

Charity Registration No. SC004031

# **JOHN MURDOCH'S TRUST**

Trustees' Report and Unaudited Accounts

For The Year Ended 5 April 2019

**JOHN MURDOCH'S TRUST**  
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**JOHN MURDOCH'S TRUST  
TRUSTEES' REPORT  
YEAR ENDED 5 APRIL 2019**

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The Trustees present their report and accounts for the year ended 5 April 2019.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006(as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

**Objectives & Activities**

The purpose of the Trust is to provide financial relief for people in need over 50 years of age of whatever religious denomination or belief who have shown a practical sympathy either as amateurs or professionals in the pursuit of science in any of its branches whose lives have been characterised by sobriety, morality and industry.

**Review of Achievements & Performance**

The Trustees approved grants to 17 individuals (2018: 14 individuals and 1 organisation) during the year with a total of £44,579 (2018: £40,195) awarded. There were £4,895 (2018: £454) of grants approved but not paid out at the year-end.

**Financial Review**

The charity's results for the year, and the charity's financial position at the year end are shown in the attached financial statements. Net expenditure before revaluation of investments amounted to £11,201 (2018: £8,905). The Trustees reviewed expenditure in 2018 and reduced support costs for the future by changing service providers as appropriate. Investment gains of £117,582 (2018: loses of £28,619) means the net movement in funds was an increase of £106,381 (2018: reduction of £37,524).

**Investment policy & performance**

The Trustees have appointed an investment manager to assist them in managing the investments. The investments are managed with a view to obtaining a balanced growth of both Capital and Income and diversified to enhance the real value of capital over the medium to long term whilst ensuring an appropriate income level is maintained. This aim was achieved in the year.

**Risk Management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity and are satisfied the systems are in place to mitigate exposure to such risks.

**Reserves Policy**

The Trustees pursue a policy of maintaining a free reserve available to be spent in furtherance of the charity's objectives, as well as covering future needs, opportunities, contingencies and risks.

**JOHN MURDOCH'S TRUST  
TRUSTEES' REPORT  
YEAR ENDED 5 APRIL 2019**

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**Plans for the future**

The Trustees plan to maintain funds to cover the ongoing needs of the charity whilst providing grants in furtherance of the charitable objectives. The Trustees resolved to continue allocating resource to the marketing campaign that was launched in January 2017. The Trustees would like to attract more applications and raise the profile of the Trust. As part of the continued marketing strategy, the Trustees will increase publicity through social media and various newspaper outlets.

In March 2019 the Trust featured in Signet magazine. The Trustees will continue to maintain links with Age Scotland and the Citizens Advice Bureau. Both organisations have referred new applicants to the Trust over the last year. The Trustees will continue to collaborate with the Council for At-Risk Academics (CARA). CARA is an organisation that supports academics in immediate danger. The Trustees will consider applications from CARA fellows who meet the Murdoch Trust's criteria.

**Legal and Administrative Information**

CHARITY NUMBER	SC004031
REGISTERED OFFICE	The WS Society The Signet Library Parliament Square Edinburgh, EH1 1RF
TRUSTEES	Professor Guy Lloyd-Jones Professor Malcolm Iain McMahon (Chair of Trustees) Professor Dirk Kroon David Neil Macdonald
TRUST SOLICITORS	Turcan Connell WS Princes Exchange 1 Earl Grey Street Edinburgh, EH3 9EE
INVESTMENT ADVISORS	Brewin Dolphin Limited Sixth Floor Atria One 144 Morrison Street Edinburgh, EH3 8EX
INDEPENDENT EXAMINER	Sarah Hollis CA Hollis Accounting Limited 3 Melville Crescent Edinburgh, EH3 7HW

**JOHN MURDOCH'S TRUST  
TRUSTEES' REPORT  
YEAR ENDED 5 APRIL 2019**

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**Structure, Governance and Management**

**Governing Document**

The Trust is constituted by the Will of the late John Murdoch dated 17 July 1897 and which was registered in the Books of Council and Session on 20 December 1901. The Trust is registered with the Office of the Scottish Charity Regulator. The Scottish Charity reference number is SC004031.

**Appointment of Trustees**

John Murdoch's Will appoints as Trustees: three University of Edinburgh Professors in Chemistry, Natural philosophy/Physics and Geology, together with a Senior Manager of a major Scottish Bank.

