

Charity Registration No. SC004031

# **JOHN MURDOCH'S TRUST**

Trustees' Report and Unaudited Accounts

For The Year Ended 5 April 2018

**JOHN MURDOCH'S TRUST  
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**JOHN MURDOCH'S TRUST  
TRUSTEES' REPORT  
YEAR ENDED 5 APRIL 2018**

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The Trustees present their report and accounts for the year ended 5 April 2018.

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 14 individuals and 1 organisation – Council for At-risk Academics (CARA) (2017 17 individuals) during the year with a total of £40,195 (2017 £38,580) being paid.

**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 £8,905 (2017 – net expenditure of £26,481). The Trustees reviewed expenditure in 2017 and reduced support costs for the future by changing service providers as appropriate. Revaluation losses of £28,619 (2017 gains of £172,484) means the net movement in funds was a reduction of £37,524 (2017 improvement of £146,003).

**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 2018**

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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. During the year a marketing exercise was carried out with the objective of raising the profile of the charity and attracting new applications. This exercise involved refreshing the available information on the charity by designing a modern brand and logo to reflect the scientific connection and the ability of the Murdoch Trust to link older people to appropriate funding. A hard copy leaflet was produced and 1,000 copies were distributed to organisations working with older people. A new webpage for the charity was launched. An online application facility was developed and introduced. Social media was used to promote the online application facility and availability of funding. The Trustees, in particular, developed a relationship with the national charity Age Scotland to refer potential applicants to the charity.

**Legal and Administrative Information**

CHARITY NUMBER	SC037136
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 2018**

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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 2018**

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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

19 NOVEMBER 2018  
Dated: .....

**JOHN MURDOCH'S TRUST  
INDEPENDENT EXAMINER'S REPORT  
YEAR ENDED 5 APRIL 2018**

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I report on the accounts of the Trust for the year ended 5 April 2018, 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: ..... 23/11/18 .....

**JOHN MURDOCH'S TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 5 APRIL 2018**

	Note	Revenue Account 2018 £	Capital Account 2018 £	Total 2018 £	Revenue Account 2017 £	Capital Account 2017 £	Total 2017 £
<b>Income and endowments from:</b>							
Investments	2	62,525	-	62,525	51,552	-	51,552
<b>Total</b>		<b>62,525</b>	<b>-</b>	<b>62,525</b>	<b>51,552</b>	<b>-</b>	<b>51,552</b>
<b>Expenditure on:</b>							
<i>Raising Funds</i>							
Investment Management		-	12,156	12,156	-	12,825	12,825
<i>Charitable activities</i>							
Grants payable in furtherance of the charity's objects:							
Grants	3/4	40,195	-	40,195	38,580	-	38,580
Costs of activities in furtherance of the charity's objects:							
Support costs	3	1,380	17,699	19,079	3,001	23,628	26,629
<b>Total</b>		<b>41,575</b>	<b>29,855</b>	<b>71,430</b>	<b>41,581</b>	<b>36,453</b>	<b>78,034</b>
<b>Net Incoming / (Outgoing) Resources before Transfers</b>							
		20,950	(29,855)	(8,905)	9,972	(36,453)	(26,481)
<b>Transfers between Funds</b>							
		-	-	-	-	-	-
<b>Net income/(expenditure) before gains and losses on investments</b>							
		20,950	(29,855)	(8,905)	9,972	(36,453)	(26,481)
<b>Net gains/(losses) on investments</b>							
		-	(28,619)	(28,619)	-	172,484	172,484
<b>Net income/(expenditure)</b>							
		20,950	(58,474)	(37,524)	9,972	136,031	146,003
<b>Transfers between Funds</b>							
		-	-	-	-	-	-
<b>Net movement in funds</b>							
		20,950	(58,474)	(37,524)	9,972	136,031	146,003
<b>Reconciliation of funds:</b>							
Total funds brought forward		119,370	1,505,407	1,624,777	109,397	1,369,376	1,478,773
<b>Total funds carried forward</b>		<b>140,320</b>	<b>1,446,933</b>	<b>1,587,253</b>	<b>119,370</b>	<b>1,505,407</b>	<b>1,624,777</b>


