and supporting them to develop more skills and pursue further qualifications.

- 64% of awards have supported individuals for training that will benefit local employment including childcare, forestry, plumbing, joinery, electrician, other trades, haulage, agriculture and courses to support employability.
- 25% of awards have supported individuals on engineering, construction, health and safety and other STEM related courses.

The Foundation supported a UK-wide community foundation bid for funding from the **Tampon Tax Fund**, held by the Treasury. Via the Women's Fund for Scotland this successful bid has enabled a wide range of new developments in Scotland. An example is in funding the co-ordinator to establish **Scotland's first women's law centre, the Scottish Women's Rights Centre**. This is a joint project between Rape Crisis Scotland, the University of Strathclyde Law Clinic and the Legal Services Agency. Via a helpline it has already received 298 calls and 58 women were taken on for representation during this period, covering matters such as child contact, residency and maintenance; protective orders; rights in the criminal justice process; immigration and asylum.

A long-standing fund, the **David and Averil McDonald Trust, supported a growing venture, the Larder Cook School in Livingston.** The Larder has two aims: support young people experiencing multiple barriers into work in, and get as many people in West Lothian cooking their own healthy food. They run cookery activities for adults, children and companies, with profits re-invested in training and employability programmes. These programmes teach employability skills to gain and sustain a job, alongside practical skills for the hospitality sector. Young people 14 to 19 participate, with priority for those with a family history of unemployment or who face multiple barriers to secure employment. The funding supports the cost of a fulltime manager, with the outcome of an increased the number of venues that the Larder works from, with training programmes to 60 young people, up 20 from the previous year.

An innovative development in the community of Strontian is a community-owned primary school building. When faced with the prospect of temporary portakabins for the next ten years, as a replacement for a dilapidated primary school, the community quickly rallied its talent, time and resources to design and build its own new school building. The smart design of the new school is that it can be remodelled into affordable housing a decade from now, once the permanent new primary school is provided by the Highland Council. In the meantime, leasing the school to the Council provides a steady income stream towards servicing the debt taken on the by the community. As part of the overall financial package **a Foundation client, the Coram Trust, contributed to the programme.** Interested in housing in particular, the client who established this fund was impressed with the vision, drive and ingenuity of the community, and decided to contribute financial support, demonstrating that a blend of external philanthropic and community-raised funding can be achieved.

During the year **the Galson Estate Trust on the Isle of Lewis asked the Foundation to establish a community endowment.** The Foundation supported the Trust about ten years ago, with some modest funding for business planning, just after the community had taken the crofting estate into community ownership. Their business planning included income generation proposals, such as small-scale wind turbines. Ten years on the Trust has a range of income streams, including ground rental from mobile phone masts, tourist accommodation and the intended wind turbines. In addition to funding a small project development team and running their own community funding scheme, the Trust decided to establish an endowment, i.e. investing surplus funding for a very long-term period. They turned to the Foundation to undertake this for them. Of £33 million in total FS Capital Funds (the endowment), around £1million represents recent community endowments, with £0.5million of this being established by the Galson Estate Trust for, as yet, unknown future opportunities in their community.

The Foundation has a productive and growing relationship with investment management partnership Baillie Gifford. In addition to continuing delivery of the highly valued Community Awards Programme, which funds lower income charities and community organisations, Baillie Gifford agreed to fund a new Capacity Building Programme at the Foundation. This related to the first full year operation of the Foundation's new office Hub in Edinburgh, and supports small charities to use the high quality meeting and seminar spaces in the Hub at no cost. Supported organisations are asked to demonstrate how their various use of meeting space will help build their capacity and develop as an organisation, and examples include trustee training events, volunteer development and planning meetings.

(3) Foundation Governance Development

The Foundation began to refresh Board composition during the year, running a successful trustee recruitment campaign. Ahead of full-term (nine year) retiral of existing trustees in future years, the Foundation reviewed the range of expertise and influence required by the Board, and also noted the opportunity provided by a wider geographic representation across Board composition. Now that about half the staffing complement of the Foundation is located outside of Edinburgh and Glasgow, to match location of community funds, it has become important to develop similar geographic diversity across the Board.

A successful recruitment drive led to the appointment of three new trustees during the year, Barry Sillers, Samantha Fiander and Toby Anstruther. They bring expertise in marketing and communications, rural community development, strategy and planning; influence in the philanthropy sector; and, their appointments have begun an ongoing process to widen geographic diversity. A further recruitment drive in 2018/19 will continue this process.

STRATEGIC REPORT

Fund distribution

In total, the Foundation received 3,854 applications and made 2,878 awards totalling £9.6m on behalf of its clients during 2017/18:

Applications and awards summary	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of applications received for grants during year	1,966	2,453	2,287	2,987	2,412	2,774
Number of awards made in year	1,177	1,197	1,169	1,784	1,324	1,798
Value of awards made in year	£4,964k	£7,794k	£6,641k	£4,721k	£6,122	£7,668
Number of FS Charity Account applications / awards	1,211	1,167	1,049	1,027	1,088	1,080
Value of awards made in year	£523k	£554k	£809k	£1,132k	£1,230k	£1,912k
Total value of awards in year	£5,487k	£8,648k	£7,450k	£5,853k	£7,352k	£9,580k

The value and number of awards made varies from year to year depending on the funding received from donors and the type of grantmaking programmes being run.

Financial review

The Statement of Financial Activities for the year is set out on page 24.

Income into the charity's unrestricted funds totalled £3.25m and associated expenditure totalled £1.7m

Total income for the year was £13.8m (2017: £11.5m). A breakdown of the main sources follows.

Main sources of income	2017/18	2016/17	Change
	£000's	£000's	£000's
Funds for non-invested grant making	8,393	8,550	(157)
Funds for invested grant making	2,677	912	1,765
Funds from Challenge events	(2)	410	(412)
Other (donations, interest etc.)	2,703	1,674	1,029
Total income	13,771	11,546	2,225

Main income sources

The increase in income is mainly due to higher receipts in the year for additions to endowments and also one off dividend receipts from the holding in Glengowrie Rubber.

Total expenditure for the year was £11.2m (2017: £9.4m). A breakdown of main areas follows.

Main areas of expenditure	2017/18	2016/17	Change
	£000's	£000's	£000's
Operational costs			
Fund development	319	368	(49)
Challenge events	-	350	(350)
Grant and loan making and support	1,346	1,293	53
Grants			
Grant making	7,668	6,122	1,546
Transactions from charity and online giving Accounts	1,912	1,230	682
Total expenditure	11,245	9,363	1,563

Main areas of expenditure

The increase in expenditure was largely driven by increased grantmaking and its associated costs which reflected the larger number of funds.

Plans for future periods

The Foundation will seek to grow the number and range of clients and the charitable funds which it holds and manages. As per the strategic priorities there will be an increased focus on building FS Capital Funds, growing the endowment to £50million and beyond, and increased levels of annual grantmaking, aiming to reach consistent and sustainable annual fund distribution of £10million.

As ever, we will endeavour to seek high quality charitable projects for clients to support that provide real impact in local communities. However, we will also increase our local footprint across Scotland as we grow our place-based approach.

Reserves policy

The Trustees have assessed the reserves of the Foundation (see note 14) in light of the likely future income and expenditure streams, with particular reference to its core costs. The agreed objective is to retain sufficient general funds to meet its obligations and to ensure financial stability. The minimum reserve target has been set as one year's core costs, currently estimated at approximately £1,700k. At 31 March 2018, the free reserves of the charity (Unrestricted funds less the net book value of fixed assets) were £2,294k. Foundation Scotland participates in the Scottish Voluntary Sector Pension Scheme, which was closed to future accrual in 2010. There is currently no intention to wind-up this scheme. If the charity ceased to participate in the scheme a debt of approximately £1,754k would become payable (as at 30th September 2015).

Investment policy

The Trustees have absolute discretion in the investment of funds of the Foundation and have agreed an investment strategy in conjunction with their appointed investment advisers. The investment objective is to maximise total return with a medium risk profile. Currently, the money is predominantly invested in broadly based investment trusts and unit trust funds or held in cash. One of the unit trust funds has been selected for donors who require their funds to be invested ethically. The intention going forward is to withdraw up to four per cent of the total value of the funds, each year, for the benefit of the grant making programme and its associated support costs unless a donor has specifically requested a higher drawdown.

Investment policy *(continued)*

The returns achieved by each fund manager for the portfolios they manage on a discretionary basis and the total return for all funds under management for the year ended 31st March 2018 was as follows:

Investment manager	Return	Benchmark return	Benchmark
	%	%	
Brewin Dolphin Ltd	1.8	1.9	*1
Charles Stanley & Co Ltd	3.5	1.5	WMA Balanced
Newton Investment Management Ltd	2.5	1.5	*2
Rossie House Investment Management	2.7	1.5	WMA Balanced
Speirs & Jeffrey Ltd	6.9	1.5	WMA Balanced
All funds under management	14.3	2.4	ARC Charity Steady Growth
All funds under management ex one-off dividend	10.9		*3

Tailored Benchmark constructed by investment managers

*1 35.0% FTSE All Share, 30% FTSE World ex UK, 17.5% FTSE Gilts All Stocks

*2 50% FTSE All Share, 25% FTSE World ex UK, 20% FTA All Stocks, 5% Cash.

*3 During the year the Foundation received an exceptional one-off special dividend of £1million. Excluding this dividend the return achieved by investments was 10.9% and is directly comparable to last year.

