

THE NORTH BERWICK TRUST LIMITED

FINANCIAL STATEMENTS

For the Year ended 31 March 2020

**Company Registration Number SC599995
Scottish Charity Number SC048462**

THE NORTH BERWICK TRUST LIMITED
FINANCIAL STATEMENTS

For the Year ended 31 March 2020

CONTENTS

PAGE

Report of the Directors	2
Report of the Independent Auditors	8
Statement of Financial Activities incorporating the Income and Expenditure Account	11
Balance Sheet	12
Statement of cash flows	13
Notes forming part of the financial statements	14

THE NORTH BERWICK TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

REPORT OF THE DIRECTORS

The Directors, who are the directors for the purpose of company law and trustees for the purpose of charity law, has pleasure in presenting their report and the financial statements of the Charity for the year ended to 31 March 2020.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objects and Activities

Purposes

The charitable objectives are to benefit the residents of North Berwick as the directors in their absolute and uncontrolled discretion think fit and without prejudice to the foregoing generality:-

- To provide, maintain, service and staff facilities for public recreation in North Berwick;
- To Provide assistance of any kind for the education of residents of North Berwick and their dependents;
- To provide, maintain, service, plant, cultivate and manage public amenity grounds and gardens within North Berwick and all necessary or desirable ancillary roads, sewers and other services; and
- The relief of need and suffering of any kind among residents of North Berwick and their dependants.

Vision

The Directors have agreed the following statement.

1. We will take a flexible and responsible approach to managing the Charity's funds, enabling us both to invest in the community today and create a North Berwick 'Forever Fund' for the future;
2. Working with North Berwick Community Council, the Coastal Area Partnership and other appropriate bodies, we will use the Charity's resources to assist in meeting identified community needs;
3. We will award grants to North Berwick community groups, organisations and individuals;
4. We will seek to work inclusively, collaboratively and transparently; and
5. We will review our work regularly and undertake a major review in 2020.

Grant making

The directors are able to expend capital or income according to needs and ambitions identified by the local community.

Achievements and Performance

During the period to March 2020 the Charity:

- Implemented and embedded the operational management arrangements for the Country Park area.
- Developed the Charity's thematic groups, involving community members and advising the Board.
- Completed further feasibility on delivery and management options in relation to the Community Hub.

THE NORTH BERWICK TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

REPORT OF THE DIRECTORS

Achievements and Performance (cont.)

- Further developed and managed the grants scheme, giving out £236,224 to local organisations.
- Recruited and appointed a new NBTL Chair.
- Introduced new banking arrangements including on line capability. This enables the Charity to process faster grant claims.

Financial Review

Please note that these accounts reflect a partial trading year, due to the transfer of assets from North Berwick Trust to North Berwick Trust Limited in the first quarter.

The Charity received a donation in the year from the North Berwick Trust as part of the transfer of its assets.

Cash at the bank as at the year end amounted to £321k (2019: £Nil) and the Charity held investments valued at £13.4m (2019: £Nil).

The Charity recorded a net increase in funds for the year of £13,629,124. Total income amounted to £15,139,974 (2019: £Nil), including a donation of £14,882,841 from the North Berwick Trust and total expenditure amounted to £396,552(2019: £Nil).

At the year end the Charity had total funds of £13,629,124 (2019: £Nil), all of which was unrestricted. Free reserves, being unrestricted funds not tied up in tangible fixed assets or investments, amounted to £213,808 (2019: £Nil) as at the year end.

Reserves Policy

The directors retain sufficient capital and income to meet the Charity's aims.

Investment Policy

The Charity's funds are invested through two specialist investment companies. The Charity aims to produce as attractive a level of income as possible while taking a moderate level of investment risk. The Directors do not have a particular income target, but in the current environment an income yield in the region of 3% is desirable. Indeed, the two investment companies have been set the target of achieving a 3% revenue income each year whilst maintaining the underlying value of investments in real terms. Income generated by the portfolio is important to the Directors and will be used to give grants to beneficiaries. The Directors understand that, in order to generate capital growth and mitigate inflation risk in the long term, and indeed to generate an attractive level of income, the underlying investments will include assets such as equities and therefore the short term capital value may be volatile. The Directors are willing to tolerate some volatility over the short term in order to generate sound long term capital returns.