The Trustees who served during the year were:

Professor Guy Lloyd-Jones  
Professor Malcolm Iain McMahon  
Professor Dirk Kroon  
David Neil Macdonald

**Trustee Induction and Training**

The Trustees are considered by the nature of their professions to have the appropriate background for the Trust. Trustees are encouraged to use appropriate resources including the website of the Office of the Scottish Charity Regulator to update themselves as required.

**Organisation**

The trustees usually meet at least twice a year. Trustees are responsible for the strategic oversight of the Trust and implementation of that strategy through a management contract with the WS Society.

**JOHN MURDOCH'S TRUST  
TRUSTEES' REPORT  
YEAR ENDED 5 APRIL 2019**

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**Trustees Responsibilities**

The Trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the Trust's financial activities during the year and of its financial position at the end of the year.

In preparing accounts giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departure disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the Trust and which enable them to ascertain the financial position of the charity and which enable them to ensure that the accounts comply with Charity regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of Trustees

  
.....  
David Neil MacDonald  
TRUSTEE

Dated: ...18 / 11 / 19.....

**JOHN MURDOCH'S TRUST  
INDEPENDENT EXAMINER'S REPORT  
YEAR ENDED 5 APRIL 2019**

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I report on the accounts of the Trust for the year ended 5 April 2019, which are set out on pages 8 to 12.

**Respective responsibilities of trustees and examiner**

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

**Basis of independent examiner's report**

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

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
  - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Sarah Hollis CA**

**Hollis Accounting Limited**

3 Melville Crescent

Edinburgh

EH3 7HW

Date: ..... 21/11/19 .....

**JOHN MURDOCH'S TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 5 APRIL 2019**

	Note	Revenue Account 2019 £	Capital Account 2019 £	Total 2019 £	Revenue Account 2018 £	Capital Account 2018 £	Total 2018 £
<b>Income and endowments from:</b>							
Investments	2	58,811	-	<b>58,811</b>	62,525	-	<b>62,525</b>
<b>Total</b>		<b>58,811</b>	<b>-</b>	<b>58,811</b>	<b>62,525</b>	<b>-</b>	<b>62,525</b>
<b>Expenditure on:</b>							
<i>Raising Funds</i>							
Investment Management		-	11,934	<b>11,934</b>	-	12,156	<b>12,156</b>
<i>Charitable activities</i>							
Grants payable in furtherance of the charity's objects:							
Grants	3/4	44,579	-	<b>44,579</b>	40,195	-	<b>40,195</b>
Costs of activities in furtherance of the charity's objects:							
Support costs	3	1,380	12,119	<b>13,499</b>	1,380	17,699	<b>19,079</b>
<b>Total</b>		<b>45,959</b>	<b>24,053</b>	<b>70,012</b>	<b>41,575</b>	<b>29,855</b>	<b>71,430</b>
<b>Net Incoming / (Outgoing) Resources before Transfers</b>							
		12,852	(24,053)	<b>(11,201)</b>	20,950	(29,855)	<b>(8,905)</b>
<b>Transfers between Funds</b>							
		-	-	-	-	-	-
<b>Net income/(expenditure) before gains and losses on investments</b>							
		12,852	(24,053)	<b>(11,201)</b>	20,950	(29,855)	<b>(8,905)</b>
Net gains/(losses) on investments							
		-	117,582	<b>117,582</b>	-	(28,619)	<b>(28,619)</b>
<b>Net income/(expenditure)</b>							
		<b>12,852</b>	<b>93,529</b>	<b>106,381</b>	<b>20,950</b>	<b>(58,474)</b>	<b>(37,524)</b>
Transfers between Funds							
		-	-	-	-	-	-
<b>Net movement in funds</b>							
		<b>12,852</b>	<b>93,529</b>	<b>106,381</b>	<b>20,950</b>	<b>(58,474)</b>	<b>(37,524)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		140,320	1,446,933	<b>1,587,253</b>	119,370	1,505,407	<b>1,624,777</b>
<b>Total funds carried forward</b>		<b>153,172</b>	<b>1,540,462</b>	<b>1,693,634</b>	<b>140,320</b>	<b>1,446,933</b>	<b>1,587,253</b>