It is the Foundations policy to be as helpful as possible to potential donors. We will accept donations of investments as a transfer from a donor's personal investment portfolio and allow them to remain invested with the donor's investment manager. These assets are overseen by the Foundation and in line with our Investment Policy. The Foundation now has significant assets that are invested in line with donors' wishes. This year these "donor driven" assets have outperformed those that are invested with our discretionary fund managers.

Risks

The Board is responsible for the management of the risks faced by the Foundation. Risks are identified and assessed by the Trustees and Senior Management team and, as a result, controls

established on an ongoing basis. An overhaul of the risk management system was undertaken and the Risk Management Policy updated including a section on risk appetite.

The key controls of the Foundation include:

- Formal structure and agendas for the Board and sub-committees governed in line with detailed terms of reference.
- Comprehensive business planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies including authorisation and approval procedures.

The Senior Management team covers risk as an agenda heading in their meetings, with actions undertaken to address any areas considered necessary. The top three risks identified and actions to mitigate those as follows:

Risk	Mitigating actions:
Loss of significant funder	Focus on key strategic partners and quality of our work to ensure funder's expectations are met.
Change of government policy, particularly in relation to subsidies for renewable energy and its impact on community benefit funds	Remain connected to decision makers / influencers.
Competition from other providers of similar charitable services	Regular review of market place and competitor analysis.

Through the risk management process of the Foundation, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable assurance that major risks have been adequately managed.

Structure, governance and management

Foundation Scotland is a charitable company limited by guarantee, incorporated on 7th September 1994 and registered as a charity in January 1992. The organisation was established under a memorandum of association, which established the objects and powers of the organisation and is governed under its articles of association.

Trustees

Members of the board of Trustees are the directors of the company. The Trustees are responsible for establishing a vision and clear strategic priorities for the Foundation. These priorities, together

with underlying objectives and performance indicators, are established on a three-year and annual basis, and the Chief Executive reports on them at Trustee meetings. According to their skills, experience and interests, most trustees take responsibility for one or more areas of activity, including appointment to a committee.

Trustees are appointed by the board and serve for three years, after which period they may put themselves forward for reappointment up to a nine-year total. The Trustees meet four times a year, including a full away day. Those in office during 2017/18 and at the date of this report are set out in the reference and administrative details section of this report.

On appointment, each Trustee subscribes to a code of conduct and completes a register of interests, which is renewed annually. New Trustees and committee members receive a role description and appropriate strategy documents. They each attend an induction programme, covering the key aspects of our services, and also visit grant funded projects in order to see the difference made on a grassroots, community basis.

Committees

The board of Trustees has three sub-committees which focus on specific areas and have relevant duties delegated to them via a Terms of Reference. The committees are:

- Finance and Investment
- Remuneration
- Women's Fund for Scotland Development [Dissolved November 2017]

Management and staff

The Trustees consider the board of Trustees as holding responsibility for directing, controlling, and discharging the purpose of the charity. The Senior Management Team comprises the key management personnel of the charity in charge of running and operating the charity on a day to day basis.

The Senior Management team consists of the Chief Executive, the Chief Finance and Operations Officer, the Head of Communities the Head of Philanthropy, and the Head of Programmes. At 31 March 2018, the Foundation employed 33 people, of whom 14 worked part-time.

Key management personnel remuneration

The Trustees consider the board of Trustees and the Senior Management team as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and

no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in notes 7 and 16 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Foundation's policy withdraw from decisions where a conflict of interest arises.

The pay of the Senior Management team is reviewed annually and normally increased in regard to the rate of inflation where funding allows.

The remuneration is also periodically bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles and adjusted where possible.

Volunteers

In addition to our Trustees, a further 6 individuals volunteered during this year as members of our board sub-committees, providing guidance and advice to support the effective governance and strategic management of the Foundation.

Trustees' indemnity insurance

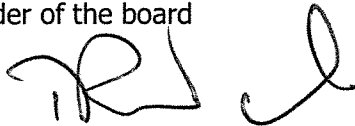
As permitted by Section 233 of the Companies Act 2006, the Company has purchased insurance cover on behalf of the Trustees indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

FINANCIAL STATEMENTS

Disclosure of information to auditors

The Trustees who held office at the date of approval of this directors' report confirm that, so far as they each are aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Thomas Ward
Chair

04 December 2018

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Law applicable to incorporated charities in Scotland requires the trustees to prepare an annual report and financial statements for each financial year in accordance with applicable law and regulations. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity at the end of the year and of its financial activities including its income and expenditure during the year then ended.

In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper and adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Independent auditors' report to the trustees and members of Foundation Scotland

Opinion

We have audited the financial statements of Foundation Scotland (the 'charitable company') for the period ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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)

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report which includes the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report which includes the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors (who are also the trustees of the charitable company for the purposes of charitable law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

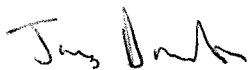
Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 the Acts and relevant regulations made or having effect thereunder

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's directors, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.



James Davidson (Senior statutory Auditor)
For and on behalf of Henderson Loggie
Chartered Accountants & Statutory Auditors
Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

04 December 2018

11-15 Thistle Street
Edinburgh
EH2 1DF

Statement of financial activities

(Incorporating the income and expenditure account)

for the year ended 31 March 2018

	<i>Note</i>	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds 2018 £000	Total Funds 2017 £000
Income & endowments from:						
<i>Donations and legacies</i>	2	960	-	-	960	1,102
Other trading activities – Challenge events	2	-	-	-	-	410
Investments	2	1,097	4	508	1,609	493
<i>Charitable activities:</i>						
Income for grant making	2	1017	6,095	2,677	9,789	8,456
Charity & online giving accounts	2	48	1,233	-	1,281	1,006
		<u>3,122</u>	<u>7,332</u>	<u>3,185</u>	<u>13,639</u>	<u>11,467</u>
Other		132	-	-	132	79
Total income		<u>3,254</u>	<u>7,332</u>	<u>3,185</u>	<u>13,771</u>	<u>11,546</u>
Expenditure on:						
<i>Raising funds</i>						
Development costs	3	319	-	-	319	368
Challenge events	3	-	-	-	-	350
		<u>319</u>	<u>-</u>	<u>-</u>	<u>319</u>	<u>718</u>
<i>Charitable activities</i>						
Grants payable in furtherance of the charity's objects	4	-	7,668	-	7,668	6,122
Charity & online giving accounts	4	-	1,912	-	1,912	1,230
Grant and loan making services	5	1,346	-	-	1,346	1,293
		<u>1,346</u>	<u>9,580</u>	<u>-</u>	<u>10,926</u>	<u>8,645</u>
Total expenditure		<u>1,665</u>	<u>9,580</u>	<u>-</u>	<u>11,245</u>	<u>9,363</u>
Net gains / (losses) on investments		(44)	-	2,818	2,774	4,739
Net income / (expenditure)		<u>1,545</u>	<u>(2,248)</u>	<u>6,003</u>	<u>5,300</u>	<u>6,922</u>
Transfers between funds	14	133	2,209	(2,342)	-	-
Net income after transfers between funds		<u>1,678</u>	<u>(39)</u>	<u>3,661</u>	<u>5,300</u>	<u>6,922</u>
Actuarial losses on defined benefit pension scheme		5	-	-	5	(18)
Net movement in funds		<u>1,683</u>	<u>(39)</u>	<u>3,661</u>	<u>5,305</u>	<u>6,904</u>
Total funds brought forward		<u>2,815</u>	<u>6,993</u>	<u>29,684</u>	<u>39,492</u>	<u>32,588</u>
Total Funds carried forward	14	<u>4,498</u>	<u>6,954</u>	<u>33,345</u>	<u>44,797</u>	<u>39,492</u>

All of the charity's activities are continuing.

Balance sheet
at 31 March 2018

	<i>Note</i>	2018	2017
		£000	£000
Fixed assets			
Tangible assets	<i>9</i>	1,486	1,501
Investment property	<i>9</i>	718	692
Investment in subsidiary undertaking	<i>10</i>	-	-
Other investments	<i>10</i>	36,256	30,807
		38,460	33,000
Current assets			
Debtors	<i>11</i>	762	1,255
Cash at bank and in hand		8,815	7,885
		9,577	9,140
Creditors: amounts falling due within one year	<i>12</i>	(2,884)	(2,265)
Net current assets		6,693	6,875
Provision for liabilities and charges	<i>13</i>	(356)	(383)
Net assets		44,797	39,492
Funds			
Endowment funds- General	<i>14</i>	23,996	21,463
- Revaluation reserve		9,349	8,221
		33,345	29,684
Restricted funds	<i>14</i>	6,954	6,993
Unrestricted funds - General		4,381	2,659
- Revaluation reserve	<i>14</i>	117	156
		4,498	2,815
		44,797	39,492

These financial statements were approved by the board on ⁴xx December 2018 and were signed on its behalf by:

Thomas Ward



Chair

Company number SC152949

Cash flow statement

for the year ended 31 March 2018

	2018	2017
	£000	£000
Net expenditure as per the statement of financial activities	5,300	6,922
Adjustments for;		
Depreciation charge	80	45
(Gains)/losses on investments	(2,774)	(4,739)
Interest and dividend income	(1,609)	(493)
Decrease / (increase) in debtors	493	(83)
Increase / (decrease) in creditors	619	615
Increase / (decrease) in defined benefit pension provision	(22)	(18)
Net cash provided by operating activities	2,087	2,249
Cash flows from investing activities:		
Dividends & interest from investments	1,609	493
Purchase of property, plant and equipment	(91)	(2,215)
Proceeds from sale of investments	3,590	3,418
Purchase of investments	(6,265)	(2,570)
Net cash used in financing activities	(1,157)	(873)
Change in cash and cash equivalents in the reporting period	930	1,375
Cash and cash equivalents at the beginning of the reporting period	7,885	6,510
Cash and cash equivalents at the end of the reporting period	8,815	7,885

Notes forming part of the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material to the financial statements

Status of the company

The Foundation is a company, incorporated in Scotland and limited by guarantee of its members and does not have a share capital. Each member has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the company being wound up. If on the winding up of the company any assets remain after satisfaction of all the company's debts and liabilities, such assets shall be given or transferred to some charitable body or bodies whose objects are altogether or in part similar to the objects of the company.