Risk Management

The Directors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. They have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE NORTH BERWICK TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

REPORT OF THE DIRECTORS

Risk Management (cont).

The principal risks faced by the Charity, and the way they are mitigated are

1. There is a risk that the value of the Charity's investment might be affected by stock market volatility. This risk is mitigated by an investment policy that balances return and risk.
2. There is a risk that the Charity might fail to deliver its objectives and it mitigates this risk by actively developing and reviewing its strategy and delivery.
3. The Charity's Finance Group carried out a review of risk within the period and no new risks were identified.

The Directors are committed to the process of reviewing the necessary strategies for the avoidance of the above noted risks.

Plans for Future Periods

The charity plans to further develop its grant award process, supporting the local community in North Berwick in line with its objectives.

Structure, Governance and Management

Governing Document

The North Berwick Trust Limited is a company limited by guarantee with charitable status. The company was incorporated under the Companies Act 2006 on 14 June 2018 and was granted charitable status on 18 June 2018. It was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. The charity was set up to take over the activities of the North Berwick Trust (SC000135) following its agreement to transfer all its assets to charity in May 2019. This process was fully completed by 21 November 2019, the date to which the final accounts for North Berwick Trust were drawn up to.

Recruitment and appointment of the Directors

Directors are appointed by the existing Directors of the charity in accordance with the Articles of Association. Any member who wishes to be considered for appointment as a Director must apply in writing to the company. At an Annual General Meeting the charity may, by ordinary resolution, appoint a trustee. The directors may also, at any time, appoint a member to fill a vacancy or as an additional trustee. At the first meeting of the Board following the Annual General Meeting the directors elect the Chair, Vice Chair and Treasurer.

In accordance with the Articles of Association, the maximum and minimum number respectively of Directors may be determined from time to time by Ordinary Resolution in General Meeting of the Company. Currently the maximum number of Directors is ten and the minimum number of Directors is seven.

THE NORTH BERWICK TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

REPORT OF THE DIRECTORS

Structure, Governance and Management (cont.)

The Director may appoint a person who is willing to act to be a Director, either to fill a vacancy as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with the Articles of Association as the maximum number of Directors and for the time being in force. At each Annual General Meeting one third of the Directors shall retire but can offer themselves for reappointment as long as their total term does not exceed six years unless approved by the other Directors.

None of the Directors have any beneficial interest in the company. All of the Directors are full members of the company and guarantee to contribute £1 in the event of a winding up.

Director induction & Training

There is no formal director induction and training as such. New directors are appointed by the personal invitation of current directors, who then informally brief them on the current activities of the charity.

Organisational Structure

The Directors meet regularly to oversee the operation of the Charity and determine its strategic direction and policies. The Charity employs a manager to handle administration, administration of the grant process. Maintenance of the financial records is outsourced to independent third parties.

THE NORTH BERWICK TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

REPORT OF THE DIRECTORS

Reference and Administrative Information

Company Registration Number	SC599995
Charity Number	SC048462
Directors & Trustees	Sir David Tweedie (Appointed 22 August 2019) Neil Dougall (Resigned 21 November 2019) Morgan Flynn Lewis Foster Jim Goodfellow Lesley Kay Gordon Moodie Elizabeth Morris (Appointed 21 November 2019) Olwyn Owen Kathryn Smith (Resigned 21 November 2019) Ian Watson
Company Secretary	Whitelaw Wells The Lighthouse Heugh Road North Berwick, EH39 5PX
Registered and Principle Office	Bass Rock, The Lighthouse, Unit 2, Heugh Road Industrial Estate, North Berwick, EH39 5PX
Statutory auditors:	Cowan & Partners Limited 60 Constitution Street Edinburgh, EH6 6RR
Senior Statutory Auditor:	John W Kennedy
Bankers:	Bank of Scotland 38 St. Andrew Square Edinburgh, EH2 2YR
Solicitors:	Gillespie Macandrew 5 Atholl Crescent Edinburgh, EH3 8EJ
Investment managers:	Brewin Dolphin 144 Morrison Street Edinburgh, EH3 8BR McInroy and Wood Easter Alderston Haddington, EH41 3SF