All operations are continuing



**JOHN MURDOCH'S TRUST  
BALANCE SHEET  
AS AT 5 APRIL 2018**

	Notes	2018		2017	
		£	£	£	£
<b>Fixed Assets</b>					
Investments	7		1,567,645		1,590,380
<b>Current Assets</b>					
Cash at bank and in hand	8	<u>27,422</u>		<u>41,757</u>	
		27,422		41,757	
<b>Creditors: amounts falling due within one year</b>					
	9	<u>(7,814)</u>		<u>(7,360)</u>	
<b>Current assets less current liabilities</b>			19,608		34,397
<b>Net Assets</b>			<u>1,587,253</u>		<u>1,624,777</u>
<b>Unrestricted Funds</b>					
Capital Account			1,446,933		1,505,407
Revenue Account			<u>140,320</u>		<u>119,370</u>
			<u>1,587,253</u>		<u>1,624,777</u>

The accounts were approved by the Trustees on 19 NOVEMBER 2018 .....

  
.....  
David Neil MacDonald  
TRUSTEE

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

**JOHN MURDOCH'S TRUST  
NOTES TO THE ACCOUNTS  
YEAR ENDED 5 APRIL 2018**

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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**

	2018	2017
	£	£
Dividend and Interest Income	62,522	51,424
Bank Interest	3	128
Brewin Dolphin Commission	-	-
Total	<u>62,525</u>	<u>51,552</u>

**JOHN MURDOCH'S TRUST  
NOTES TO THE ACCOUNTS  
YEAR ENDED 5 APRIL 2018**

**3 CHARITABLE ACTIVITIES**

	Other Costs £	Grant Funding £	Total 2018 £	Total 2017 £
<b>Charitable activities</b>				
<i>Grant making activities:</i>				
Grant funding of activities	-	40,195	40,195	38,580
	-	40,195	40,195	38,580
<i>Support costs</i>				
Administrative fees	-	15,000	15,000	21,828
Withdrawal fees	-	-	-	1,800
Marketing	-	2,699	2,699	-
Bank Charges	-	-	-	61
Examiners fees	1,380	-	1,380	2,940
Total	1,380	17,699	19,079	26,629

**4 GRANTS PAYABLE**

	Total 2018 £	Total 2017 £
Grants to individuals	30,195	38,580
Grants to other organisations	10,000	-
Total	40,195	38,580

**5 TRUSTEES**

None of the Trustees (or any persons connected with them) received any remuneration during the year (2017 £nil). There were no donations by Trustees in the year (2017 £nil).

**6 EMPLOYEES**

There were no employees during the year (2017 none).

**JOHN MURDOCH'S TRUST  
NOTES TO THE ACCOUNTS  
YEAR ENDED 5 APRIL 2018**

**7 FIXED ASSET INVESTMENTS**

	2018	2017
	£	£
Market Value at start of year	1,590,380	1,300,924
<u>Add: Acquisitions at Cost</u>	178,381	551,926
<u>Less: Disposals at Opening Market value</u>	( 172,497)	( 434,954)
Valuation changes	<u>( 28,619)</u>	<u>172,484</u>
Market Value at 5 April	<u>1,567,645</u>	<u>1,590,380</u>
Historical Cost at 5 April	<u>1,238,573</u>	<u>1,160,911</u>

Investments at fair value comprise:

UK Equities	598,101	653,025
UK Property	35,106	20,691
Overseas Equities	683,027	657,878
UK Fixed Interest	<u>251,411</u>	<u>258,786</u>
	<u>1,567,645</u>	<u>1,590,380</u>

**8 CASH AT BANK AND IN HAND**

	2018	2017
	£	£
RBS WS Society Account	332	24,151
Brewin Dolphin Revenue	22,357	-
Brewin Dolphin Capital	<u>4,733</u>	<u>17,606</u>
	<u>27,422</u>	<u>41,757</u>

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

	2018	2017
	£	£
Grants approved not yet paid	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>7,814</u>	<u>7,360</u>