The financial statements are presented in pounds sterling, which is the functional currency of the charity, and rounded to the nearest thousand pounds.

Basis of preparation and assessment of going concern

The financial statements are prepared under the historical cost convention as modified by the revaluation of investment assets and are in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Accounts (Scotland) Regulations 2006 and the constitution of the Trust.

The charity constitutes a public benefit entity as defined by FRS 102.

Going concern

The trustees have considered the position for the next twelve months and concluded that the use of the going concern basis of accounting is appropriate because there are no material uncertainties relating to activities or conditions that may cast doubt about the ability of the charity to continue as a going concern.

Incoming resources

Incoming resources, including legacies and gifts are recognised when there is entitlement, probability of receipt and the income can be measured with sufficient accuracy. Where income is received subject to certain conditions or for particular future expenditure the income is deferred.

Income from the endowment fund is added to the fund. Each year up to 4% of the endowment fund (unless a donor has specifically asked for a higher level) is distributed to the purposes of each of the funds with an approximate 1% contribution to administration and grant making costs transferred to the general fund.

Income received for grant making programmes on behalf of other funders and deposits to "Charity and online giving accounts" are included within Incoming resources from Charitable Activities.

Resources expended

All expenditure is recognised on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to the relevant category of resources expended. The Foundation became registered for VAT during the year and all expenditure categories therefore include irrecoverable VAT.

Funds

Funds are classified as restricted, endowment, designated or general. These are defined as follows:

- Restricted funds are funds which must be used for specific activities which have been declared by the donor;
- General funds are expendable at the discretion of the board of Trustees in the furtherance of the objects of the Foundation;
- Endowment funds represent those assets which are held for long term investment by the Charity.

Further details of the nature and purpose of each fund and the basis of transfers are given in note 14.

Notes (continued)

Fixed assets and depreciation

Fixed assets are included at cost.

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Heritable property	-	over 50 years
Furniture	-	over 5 years
IT and Office equipment	-	over 3 years
Office fittings (leased properties)	-	over term of lease

Investment properties

Investment properties or parts of properties held for investment purposes are measured initially at cost and subsequently at fair value at the reporting date.

Valuations are carried out every five years by an external expert and derived from the current market rents and investment property yields for comparable property, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of financial activities.

Investments

Investments are included at market value at the balance sheet date.

Realised gains and losses, representing the difference between sale proceeds and market value at the previous financial year end, or purchase cost if acquired during the financial year, are dealt with in the statement of financial activities. Unrealised gains and losses, representing the movement in the market value of investments over the financial year, or from their date of purchase if acquired during the financial year, are dealt with separately in the statement of financial activities.

Leases

Assets acquired under finance leases or hire purchase are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease.

Pension scheme

The company participates in a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by FRS102 it recognises a liability representing the net present value of the deficit reduction contributions payable under the existing deficit funding arrangements.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Where loans are repayable on demand these debts are not discounted.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of one year or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

Redundancy costs

Whilst the charity takes every step to avoid redundancy the nature of funding makes such decisions occasionally necessary. Redundancy costs are recognised once a constructive obligation exists.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes (continued)

Taxation status

The Company is recognised by HM Revenue & Customs as a charity for the purposes of the Corporation Tax Act 2010 part 11 and is exempt from income and corporation tax on its charitable activities.

Judgements in applying accounting policies and key sources of estimation uncertainty

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.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the charity as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether that are indicators of Impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

The following are the charity's key sources of estimation uncertainty:

The value of the deficit in the defined benefit pension fund is determined using an actuarial valuation. The actuarial valuation involves making assumptions about discount rates, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of the liabilities, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future pension increases are based on expected future inflation rates.

Notes *(continued)*

2 Incoming resources

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds 2018 £000	Total Funds 2017 £000
Income from donations and legacies					
Donations	960	-	-	960	1,102
Total	960	-	-	960	1,102
<i>Year ended 31/3/17</i>	<i>1,102</i>	<i>-</i>	<i>-</i>	<i>1,102</i>	
Income from other trading activities – Challenge events					
Caledonian Challenge 2016	-	-	-	-	410
Total	-	-	-	-	410
<i>Year ended 31/3/17</i>	<i>410</i>	<i>-</i>	<i>-</i>	<i>410</i>	
Income from Investment					
Dividends	1,072		508	1,580	452
Bank interest	25	4	-	29	41
Total	1,097	4	508	1,609	493
<i>Year ended 31/3/17</i>	<i>36</i>	<i>7</i>	<i>450</i>	<i>493</i>	

Notes (continued)

2 Incoming resources (continued)

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds 2018 £000	Total Funds 2017 £000
<i>Income from charitable activities</i>					
Annual grant making funds	1,017	6,095	-	7,112	7,544
Invested funds	-	-	2,677	2,677	912
Total charity	1,017	6,095	2,677	9,789	8,456
<i>Year ended 31/3/17</i>	<i>979</i>	<i>6,565</i>	<i>912</i>	<i>8,456</i>	
Charity & online giving accounts	48	1,233	-	1,281	1,006
Total	48	1,233	-	1,281	1,006
<i>Year ended 31/3/17</i>	<i>46</i>	<i>960</i>	<i>-</i>	<i>1,006</i>	
<i>Public sector funding including BIG Lottery:</i>					
Scottish Government – Tampon tax	-	-	-	-	600
BIG Lottery – Jessica	257	-	-	257	267
BIG Lottery – Spirit of 2012 - 14	87	168	-	255	739
Total	344	168	-	512	1,606

Notes *(continued)*

3 Costs of raising funds: Development and Challenge events

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total Funds 2018 £000	Total Funds 2017 £000
Development					
Staff costs	205	-	-	205	199
Public relations	-	-	-	-	11
Office admin/consultancy	6	-	-	6	15
Website	14	-	-	14	24
Support costs & governance	94	-	-	94	119
	<u>319</u>	<u>-</u>	<u>-</u>	<u>319</u>	<u>368</u>
Total					
	<u>319</u>	<u>-</u>	<u>-</u>	<u>319</u>	<u>368</u>
<i>Year ended 31/3/17</i>	<u>368</u>	<u>-</u>	<u>-</u>	<u>368</u>	

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total Funds 2018 £000	Total Funds 2017 £000
Challenge events					
Staff costs	-	-	-	-	74
Event logistics	-	-	-	-	206
Public relations	-	-	-	-	33
Office admin/consultancy	-	-	-	-	11
Support costs & governance	-	-	-	-	26
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350</u>
Total					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350</u>
<i>Year ended 31/3/17</i>	<u>350</u>	<u>-</u>	<u>-</u>	<u>350</u>	

These costs relate to Challenge events as follows:

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total Funds 2018 £000	Total Funds 2017 £000
Caledonian Challenge 2016	-	-	-	-	350
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350</u>
Total					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350</u>

Notes *(continued)*

4 Grants payable in furtherance of the charity's objects

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2018 £000	Total 2017 £000
Annual grant making	-	5,976	-	5,976	5,642
Invested funds	-	1,692	-	1,692	431
Fundraising events	-	-	-	-	49
Total	-	7,668	-	7,668	6,122
Charity & online giving accounts	-	1,912	-	1,922	1,230
	-	9,580	-	9,580	7,352
<i>Year ended 31/3/17</i>	<i>49</i>	<i>7,303</i>	<i>-</i>	<i>7,352</i>	

Grants by Local Authority

	2018 £000s	2017 £000s
North		
Highland	687	630
Orkney & Shetland	12	24
Western Isles	18	6
North East		
Aberdeen City	80	58
Aberdeenshire	227	330
Moray	53	149
East		
Angus	33	18
Dundee City	183	116
Fife	212	244
Perth & Kinross	207	88
Central		
East Dunbartonshire	14	9
Falkirk & Clackmannanshire	235	201
North Lanarkshire	96	176
South Lanarkshire	256	212
Stirling	211	203
West Dunbartonshire	21	23
West		
Argyll & Bute	308	367
East Renfrewshire	20	10
Glasgow City	569	938
Inverclyde	25	30
Renfrewshire	25	33
Carried forward	3,492	3,865

Notes (continued)

4 Grants payable in furtherance of the charity's objects (continued)

Grants by Local Authority (continued)	2018	2017
	£000s	£000s
Brought forward	3,492	3,865
South East		
East Lothian	14	70
Edinburgh City	1,768	385
Midlothian	69	79
West Lothian	158	80
Scottish Borders	338	264
South West		
Dumfries & Galloway	727	522
East Ayrshire	21	77
North Ayrshire	26	59
South Ayrshire	802	575
Other		
Outwith Scotland	253	146
Total	7,668	6,122

5 Community Investment, Philanthropy, Programmes & Resilient

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2018 £000	Total 2017 £000
Staff costs	712	-	-	712	661
Office, administration and consultancy	27	-	-	27	53
Travel, training and recruitment	42	-	-	42	37
Website and other grant promotion	8	-	-	8	9
Grant assessor travel & training	22	-	-	22	24
Support costs & governance	535	-	-	535	509
Total	1,346	-	-	1,346	1,293
<i>Year ended 31/3/17</i>	<i>1,293</i>	<i>-</i>	<i>-</i>	<i>1,293</i>	