THE NORTH BERWICK TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

REPORT OF THE DIRECTORS

Directors responsibilities

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

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the director should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- 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 assume that the charitable company will continue on that basis.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Directors on 27 August 2020 and signed by:-

Sir David Tweedie
Director

THE NORTH BERWICK TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2020

Opinion

We have audited the financial statements of The North Berwick Trust Limited for the year ended 31 March 2020, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows 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 FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its income and expenditure for the year 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 for 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 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 charity'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 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 we do not express any form of assurance conclusion thereon.

THE NORTH BERWICK TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2020

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 the audit:

- the information given in the directors' report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the director's report and from the requirements to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements which 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 charity'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 charity 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.

THE NORTH BERWICK TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2020

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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and the trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Other Matters

The comparative financial statements are unaudited.

John W Kennedy CA
Senior Statutory Auditor
for and on behalf of Cowan & Partners Limited , Statutory Auditor
Cowan & Partners Limited is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
60 Constitution Street
Edinburgh
EH6 6RR

Date:

THE NORTH BERWICK TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING
INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Total Funds 2020 £	Total Funds 2019 £
Income from:			
<i>Donation from North Berwick Trust</i>		14,882,841	-
<i>Investments</i>			
Dividends		205,235	-
Interest receivable		46,562	-
Wayleaves		268	-
<i>Other income</i>		5,068	-
		<hr/>	<hr/>
Total income		15,139,974	-
		<hr/>	<hr/>
Expenditure on:			
<i>Raising funds</i> -Investment managers fees		41,965	-
<i>Charitable activities</i>			
Grants payable	4	236,224	-
Support costs	5, 6	118,363	-
		<hr/>	<hr/>
Total expenditure		396,552	-
		<hr/>	<hr/>
Net income before gains and losses on investments		14,743,422	-
Net loss on investments	9	(1,114,298)	-
		<hr/>	<hr/>
Net (expenditure)/income and net movement in funds		13,629,124	-
		<hr/>	<hr/>
Reconciliation of funds			
Balance on general fund at 1 April 2019		-	-
		<hr/>	<hr/>
Balance on general fund at 31 March 2020		13,629,124	-
		<hr/> <hr/>	<hr/> <hr/>

All funds are unrestricted general funds.

The charity has no recognised gains and losses other than the results for the year as set out above

All the results of the charity are classed as continuing.

The notes on pages 14 to 21 are an integral part of this Statement of Financial Activities.

THE NORTH BERWICK TRUST LIMITED
BALANCE SHEET
AS AT 31 MARCH 2020

	Note	Year ended 31 March 2020	Period ended 31 March 2019
		£	£
Tangible fixed assets	8	1	-
Investments	9	13,415,315	-
		<hr/>	<hr/>
		13,415,316	-
Current assets:			
Debtors	10	17,124	-
Cash at bank		321,282	-
		<hr/>	<hr/>
		338,406	-
Creditors: amounts falling due within one year	11	(124,598)	-
		<hr/>	<hr/>
Net current assets		213,808	-
Total assets less current liabilities		<hr/> 13,629,124	<hr/> -
Represented by:			
Unrestricted funds	12	13,629,124	-
		<hr/> <hr/>	<hr/> <hr/>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standards (FRS 102).

Approved by the Directors on 27th August 2020 and signed by:

Sir David Tweedie
 Director
 Company registration number: SC599995

Gordon Moodie
 Director

The notes on pages 14 to 21 are an integral part of these accounts.