All operations are continuing



**JOHN MURDOCH'S TRUST  
BALANCE SHEET  
AS AT 5 APRIL 2019**

	Notes	Unrestricted Funds 2019		Unrestricted Funds 2018	
		£	£	£	£
<b>Fixed Assets</b>					
Investments	7		1,660,692		1,567,645
<b>Current Assets</b>					
Cash at bank and in hand	8	45,197		27,422	
		<u>45,197</u>		<u>27,422</u>	
<b>Creditors: amounts falling due within one year</b>					
	9	<u>(12,255)</u>		<u>(7,814)</u>	
<b>Current assets less current liabilities</b>			32,942		19,608
<b>Net Assets</b>			<u>1,693,634</u>		<u>1,587,253</u>
<b>Unrestricted Funds</b>					
Capital Account			1,540,462		1,446,933
Revenue Account			<u>153,172</u>		<u>140,320</u>
			<u>1,693,634</u>		<u>1,587,253</u>

The accounts were approved by the Trustees on ...18/11/19.....



David Neil MacDonal  
TRUSTEE

The notes on pages 10-12 form part of these accounts.

**JOHN MURDOCH'S TRUST  
NOTES TO THE ACCOUNTS  
YEAR ENDED 5 APRIL 2019**

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**1 ACCOUNTS POLICIES**

**Basis of preparation**

The accounts have been prepared under the historic cost convention with the exception of investments which are included at market value.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

The financial statements have been prepared 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), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Incoming resources**

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

**Resources expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for the expenditure.

**Grants payable**

In accordance with recommended practice, grants payable are recognised as expenditure when the Trustees have approved the grant and the obligation exists. In terms of multiple year funding, the total amount payable is recognised as expenditure and a creditor is included in either creditors due after more than one year or creditors due in less than one year as appropriate.

**2 INVESTMENT INCOME**

	2019	2018
	£	£
Dividend and Interest Income	58,792	62,522
Bank Interest	19	3
Other income	-	-
	<hr/>	<hr/>
Total	<u>58,811</u>	<u>62,525</u>

**JOHN MURDOCH'S TRUST  
NOTES TO THE ACCOUNTS  
YEAR ENDED 5 APRIL 2019**

**3 CHARITABLE ACTIVITIES**

	Other Costs £	Grant Funding £	Total 2019 £	Other Costs £	Grant Funding £	Total 2018 £
<b>Charitable activities</b>						
<i>Grant making activities:</i>						
Grant funding of activities		- 44,579	44,579		- 40,195	40,195
		- 44,579	44,579		- 40,195	40,195
<i>Support costs</i>						
Administrative fees		- 12,119	12,119		- 15,000	15,000
Withdrawal fees		-	-		-	-
Marketing		-	-		- 2,699	2,699
Bank Charges		-	-		-	-
Examiners fees	1,380	-	1,380	1,380	-	1,380
Total	1,380	12,119	13,499	1,380	17,699	19,079

**4 GRANTS PAYABLE**

	Total 2019 £	Total 2018
Grants to individuals	44,579	30,195
Grants to other organisations	-	10,000
Total	44,579	40,195

**5 TRUSTEES**

None of the Trustees (or any persons connected with them) received any remuneration during the year (2018 £nil). There were no donations by Trustees in the year (2018 £nil).

**6 EMPLOYEES**

There were no employees during the year (2018 none).

**JOHN MURDOCH'S TRUST**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 5 APRIL 2019**

**7 FIXED ASSET INVESTMENTS**

	2019	2018
	£	£
Market Value at start of year	1,567,645	1,590,380
<u>Add: Acquisitions at Cost</u>	114,380	178,381
<u>Less: Disposals at Market value</u>	( 138,915)	( 172,497)
Valuation changes	117,582	( 28,619)
Market Value at 5 April	<u>1,660,692</u>	<u>1,567,645</u>
Historical Cost at 5 April	<u>1,231,918</u>	<u>1,238,573</u>

Investments at fair value comprise:

UK Equities	555,253	598,101
UK Property	34,951	35,106
Overseas Equities	817,077	683,027
UK Fixed Interest	253,411	251,411
	<u>1,660,692</u>	<u>1,567,645</u>

**8 CASH AT BANK AND IN HAND**

	2019	2018
	£	£
RBS WS Society Account	2,444	332
Brewin Dolphin Revenue	24,519	22,357
Brewin Dolphin Capital	<u>18,234</u>	<u>4,733</u>
	<u>45,197</u>	<u>27,422</u>

**9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Grants approved not yet paid	4,895	454
Accruals - Administrative fees	3,000	3,000
Accruals - Examination fee	1,380	1,380
Accruals - Investment Management fees	<u>2,980</u>	<u>2,980</u>
	<u>12,255</u>	<u>7,814</u>