Notes *(continued)*

6 Governance & other support costs allocation

Governance costs	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2018 £000	Total 2017 £000
Office costs	1	-	-	1	3
Travel, training and recruitment	3	-	-	3	2
Auditors' remuneration	12	-	-	12	12
	<u>16</u>	<u>-</u>	<u>-</u>	<u>16</u>	<u>17</u>

Allocation of Governance & other support costs:

	Development £000	Grant and loan Making £000	Total 2018 £000	Total 2017 £000
Staff costs – Finance & Admin	28	162	190	221
Travel, training and recruitment	7	39	46	24
Rent & rates	7	40	47	89
Office costs	25	139	164	183
IT costs	4	20	24	36
Audit & other professional fees	11	61	72	46
Depreciation	11	68	79	45
Interest expense	1	6	7	10
	<u>94</u>	<u>535</u>	<u>629</u>	<u>654</u>

Notes (continued)

7 Total expenditure

	<i>Note</i>	Staff costs £000	Depreciation £000	Other costs £000	Total 2018 £000	Total 2017 £000
Development	3	233	11	75	319	368
Events	3	-	-	-	-	350
Grants payable	4	-	-	7,668	7,668	6,122
Charity & online giving accounts	4	-	-	1,912	1,912	1,230
Grant & loan making costs	5	874	68	404	1,346	1,293
Total		1,107	79	10,059	11,245	9,363

Staff costs:

	2018 £000	2017 £000
Wages and salaries	955	1,010
Redundancy costs	4	7
Social security costs	91	96
Other pension costs	57	42
Total	1,107	1,155
Interest expense in respect of defined benefit pension scheme	7	10
Actuarial gains/ (losses) on defined benefit pension schemes	5	18
Deficit pension contributions paid	29	28

At the end of the financial year pension contributions amounting to £7,581 (2017: £7,297) were payable and are included in creditors.

The Foundation considers its Senior Management Team to be its key management personnel. The total pay of key management in the year was £274,202 (2017: £263,148), total employer national insurance was £31,052 (2017: £30,512), total employer pension contributions was £15,558 (2017: £15,787) and total redundancy costs were £3,668 (2017: £Nil).

2 employees (2017:2) received remuneration in excess of £60,000 in the following bandings:

	2018	2017
£60,000 - £70,000	1	2
£70,000 - £80,000	1	

The average number of staff employed by the company (excluding Trustees) during the year, analysed by category, was as follows:

	2018 No.	2017 No.
Community Investment	12	14
Executive	1	1
Finance and Operations	5	5
Philanthropy	7	7
Programmes	4	4
Resilient	4	4
Total	33	35

Notes (continued)

7 Total expenditure (continued)

Members of the Board of Trustees are not remunerated by the Foundation; 3 (2017: none) Trustees received expenses during the year totalling £386 (2017: £nil) for attending meetings and attending training courses. The Trustees had Trustees indemnity insurance in place during the year.

8 Net incoming resources

Net incoming resources is stated after charging:

	2018 £000	2017 £000
Depreciation and other amounts written off tangible fixed assets	79	45
Auditor's remuneration		
Audit of these financial statements	13	13
Other services – pensions & life assurance	1	2
Other services - payroll	3	3
VAT services	4	6

9 Tangible fixed assets

	Land & buildings £000s	Investment Land & buildings £000s	Fixtures, fittings & equipment £000s	Total £000s
Cost				
At beginning of year	1,367	692	237	2,296
Additions	51	26	14	91
Disposals			(11)	(11)
At end of year	1,418	718	240	2,376
Depreciation				
At beginning of year	21	-	82	103
Charge for year	27	-	53	80
Disposals			(11)	(11)
At end of year	48	-	124	172
Net book value				
At 31 March 2018	1,370	718	116	2,204
At 31 March 2017	1,346	692	155	2,193

All assets are held for charitable purposes.

Investment properties or parts of properties held for investment purposes are measured initially at cost and subsequently at fair value at the reporting date.

Valuations will be carried out every five years by an external expert and derived from the current market rents and investment property yields for comparable property, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided.

Notes (continued)

10 Other investments

	2018	2017
	£000	£000
Market value as at 1 April	30,807	26,916
Additions	6,265	2,570
Disposal proceeds	(3,590)	(3,418)
Net investment gain	2,774	4,739
	<hr/>	<hr/>
Market value at 31 March	36,256	30,807
	<hr/>	<hr/>
Historical cost at 31 March	26,790	22,430
	<hr/>	<hr/>
Represented by:		
Cash and fixed interest securities	4,136	1,752
Listed shares	724	633
Unlisted shares	166	154
Investment trusts and unit trusts	31,230	28,268
	<hr/>	<hr/>
Total	36,256	30,807
	<hr/>	<hr/>
<i>Investments comprising more than 5% of market value:</i>		
Newton Growth & Income Fund for Charities	11,746	9,481
Independent Investment Trust	2,549	2,621
Monks Investment Trust	2,104	2,084
Cash on deposit	2,948	-
	<hr/>	<hr/>

Investments

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

- Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Market risk: this comprises currency risk, interest rate risk and other price risk.
- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Charity has exposure to these risks because of the investments it makes to implement its investment strategy. The Trustees manages investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Charity's strategic investment objectives. These investment objectives and risk limits are implemented through the investment manager agreements in place with the Charity's investment managers and monitored by the Trustees by regular reviews of the investment portfolios.

Further information on the Trustees' approach to risk management and the Charity's exposure to credit and market risks are set out below.

Credit Risk

The Charity invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

Notes *(continued)*

Analysis of direct credit risk

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled manager operates and diversification of investments amongst a number of pooled arrangements. The Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager.

Pooled investment arrangements used by the Charity comprise authorised unit trusts. Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicles. This risk is mitigated by only investing in pooled funds which invest in at least investment grade credit rated securities.

Currency risk

The Charity is subject to currency risk because some of the Charity's investments are held in overseas markets, principally via the pooled investment vehicles.

Interest rate risk

The Charity is subject to interest rate risk through investments comprising bonds.

Other price risk

Other price risk arises principally in relation to equities held in pooled vehicles. The Charity manages this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

11 Debtors

	2018	2017
	£000	£000
Prepayments and accrued income	708	1,115
VAT	44	130
Loans	10	10
	762	1,255

12 Creditors: amounts falling due within one year

	2018	2017
	£000	£000
Trade creditors	141	137
Tax & social security	27	24
Accruals and deferred income	2,716	2,104
	2,884	2,265

Notes (continued)

Deferred income	2018	2017
	£000	£000
Balance as at 1 st April 2017	87	29
Amounts released to income	(60)	(15)
Amounts added to deferred income	-	73
Balance as at 31 st March 2018	27	87

Deferred income relates to contributions to administration fees where performance related conditions had not been met at the year end.

13 Provision for liabilities and charges

Defined benefit pension scheme net present value of deficit contributions payable

	2018	2017
	£000	£000
Provision at start of period	383	383
Unwinding of the discount factor (interest expense)	7	10
Deficit contribution paid	(29)	(28)
Remeasurements - impact of any change in assumptions	(5)	18
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	356	383

The company participates in the scheme, a multi-employer scheme which provides benefits to some 102 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £88.22m, liabilities of £122.15m and a deficit of £33.93m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 31 October 2029:	£1,323,116 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2031:	£292,376 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2031:	£37,475 per annum

Notes *(continued)*

13 Provision for liabilities and charges *(continued)*

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities. Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Income and expenditure account impact

	2018 £000	2017 £000
Interest expense	7	10
Remeasurements – impact of any change in assumptions	(5)	18
Remeasurements – amendments to the contribution schedule	-	-

Assumptions

	2018 % per annum	2017 % per annum	2016 % per annum
Rate of discount	2.01	1.76	2.55

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

From 1 April 2013 a new recovery plan came into effect, following the finalisation of the 2014 valuation. Under the recovery plan the Foundation is required to make lump sum payments of £28,000 per annum with a 3% inflationary increase each year.

The scheme actuary has estimated that the employer debt that would become payable if the Foundation ceased to participate or if the scheme was wound up would be £1,754k as at 30 September 2015. It is not the trustees' intention to crystallise this liability.

As a replacement to the Scottish Voluntary Sector Pension Scheme the Foundation currently has up a group personal pension scheme administered by Royal London. The Foundation's contributions are restricted to those detailed in note 7.