THE NORTH BERWICK TRUST LIMITED
STATEMENT OF CASHFLOWS
AS AT 31 MARCH 2020

	Year ended 31 March 2020 £	Period ended 31 March 2019 £
Cash flows from operating activities		
Net cash provided by operating activities	14,593,762	-
	<hr/>	<hr/>
Cash flows from investing activities		
Investment income	257,133	-
Purchase of Investments	(15,528,129)	-
Proceeds from sale of investments	1,106,592	-
	<hr/>	<hr/>
Net cash used in investing activities	(14,164,404)	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period	429,358	-
Cash and cash equivalents at the beginning of the year	-	-
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	429,358	-
	<hr/> <hr/>	<hr/> <hr/>
RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Net income/(expenditure) for the year	14,743,422	-
Adjustments for:-		
Investment income	(257,133)	-
Increase in debtors	(17,124)	-
Increase in creditors	124,598	-
	<hr/>	<hr/>
Net cash inflow from operating activities	14,593,762	-
	<hr/> <hr/>	<hr/> <hr/>
Analysis of cash and cash deposits		
Cash in hand	321,282	-
Cash held within investment portfolio	108,076	-
	<hr/>	<hr/>
	429,358	-
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 14 to 21 are an integral part of these accounts.

THE NORTH BERWICK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The North Berwick Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recorded at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The directors consider there are no material uncertainties about the ability of the charitable company to continue as a going concern. The directors going concern assessment includes the expected impact of COVID-19 to the company for a period of at least 12 months from the date of signing of these financial statements. Accordingly the financial statements have been prepared on a going concern basis.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Donations and is included in full in the statement of financial activities when receivable.
- Investment income is included when receivable.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure is stated inclusive of VAT. Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure.

- *Charitable activities* include grants awarded, overheads and support costs, including governance costs.

Grants are regarded as commitments when the directors have approved a request for support that is payable over a financial year-end and have written to the beneficiary stating the amount and period over which grants will be made. If, within the commitment period, a beneficiary ceases or materially adversely changes its charitable operations or fails to meet any funding condition the directors would have no hesitation in withdrawing their commitment. Future commitments are recognised as liabilities.

THE NORTH BERWICK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (cont.)

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities, including general administration expenses, insurance, governance costs and professional fees. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company and include audit, accountancy fees and costs linked to the strategic management of the company.

Depreciation

Assets are initially recorded at cost, with assets costing in excess of £500 capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, excluding land which is not depreciated. Professional, and associated costs, related to the acquisition of assets are capitalised.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of the investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub sectors.

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 since these are repayable on demand.

2. Net expenditure

This is stated after charging:-

	2020	2019
	£	£
Auditors' remuneration – audit fees	3,120	-
	=====	=====

No directors received any remuneration or expenses in the current year or previous period.

3. Taxation

The charitable company is exempt from corporation tax on its charitable activities.

THE NORTH BERWICK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2020

4. Charitable grants

The following is a summary of grants paid by the Charity:

	Year ended	Period ended
	31 March	31 March
	2020	2019
	£	£
<u>Educational</u>		
Coastal Communities Museum Trust	4,799	-
Law Primary School	24,305	-
<u>Environmental</u>		
Firth of Forth Lobster Hatchery	15,000	-
North Berwick in Bloom	466	-
NBEHT	9,500	-
NBHTA	30,000	-
<u>Heath</u>		
Carers of East Lothian	15,000	-
Contact the Elderly	(250)	-
Stepping Out	9,000	-
<u>Sports</u>		
Bass Rockteers Netball	3,000	-
British Driver	804	-
North Berwick Rugby Football Club	23,000	-
North Berwick Table Tennis	6,215	-
<u>Social Action</u>		
Baptist Church North Berwick	30,000	-
Day Care Centre Choir	(79)	-
Fridge by the Sea	29,455	-
North Berwick ATC	10,000	-
North Berwick Community Council Christmas Lights	5,000	-
North Berwick Community Council Resilience Fund	6,000	-
North Berwick Youth Project	15,009	-
	<hr/>	<hr/>
	236,224	-
	<hr/> <hr/>	<hr/> <hr/>

No grants were awarded to an individual during the period (2019: None).