Notes (continued)

14 Funds

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000
At 31 March 2017	2,815	6,993	29,684	39,492
Movement in resources:				
Incoming	3,254	7,332	3,185	13,771
Outgoing	(1,665)	(9,580)	-	(11,245)
Gains and losses	(44)	-	2,818	2,774
Actuarial gain	5	-	-	5
Transfers	133	2,209	(2,342)	-
At 31 March 2018	4,498	6,954	33,345	44,797

Unrestricted funds

	Balance brought forward £000	Income £000	Expenditure £000	Gains £000	Transfers £000	Actuarial gain/loss £000	Balance carried forward £000
General	1,413	1,330	(1,665)	-	133	5	1,216
Caledonian Challenge	1,402	1,924	-	(44)	-	-	3,282
At 31 March 2018	2,815	3,254	(1,665)	(44)	133	5	4,498

	Balance brought forward £000	Income £000	Expenditure £000	Gains £000	Transfers £000	Actuarial gain/loss £000	Balance carried forward £000
General	93	1,634	(2,060)	-	1,764	(18)	1,413
Caledonian Challenge	1,845	1,018	-	24	(1,485)	-	1,402
New Millennium Fund	21	-	-	1	(22)	-	-
At 31 March 2017	1,959	2,652	(2,060)	25	257	(18)	2,815

Notes (continued)

14 Funds (continued)

Restricted funds	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
A'Chruach Community	(Dunadd, Lochgiphead and West Loch Fyne): Support of local community projects	16	151	(115)	-	52
Al-Maktoum College Community Awards	(Dundee & Surrounding area): Support of projects involved in education, youth development and multiculturalism	13	22	(20)	-	15
Annandale and Nithsdale Community Benefit Company	(42 community council areas in Annandale and Nithsdale, Dumfries and Galloway): Support of local community projects.	18	219	(276)	-	(39)
Asda Carrier Bag Community Grants	(Scotland-wide): Support of voluntary and community groups.	1	-	-	-	1
Athlete's Angels	Donor advised.	7	-	-	-	7
Ausome Foundation	(Donor advised): Support of individuals and families affected by Autism-related conditions through the funding of research, therapies, education, treatment and care.	1	-	-	-	1
Baillie Gifford	(Scotland-wide): Support of community projects	104	132	(113)	-	123
Baillie Gifford Capacity Building Fund	(Scotland-wide): Support of capacity building	-	4	(2)	-	2
Baillie Gifford Grass Roots Sports	(Scotland-wide): Support for improving participation in sports at the grass roots level across all ages and abilities	12	35	(25)	-	22
Ballantrae Community Fund	(Ballantrae Community Council Area): Support of local community projects	-	34	-	-	34
Blackridge Community	Incorporating funds from Harthill Wind Ltd, Torrance Wind Farm (Blackridge) and EDF Renewables Burnhead: Support of local community projects.	6	-	(8)	12	10
Boroughmuir Rugby club	Donor advised	1	-	-	(1)	-
BT	(Scottish Borders, Angus and City of Dundee): Support of people who are socially disadvantaged and affected by issues relating to poverty.	12	-	-	-	12
Cairnryan Community Fund	(In and around the Cairnryan Community Council Area): Support of local community projects	-	16	-	8	24

Notes (continued)

14 Funds (continued)

Restricted funds

	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Carrick Futures	(Community council areas of Ballantrae, Colmonell & Lendalfoot, Barr, Barrhill, Pinmore & Pinwherry and Girvan & District): Support of local community projects.	215	253	(365)	(50)	53
Castansa Trust	(Scotland-wide): Support of projects in the following areas: children and families, children's health, community, education, elderly, environment, and vulnerable or disadvantaged young people.	69	30	(22)	-	77
Champ Trust	(Scotland-wide with preference for the Lothians and Fife): Socially deprived children, families and young people; community facilities and services; befriending; support for prisoners to reintegrate on release and/or during their probationary period; health promotion, prevention of disease, health education and awareness	26	88	(40)	-	74
Circle Group Trust	(Inverclyde and the West of Scotland): Donor-advised.	16	110	(16)	-	110
Clary Jack	(Scotland-wide): Support of women and children projects	1	-	-	-	1
Comic Relief – General	(Scotland-wide): Support of community projects	(5)	264	(182)	-	77
Comic Relief – Red Nose Day 2015	(Scotland-wide): Support of community projects.	2	-	-	-	2
Comic Relief – Sport Relief	Sport Relief (Scotland-wide): Support of projects which use sport and exercise to strengthen communities and provide opportunities for people who are excluded or disadvantaged.	4	-	-	-	4
Comic Relief - Sport Relief (Home and Away)	(Scotland-wide and Commonwealth countries): Support of vulnerable and disadvantaged children and young people.	6	-	-	-	6
Coram Trust	(Scotland-wide): support of rural regeneration projects	44	-	(13)	5	36
CREPL Community	(New Luce, Old Luce, Stoneykirk, Port William, Cree Valley and Kirkcowan community council areas): Support of local community projects.	10	40	(17)	(28)	5
David Doig Foundation	(Scotland Wide): Enabling participation in Education	-	55	(32)	1	24
DD McPhail Charitable Settlement Trust	(Scotland Wide): Support of elderly and disabled. Tackling loneliness and isolation.	-	17	(12)	-	5
Deutsche Bank	(Edinburgh & Glasgow): Support of voluntary and community groups.	4	-	-	-	4

Notes (continued)

14 Funds (continued)

<i>Restricted funds</i>	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Developing Physios	(Donor advised): Donor-advised.	1	-	-	-	1
Dickon Trust	(Scotland-wide): Smaller charities and organisations with a particular interest in those supporting young people, carers and smaller appeals.	8	10	(17)	-	1
E.I. Thomson	(Scotland-wide): Support of women and women's projects.	1	0	0	-	1
E.ON Camster Community	(Watten; Tannach & District; Latheron, Lybster & Clyth community council areas): Support of local community projects	241	164	(147)	-	258
E.ON Rosehall Community	(Creich, Lairg and Ardgay & District community council areas): Support of local community projects	48	70	(73)	-	45
Earlsburn Community	(Community council areas of Denny and District, Carron Valley and District and Cambusbarron): Support of local community projects.	68	46	(56)	-	58
East Neuk	(Fife): Support of local community projects in the East Neuk of Fife.	12	-	-	-	12
East Neuk Cash Reserve	(Fife): Support of local community projects in the East Neuk of Fife.	241	-	-	(2)	239
EDF Renewables Burnfoot Hill Community	Encompassing EDF Renewables Rhodders and EDF Renewables Burnfoot North Community Funds (community council areas of Blackford, Alva, Tillicoultry, Menstrie, Dollar, Braco and Greenloaning and the hamlet of Glendevon): Support of local community projects.	87	93	(101)	(14)	65
EDF Renewables Burnhead Moss Community	(Blackridge; Avonbridge & Standburn and the villages of Limerigg & Slamannan): Support of local community projects.	219	136	(128)	0	227
EDF Renewables Corriemollie Community	(Community council areas of Contin; Lochbroom; Garve & District; Marybank, Scatwell & Strahconon, Strathpeffer): Support of local community projects.	-	87	(36)	(9)	42
EDF Renewables Longpark Community	(Community council area of Stow & Fountainhall): Support of local community projects.	106	47	(102)	-	51
Edinbane Community Company Benefit	Apprenticeship & Training Scheme (community council area of Edinbane): Support of local community projects.	1	-	-	-	1
Edinburgh Arts Prize	(Edinburgh): To fund a new capital project of exceptional merit to benefit the arts community in the city.	69	-	(40)	-	29

Notes (continued)

14 Funds (continued)

Restricted funds

	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Elizabeth Montgomerie Appeal	(Donor advised): Support of lung cancer projects.	32	(1)	-	-	31
Elizabeth Montgomerie Appeal Aberdeen	(Donor advised): Support of lung cancer projects.	61	(3)	-	-	58
Ellis Campbell	(Perth & Kinross): Support of initiatives to combat the particular issues of drug abuse in small rural communities.	1	-	-	-	1
ESRI (UK) Ltd	(Edinburgh): Support of local community projects.	2	2	-	-	4
Essentia Foundation	(Scotland-wide): Support for projects that build enterprising communities, work across generations or help reposition organisations.	(1)	90	(77)	-	12
Evelyn Jamieson Memorial	Donor advised.	(1)	-	-	-	(1)
Falck Assel Valley Community Fund	(Barr, Girvan & District and Pinwherry & Pinmore): Support of local community projects.	121	131	(103)	(12)	137
Falck Auchrobert Community Fund	(Blackwood & Kirkmuirhill, Boghead): Support of local community projects.	-	97	(46)	-	51
FIM Services Ltd Torrance Community	(Hartfield, Eastfield & Greenrig; Blackridge): Support of local community projects.	-	38	-	(38)	-
First State Investments Scotland	(Scotland-wide): Support of the following themes social welfare, education (young people and/or adults) & the environment.	1	-	-	-	1
Flood Relief Appeal Aberdeenshire	(Aberdeenshire): Support for individuals and families suffering financial hardship due to flooding, and community organisations responding to flooding.	4	-	(10)	-	(6)
Flood Relief Appeal Scotland	(Aberdeenshire, the Borders, Dumfries & Galloway, Perth & Kinross and South Ayrshire): Support for individuals and families suffering financial hardship due to flooding, and community organisations responding to flooding.	115	-	-	5	120
Fund A – NMFS	See detail of constituent funds in endowment funds note below.	9	-	-	2	11
Fund B – Family & Friends	See detail of constituent funds in endowment funds note below.	79	-	(29)	40	90
Fund D – Glebefoot	Donor advised.	2	-	(7)	15	10

Notes (continued)

14 Funds (continued)

<i>Restricted funds</i>	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Fund E – Abington	Donor Advised	11	-	(12)	11	10
Fund F – Avisgreen	(Tain, Elgin, Islay, Broxburn): General.	70	-	(133)	50	(13)
Fund G – Forbes	(Highlands and in particular Newtonmore): Donor-advised/General.	15	-	(17)	10	8
Fund H – Bertha	(Perth & Kinross): General.	7	-	(12)	6	1
Fund J – King Family	(Scotland-wide): Donor advised/Art and music student scholarships.	-	-	(12)	15	3
Fund K – GC Campbell	(Edinburgh and East Lothian, Lanarkshire and the Scottish Borders): Support of projects involving older people, health, disability, young children, community theatre and arts and visual arts.	2	-	-	5	7
Fund L – Blackford Community	(Blackford Community Council area): Support of local community projects.	48	-	(68)	32	12
Fund N – Lord Thomson	Donor advised but with an emphasis on education projects including scholarships.	1	-	(137)	144	8
Fund O – Elizabeth Drummond	(Scotland-wide): Education projects.	4	-	(21)	11	(6)
Fund P – Live Well Edinburgh	(Edinburgh): Support of projects to alleviate poverty and disadvantage.	12	-	(2)	(1)	9
Fund R – Juneberry Trust	Donor advised.	64	(1)	(1,062)	1,042	43
Fund T – Edinburgh Music School	Donor advised.	-	-	(2)	2	-
Fund U – Ward Family Trust	Donor advised.	23	-	(1)	(23)	(1)
Fund V – Paraclete Trust	Donor advised.	1	-	(7)	7	1
Fund W – Philippians 4:19 Trust	Donor advised.	-	-	(36)	36	-
Fund Z – Fran Trust	Donor advised.	9	-	(20)	12	1
Fund AE – Other	See detail of constituent funds in endowment funds note below.	4	-	(3)	11	12
Fund AG – Karen Napier Charitable Trust	(Donor advised): Support of educational scholarships.	(1)	13	(99)	123	36
Fund AH – Gartmhor Trust	Donor advised	17	-	(12)	-	5

Notes (continued)

14 Funds (continued)

Restricted funds

	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Fund AM - William Hunter Trust	(Edinburgh and the Lothians): Support for males over the age of 50 who have limited/low income and have worked in retail, manufacturing or trades, or groups working to support such individuals.	-	-	(25)	25	-
Fund AN Bottomley Charitable trust	Donor advised.	-	-	-	5	5
Galawhistle Community	(Douglas & Glespin, Coalburn): Support of community projects.	-	122	(49)	-	73
Graham Trust	Donor advised.	4	5	(4)	-	5
Greencoat Drone Hill Community	(Community council areas of Coldingham, Cockburnspath, Grantshouse, Reston & Auchencrow): Support of local community projects.	90	46	(44)	-	92
Greencoat North Rhins Community	(Community council areas of Cairnryan, Castle Kennedy, Kirkcolm, Leswalt, Lochans, New Luce, Old Luce, Ochtrellure & Belmont, Old Luce, Portpatrick, Stoneykirk, Stranraer): Support of local community projects	36	33	(45)	(16)	8
Hadyard Hill Community	(Barr, Dailly, Pinwherry & Pinmore Community council areas): Support of local community projects.	97	49	(96)	-	50
Harthill, Eastfield & Greenrigg Community	incorporating funds from Harthill Wind Ltd & Torrance Wind Farm (Harthill, Eastfield and Greenrigg): Support of local community projects	136	25	(17)	25	169
High Hopes Scholarship Trust	(Scotland-wide): Individual scholarships for young people from disadvantaged areas seeking to enter higher education across a range of disciplines.	39	10	(16)	-	33
Hildden Trust	(Scotland-wide): Support of community groups and small voluntary organisations. Priority will be given to projects working in the areas of homelessness, minorities and race relations and prison and offending	26	33	(25)	-	34
Infinis/Ventient Glenkerie Community	(Tweedsmuir, Broughton, Drumelzier, Coulter, Biggar, Symington, Roberton, Lamington and Skirling): Support of local community projects.	80	71	(79)	(5)	67
Infinis/Ventient Gordonstown Community	(Auchterless, Inverkeithy and Fisherford Community council and Fyvie, Rothienorman & Monquhitter Community council areas): Support of local community projects.	87	28	(9)	-	106

Notes (continued)

14 Funds (continued)

Restricted funds	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Infinis/Ventient Westfield Community	(Kinglassie, Benarty and Cardenden Community council areas): Support of local community projects.	84	42	(33)	-	93
John Rattray Statue	(City of Edinburgh): To raise funds for the construction of the statue celebrating John Rattray.	11	26	(30)	-	7
June & Douglas Hume Memorial Kapital	(Scotland-wide): Support of terminally ill individuals who wish to remain in their own homes (Scotland-wide): Support of women's groups and charities in Scotland.	1 2	- -	(1) -	- -	- 2
Kildrummy, Lumsden & Towie Community	(Kildrummy, Lumsden & Towie): Support of local community projects.	30	26	(20)	-	36
Kilfinan	(Argyll): Support of projects concerned with Youth work, elderly people and carers and young parents.	17	14	(43)	-	(12)
Kilgallioch Community Benefit	(27 Community council areas across South Ayrshire and Dumfries & Galloway): Support of local community projects.	-	6	(5)	-	1
Kinegar (Foresight LLP)	(Cockburnspath & Cove and Oldhamstocks): Support of local community projects	-	41	-	-	41
Kingsburn	(Cambusbarron, Carron Valley, Denny, Fintry, Gargunnoch and Kippen): Support of local community projects.	134	138	(132)	-	140
Kinross-shire	(Kinross): Support of local community projects.	8	1	(9)	10	10
Lairg Windfarm Ltd Community	(Lairg): Support of local community projects.	25	20	(21)	-	24
Lanarkshire Small Livings Trust	(Lanarkshire): Support of local community projects.	1	-	-	-	1
Langhope Rig Community	(Upper Teviotdale & Borthwick Water; Lilliesleaf, Ashkirk & Midlem, Etrick & Yarrow, Hawick & District and Denholm Community council areas): Support of local community projects.	139	97	(96)	-	140
Levenmouth Community	(Catchment area of Levenmouth Academy): To support the advancement of education and attainment in the areas of science, technology, engineering and mathematics.	-	35	(36)	-	(1)
LifeScan Scotland	(Highlands & Islands): Support of projects primarily focused on health, education, sports and social inclusion.	11	-	(5)	-	6

Notes (continued)

14 Funds (continued)

Restricted funds

	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Lisbet Rausing and Peter Baldwin Trust	(West coast of Scotland): Support of local enterprise projects.	15	-	(10)	-	5
LMM Business Enterprise Trust	(Lochaber & NW Scotland): Support for expansion or diversification of local business.	11	2	(8)	-	5
Longstone Trust	Donor-advised.	7	17	(16)	-	8
Mars GoodnessKNOWS	(Scotland Wide): Support of local community projects		34	(34)	-	-
Mauldsie Pension Trust	(Lanarkshire): Support of local community projects.	1	0	-	-	1
Middle Balbeggie Community Fund	(Thornton): Support of local community projects.	-	39	(8)	-	31
Mossmorran Wind Farm Ltd Community	(Cowdenbeath, Crossgates & Mossgreen and Hill of Beath): Support of local community projects.	5	15	(11)	-	9
New Beginnings	(Scotland-wide): To support organisations that offer guidance, counselling, community integration and welcoming activities to vulnerable refugees and asylum seekers.	18	-	(18)	-	-
New Mains of Guynd Community Fund	(Arbroath, Letham & District and surrounds) : Support of community projects with an emphasis on alleviation of fuel poverty	-	21	-	-	21
NorthConnect Legacy Fund	(Peterhead and surrounds) : Support of community projects	-	10	(10)	-	-
Northern Meeting Charity	(Morayshire, Banffshire, Nairnshire, Inverness-shire, Ross-shire, Caithness and Sutherland): Support of local community projects.	32	23	(5)	(20)	30
Old Luce Community Trust	(including SSE Arfield Fell & SSE Balmurrie Fell, Engie Barlockhart Moor, RES Glenchamber (Old Luce) and SPR Kigallioch (Old Luce) Community funds) (Old Luce Community council area, including the communities of Glenluce, Dunragit and Auchennalgal): Support of local community projects.	198	155	(124)	36	265
Path Trust	(Edinburgh, East Lothian and the Newcastle upon Tyne areas): Donor-advised.	10	7	(9)	1	9
PF Charitable Trust	(Scotland-wide): Support of charities who operate in the fields of disability, health, youth work, provision for the elderly, for children and for support for families. As the Trust makes	15	50	(19)	-	46

Notes (continued)

14 Funds (continued)

<i>Restricted funds</i>	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Prime Four Community Trust	a major grant to each of the Hospice Association, The Scout Association and the Scottish Churches Architectural Heritage Trust, it does not make grants to individual hospices, scout groups or churches.	11	-	(2)	-	9
Rainton Project	(Kingswells Community council area): Support of local community projects. Donor advised.	-	150	-	-	150
REI Trust	(Scotland-wide): Support of older people to reduce isolation and increase involvement in the community.	117	-	-	(60)	57
Robert and Fiona Laing Trust	Donor advised.	24	-	-	(1)	23
Ross Girls Charitable Trust	Donor advised.	39	-	(54)	63	48
Royal London CFN	Donor advised.	4	25	(25)	-	4
Royal Wedding Charity	(Fife): To support health and care at home.	3	-	-	-	3
RWE Innogy UK An Suidhe Community	(Inveraray, Glenorchy and Innishail Community council areas): Support of local community projects.	7	35	(18)	(9)	15
RWE Innogy UK Locheilbank Community	(Glenfarg and Bridge of Earn Community council areas): Support of local community projects.	31	23	(34)	-	20
Schiehallion Group	(Scotland-wide): Donor advised with members of the group particularly seeking out individuals and organisations undertaking the best work in their particular fields in regard to achieving social change.	1	12	(13)	1	1
Scotch Whisky Action	(Scotland-wide): To invest in groups and organisations that wish to reduce the impact of alcohol-related harm in Scotland's communities.	(4)	100	(188)	85	(7)
ScotRail Foundation	(Scotland-wide): Support of local community projects.	7	90	(85)	-	12
Scottish Government – Women's Fund for Scotland	(Scotland-wide): Support of Women's organisations run by and for women and organisations which seek to support and empower women.	1	-	-	-	1
Shell	(Aberdeen, Aberdeenshire & Angus): Support of community projects in the areas of education, arts music & culture, environment and social inclusion.	222	113	(49)	(72)	214

Notes (continued)

14 Funds (continued)

Restricted funds

	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
The Smith Trust	(Scotland-wide, with an emphasis on Glasgow): strengthening community cohesion	-	14	-	-	14
Spirit of 2012 Trust Fourteen	(Caitness, Islay and Jura, Dumbiedykes in Edinburgh and the 3 Glasgow Communities of Calton, Gorbals and Ruchill & Possilpark): Support of social action and volunteering; grass roots sport and physical activity; cultural activity and the arts.	266	145	(390)	89	110
SSE Clyde (Dumfries & Galloway) Community	(Carronbridge, Durisdeer, Johnstone, Kirkconnel and Kelloholm, Kirkmichael, Kirkpatrick Juxta, Moffat & District, Closeburn, Royal Burgh of Sanquhar & District, Thornhill, Wamphray and Wanlockhead Community council areas): Support of local community projects.	382	171	(220)	-	333
Stewart Ivory	(Scotland-wide): Support of financial education projects in schools.	(1)	-	-	-	(1)
Stirlingshire	(Stirling Local Authority area): Support of charities and community groups that are working to relieve poverty and/or provide relief to those in need by reason of age, ill health, disability, financial hardship or other disadvantage.	9	3	(10)	-	2
Stroupster Community	(Dunnet & Canisbay Community council area): Support of local community projects.	104	153	(126)	-	131
Survive Winter Scotland	(Scotland-wide): Support of projects benefitting the elderly.	1	-	-	-	1
Swinden Trust	Donor advised.	6	-	-	-	6
T in the Park Community	(Perthshire): Support of local community projects.	5	-	(4)	-	1
Todhill Falkirk Wind Ltd Community	(Larbert, Stenhousemuir & Towood and Denny & District, both within the unitary authority of Falkirk): Support of local community projects.	15	50	(33)	-	32
Vattenfall Clashindarroch Community	(Huntly, Strathbogie and Tap o Noth Community council areas and the former parish of Cabrach): Support of local community projects.	145	194	(137)	-	202
Volant Charitable Trust	(Scotland-wide): Support of projects which aim to alleviate social deprivation, with a particular emphasis on those working with women and children.	617	720	(847)	-	490
Voluntary Arts Scotland	(Scotland-wide): Support of projects that increase participation in the arts and crafts.	7	-	-	-	7
Walkingshaw Hugh Trust	(Lochgelly and the surrounds): support for young people continuing onto higher or further education	-	11	-	-	11

Notes (continued)

14 Funds (continued)

Restricted funds	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
Wesleyan Foundation	(Scotland-wide): Support for improvement of life skills, community cohesion and mental health	-	23	(23)	-	-
Whirlwind Renewables Tannach & District Community	(Tannach & District): Support of local community projects.	21	-2	(22)	33	30
Whirlwind Renewables Watten Community	(Watten): Support of local community projects.	43	47	(4)	(32)	54
William Grant	(Dufftown, Bellshill and Girvan): Support of local community projects.	133	260	(250)	-	143
William Grant Foundation Women's	(Scotland-wide): Support for registered charities and constituted community groups that operate women only focused projects which are working with BME women, refugees and asylum seekers and their families.	18	-	-	-	18
Women's Fund Tampon Tax	(Scotland-wide): Projects that support women's growth, self-sufficiency and social economic equality.	48	-	(42)	-	6
Other		90	32	(94)	14	42
Total annual grant making funds		6,139	6,099	(7,668)	1,599	6,169

Notes (continued)

14 Funds (continued)

<i>Restricted funds</i>	Purpose	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
		£000	£000	£000	£000	£000
	Charity and online giving	853	1,233	(1,912)	610	784
	BIG Lottery Fund - OCOF	1	-	-	-	1
	Total restricted	6,993	7,332	(9,580)	2,209	6,954
	<i>Year ended 31/3/17</i>	5,991	7,532	(7,303)	773	6,993

Other – funds amalgamated under other:

Elizabeth McInnes Trust (Crieff & surrounding area): support of local community groups.

Marian Thomas (Donor advised): Donor advised.

Marian Thomas Memorial Fund for Women (Donor advised): To support women's projects in the area of mental health.

West Sands (Donor advised): Donor-advised.

Women's Fund for Scotland – Bee all you can (Scotland-wide): Support of projects empowering women and girls.

Women's Fund for Scotland: Support of organisations & projects that benefit women in Scotland.

Charity & online giving accounts (UK wide): Support of UK charities.

BIG Lottery Fund OCOF (Scotland-wide): Support of local community projects.

Notes (continued)

14 Funds (continued)

Endowment funds

Expendable endowment

Fund M Moidart Trust

(The North and North West of Scotland & overseas): Community development and social enterprise projects, together with the support of UK charities that help individuals in developing countries.

Fund Y F Laing Family Trust

Donor advised.

Fund Z Fran Trust

Donor advised.

Fund AA Logie Trust

Donor advised.

Fund AB Mathieson Trust

Donor advised.

Fund AC St Catherine Trust

Donor advised.

Fund AF Judy Russell

(Scotland-wide): Support of organisations & projects that benefit women in Scotland.

Permanent endowment

Fund A

The New Millennium Fund for Scotland

To support charities and organisations with particular emphasis given to children & youth, the elderly, health, disability & special needs & the environment.

Brewin Dolphin

Scottish & Newcastle

Fund B

Alexander Trust

Andrew Chrystall Trust

(Moray): Support of children and young people.

Anne Richard

Anthony Davis

Donor advised

Arthur Smith Memorial

(Kirkcudbright): Educational purposes and youth.

Booby Birds

(Donor-advised): Support of breast cancer organisations.

Brebner Trust

(South Lanarkshire): Support of local community projects.

Brunton

Donor advised.

Christie Family

(South Ayrshire): Support of Royal Scottish Academy of Music & Drama student/ donor advised.

Coram Trust

(UK-wide): To support rural regeneration as part of a community development project.

	Balance brought forward £000	Income £000	Gain/(Loss) £000	Transfers £000	Balance carried forward £000
	18	-	-	(6)	12
	28	-	-	1	29
	45	-	-	(12)	33
	110	-	-	0	110
	32	-	-	(12)	20
	10	-	-	(4)	6
	71	-	-	-	71
	314	-	-	(33)	281
	38	1	-	(1)	38
	58	2	-	(2)	58
	154	4	-	(6)	152
	72	2	-	(3)	71
	32	1	-	(1)	32
	118	3	-	(10)	111
	67	2	-	(4)	65
	92	3	-	(4)	91
	87	2	-	(3)	86
	240	14	-	(9)	245
	13	-	-	-	13
	207	6	-	(8)	205

Notes (continued)

14 Funds (continued)

Endowment funds

	Purpose	Balance brought forward £000	Income £000	Gain/(Loss) £000	Transfers £000	Balance carried forward £000
David Doig Foundation	(Scotland Wide): Enabling participation in Education (Edinburgh & Glasgow): Support of education projects and organisations working with disadvantaged families.	-	50	-	(1)	49
David Stott Memorial	Donor advised.	16	0	-	(1)	15
F Laing Family Trust	(Scotland-wide): Support of organisations that help individuals to fulfil their potential.	99	3	-	(4)	98
Gateway Exchange	(Scottish Borders, in particular Etrick and Lauderdale region): Donor advised.	292	8	-	(12)	288
Glenpark	(UK wide): Support of families, adversely affected by cancer and to the development of youth sport, in particular rugby.	33	1	-	(1)	33
Gordon Brown Memorial	Donor advised	257	7	-	(10)	254
Irene Sproule Trust	(Ayrshire): Scholarships for female students.	103	3	-	(4)	102
Jean Parker-Brown Memorial	(Scotland-wide): Disability, sport and health.	17	0	-	(1)	16
Kathryn & Alastair Dempster	(Donor advised): Donor advised.	13	0	-	(1)	12
Kinlochaline Trust	(Kinross-shire): Support of local community projects.	14	0	-	-	14
Kinross-shire Fund	Donor advised.	211	6	-	(13)	204
McNab Family Charitable Trust	(Scotland-wide): Older people, health and disability.	226	6	-	(9)	223
Mrs Campbell Crowson	(Morayshire, Banffshire, Nairnshire, Inverness-shire, Ross-shire, Caithness and Sutherland): Donor advised.	172	5	-	(7)	170
Northern Meeting	(Edinburgh, East Lothian and the Newcastle upon Tyne areas): Donor advised.	37	1	(1)	19	56
Path Trust	Donor advised.	52	1	-	(2)	51
Pitcairn Personal Enhancement Award	Donor advised.	29	1	-	(1)	29
Robertson	(Perth and Berwickshire but not to be restricted to those two areas): General.	14	-	-	(1)	13
Ross Fund	(Scotland-wide): General.	28	1	-	(1)	28
Ross Girls Charitable Trust	Donor advised.	-	63	-	(63)	-
Victoria League Scotland	(Scotland-wide) : Support of overseas students who are studying in Scotland. Understanding of cultural differences and the appreciation of culture and heritage of Scotland	-	180	(5)	-	175
Fund D Glebefoot Charitable Trust	Donor advised/General	665	18	1	(27)	657
Fund E Abington	Donor Advised	1,031	28	1	(29)	1,031
Fund F Avisgreen	(Tain, Elgin, Islay, Broxburn): General.	1,311	35	1	(79)	1,268
Fund G Forbes	(Highlands and in particular Newtonmore): Donor-advised/General.	344	10	0	(14)	340

Notes (continued)

14 Funds (continued)

Endowment funds

	Purpose	Balance brought forward £000	Income £000	Gain/(Loss) £000	Transfers £000	Balance carried forward £000
Fund H Bertha	(Perth & Kinross): General.	518	14	0	(31)	501
Fund J King Family	(Scotland-wide): Donor advised/Art and music student scholarships.	187	37	-	(18)	206
Fund K GC Campbell	(Edinburgh and East Lothian, Lanarkshire and the Scottish Borders): Support of projects involving older people, health, disability, young children, community theatre and arts and visual arts.	280	8	-	(11)	277
Fund L Blackford Community	(Blackford Community Council area): Support of local community projects.	387	11	(1)	(22)	375
Fund N Lord Thomson of Monifieth Charitable Fund	Donor advised but with an emphasis on education projects including scholarships.	429	11	1	(148)	293
Fund O Elizabeth Drummond Charitable	(Scotland-wide): Education projects.	940	18	43	(19)	982
Fund P Live Well Edinburgh	(Edinburgh): Support of projects to alleviate poverty and disadvantage.	288	6	(4)	(14)	276
Fund Q Garpel Fund	<i>Donor advised.</i>	9,610	61	2,685	(224)	12,132
Fund R Juneberry Charitable	Donor advised.	1,009	5	29	(1,043)	0
Fund S Budge Foundation	Donor advised.	469	20	(4)	(62)	423
Fund T Edinburgh Music School Trust (EMST)	Donor advised.	164	5	0	(4)	165
Fund U Ward Family Trust	Donor advised.	907	20	7	(14)	920
Fund V Paraclete Trust	Donor advised.	404	8	(1)	(11)	400
Fund W Philipplians 4:19 Trust	Donor advised.	1,062	20	(8)	(44)	1,030
Fund X McDougall Trust	Donor advised.	160	4	22	(1)	185
Fund AD Tanner Foundation	Donor advised.	770	21	-	(3)	788
<i>Fund AE:</i>	Other					
<i>Carrick Futures</i>	(Community council areas of Ballantrae, Colmonell & Lendalfoot, Barr, Barrhill, Pinnore & Pinwherry and Girvan & District): Support of local community projects.	77	2	(1)	49	127
<i>Creich Community Council</i>	(Creich Community Council area): Support of local community projects.	26	6	-	-	32
<i>Glenkerie Community</i>	(Tweedsmuir, Broughton, Drumelzier, Coultier, Biggar, Symington, Robertson, Lamington and Skirling): Support of local community projects.	132	4	-	(1)	135
<i>JCS Fund</i>	General.	33	1	-	-	34
<i>Killiechassie Burial Ground</i>	Donor advised.	9	1	-	(2)	8
<i>Lancastria</i>	Donor advised.	26	1	-	(1)	26
<i>M&K fund</i>	Donor advised.	47	1	-	(3)	45

Notes (continued)

14 Funds (continued)

Endowment funds

	Purpose	Balance brought forward £000	Income £000	Gain/(Loss) £000	Transfers £000	Balance carried forward £000
<i>Old Luce Community</i>	(Old Luce Community Council area): Support of local community projects.	27	1	-	-	28
<i>Parish of Stow Community</i>	(Community council area of Stow & Fountainhall): Support of local community projects.	50	22	(1)	(1)	70
<i>Prudential</i>	(Stirling): Support of local community projects.	120	3	1	(10)	114
<i>Scottish & Southern Energy – Sunday</i>	(Sunday): Support of local community projects on the island.	68	2	0	(1)	69
<i>The William Grant Piping Trust</i>	Support of National Piping Centre	-	635	(23)	(2)	610
<i>The SCF Trustees Endowment</i>	(Scotland-wide): General.	14	0	-	-	14
<i>Urras Oighreachd Ghabhaisinn Community</i>	(Scotland-wide): Support of organisations & projects that benefit women in Scotland.	182	500	(7)	-	493
<i>Women's Fund for Scotland</i>			4	(1)	14	199
Fund AG Karen Napier Charitable Trust	(Donor advised): Support of educational scholarships.	510	103	(9)	(127)	477
Fund AH Gartmor Trust	Donor advised	1,502	16	130	(32)	1,616
Fund AI Viewforth Trust	Donor advised.	1,140	11	10	(73)	1,088
Fund AJ Bluebird Trust	Donor advised	42	40	11	-	93
Fund AK Nairn Family Trust	Donor advised	711	1073	(33)	(108)	1,643
Fund AL The Russell Trust	Donor advised	94	2	(3)	(1)	92
Fund AM William Hunter Trust	(Edinburgh and the Lothians): Support for males over the age of 50 who have limited/low income and have worked in retail, manufacturing or trades, or groups working to support such individuals.	663	13	(9)	(30)	637
Fund AN Bottomley Charitable Trust	Donor advised	171	8	(13)	(7)	159
Fund AO An Suidhe Wind Farm Community	(Inveraray, Glenorchy and Innishail community council areas): Support of local community projects.	-	-	-	9	9
<i>Total permanent endowment</i>		29,370	3,185	2,818	(2,309)	33,064
Total endowment		29,684	3,185	2,818	(2,342)	33,345

Notes *(continued)*

14 Funds *(continued)*

Endowment funds

Year ended 31/3/17

Purpose	Balance brought forward £000	Income £000	Gain/(Loss) £000	Transfers £000	Balance carried forward £000
	24,638	1,362	4,714	(1,030)	29,684

Notes (continued)

Analysis of net assets between funds

	Restricted Funds £000	Unrestricted Funds £000	Endowment Funds £000	Total Funds £000
<i>Fund balances at the previous year end are represented by:</i>				
Tangible fixed assets	-	2,193	-	2,193
Investments	-	1,123	29,684	30,807
Net current assets	6,993	(118)	-	6,875
Provisions	-	(383)	-	(383)
	-----	-----	-----	-----
At 31 March 2017	6,993	2,815	29,684	39,492
	=====	=====	=====	=====

	Restricted Funds £000	Unrestricted Funds £000	Endowment Funds £000	Total Funds £000
<i>Fund balances at the year end are represented by:</i>				
Tangible fixed assets	-	2,204	-	2,204
Investments	-	3,182	33,074	36,256
Net current assets	6,954	(532)	271	6,693
Provisions	-	(356)	-	(356)
	-----	-----	-----	-----
At 31 March 2018	6,954	4,498	33,345	44,797
	=====	=====	=====	=====

Transfers

To restricted funds

From endowments

£2,209k being a capital distribution from endowments for the grant making programme associated with the underlying endowments.

To general funds

From endowments

£133k being a capital distribution from endowments for core costs associated with the grant making programme.

15 Operating lease commitments

The charity's minimum operating lease commitments are as follows:

	2018 £000	2017 £000
Within 1 year	36	33
In the second to fifth years inclusive	144	133
After 5 years	46	79
	-----	-----
	226	245
	=====	=====

Notes (continued)

16 Ultimate controlling party and related party transactions

The Trustees control the activities of the charity.

Trustees made donations totalling £17,460 to Foundation Scotland during the year (2017: £192,680).

Investment management services were provided to the Foundation by Speirs & Jeffrey during the period. James McCulloch, was Chairman of Speirs & Jeffrey during part of the previous year, prior to his retirement. Fees and commission of £2,217 were charged during the previous period. No amount was due to Speirs & Jeffrey at the year end.

UK Community Foundations provides membership and associated central IT platforms for UK Community Foundations. For these services £29,727 (2017: £22,705) was charged during the period. Thomas Ward is a Director of UK Community Foundations. The amount due to UK Community Foundations at the year end was £2,098 (2017: £1,929).

The following organisations, of which a Foundation Scotland director is related, received grants of:

Organisation	Grants paid	FS Director	Relationship with Recipient
YMCA Cupar Youth Cafe	1,000	John Naylor	President of the YMCA Scotland
YMCA Tain	8,208	John Naylor	President of the YMCA Scotland
YMCA Tain Youth Cafe	41,966	John Naylor	President of the YMCA Scotland
YMCA Broughty Ferry	1,500	John Naylor	President of the YMCA Scotland
YMCA Aberdeen	2,000	John Naylor	President of the YMCA Scotland
Strange Town	100	John Naylor	Trustee
University of Strathclyde	2,000	Samantha Fiander	Employee

None of the Foundation Scotland Directors listed above were involved in the assessment of grant applications or the decision to approve funding to the organisations to which they are related other than in the case of a donor directed award relating to their own charitable funds held with Foundation Scotland. No balances were outstanding on the grants at the year end.

Two (2017: Two) directors of Foundation Scotland are also directors of Resilient Scotland Limited. Invoices totalling of £257,043 (2017: £267,028) were issued to Resilient Scotland Limited during the year. The total amount due at the year end was £131,950 (2017: £71,239).

17 Contingent liabilities

Contingent liabilities relate to grant awards offered during the year where settlement is dependent on the recipient fulfilling various stated terms and conditions; the outcome of which is uncertain. The total at 31st March was £674,478 (2017: £336,890).

18 Financial Instruments

	2018	2017
	£000	£000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	742	1,235
Assets measured at fair value through profit & loss	36,974	31,499
	<u>37,716</u>	<u>32,734</u>
Carrying amount of financial assets		
Measured at amortised cost	2,830	2,154
	<u>2,830</u>	<u>2,154</u>

Debt instruments measured at cost comprises trade and other debtors. Assets measured at fair value through profit and loss comprise listed investments.

Liabilities measured at amortised cost comprise trade creditors and accruals.