THE NORTH BERWICK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2020

5 Support costs and governance

	Year ended	Period ended
	31 March	31 March
	2020	2019
	£	£
<u>Support costs</u>		
Administration and Secretarial costs	6,645	-
Staff Costs (see below)	15,710	-
Insurance	2,410	-
Architect fee	47,174	-
Legal fees	19,971	-
Project development	3,835	-
Repairs and maintenance	12,571	-
Room hire	2,914	-
Website development	110	-
Miscellaneous	243	-
<u>Governance costs</u>		
Audit	3,120	-
Accountancy	3,660	-
	118,363	-
	118,363	-
The aggregate payroll costs were:		
Wages and salaries	15,137	-
Social Security costs	242	-
Pension costs	331	-
	15,710	-
	15,710	-

The Charity has one member of staff (2019: none). Administration and support services are provided by third parties and are included in administrative expenses.

All expenditure in the current and previous year was unrestricted.

THE NORTH BERWICK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2020

6. Analysis of charitable expenditure

The charity undertakes its charitable activities through grant making and awards grants to local charities and institutions in furtherance of its charitable activities.

	Grants	Direct costs	Support costs	Total 31 March 2020	Total 31 March 2019
	£	£	£	£	£
Educational	29,104	-	14,583	43,687	-
Environmental	54,966	-	27,541	82,507	-
Health	23,750	-	11,900	35,650	-
Sports	33,019	-	16,545	49,564	-
Social Action	95,385	-	47,794	143,179	-
	<u>236,224</u>	<u>-</u>	<u>118,363</u>	<u>354,587</u>	<u>-</u>

7. Summary analysis of expenditure and related income for activities

This table shows the cost of the main activities and the sources of income that support those activities.

	Education	Environmental	Health	Social Action	Sports	2020 Total	2019 Total
	£	£	£	£	£	£	£
Costs	(48,858)	(92,271)	(39,869)	(160,125)	(55,429)	(396,552)	-
Investment income	31,056	58,651	25,343	101,782	35,233	252,065	-
	<u>(17,802)</u>	<u>(33,620)</u>	<u>(14,526)</u>	<u>(58,343)</u>	<u>(20,196)</u>	<u>(144,487)</u>	<u>-</u>
Transfers and Land transaction:							
Other income	-	-	-	-	-	5,068	-
Donations	-	-	-	-	-	14,882,841	-
	<u>(17,802)</u>	<u>(33,620)</u>	<u>(14,526)</u>	<u>(58,343)</u>	<u>(20,196)</u>	<u>14,743,422</u>	<u>-</u>

Since the Charity is in its operational infancy costs were covered by capital.

THE NORTH BERWICK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2020

8. Tangible Fixed Assets

	Land £	Total £
Cost		
As at 1 April 2019	-	-
Additions	1	1
	-----	-----
As at 31 March 2020	1	1
	-----	-----
Net book value		
As at 31 March 2020	1	1
	=====	=====
As at 31 March 2019	-	-
	=====	=====

It was agreed that the former North Berwick Trust would transfer its remaining interest in land to North Berwick Trust Limited for £1.

9. Investments

	Year ended 31 March 2020 £	Period ended 31 March 2019 £
Market value at 1 April 2019	-	-
Add: Acquisitions at cost	1,145,846	-
Transferred from North Berwick Trust	14,382,283	-
Disposal proceeds	(1,106,592)	-
Realised gain	22,026	-
Unrealised losses	(1,136,324)	-
	-----	-----
Market value at 31 March 2020	13,307,239	-
Capital held for investment	108,076	-
	-----	-----
	13,415,315	-
	=====	=====
<u>The portfolio consists of</u>		
Equity	10,983,312	-
Fixed interest securities	2,323,927	-
Cash held within the investment portfolio	108,076	-
	-----	-----
	13,415,315	-
	=====	=====

THE NORTH BERWICK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2020

9. Investments (continued)

	Year ended 31 March 2020	Period ended 31 March 2019
	£	£
<u>Net gain on investments</u>		
Realised (gain)	(22,026)	-
Unrealised loss	1,136,324	-
	<hr/>	<hr/>
	1,114,298	-
	<hr/> <hr/>	<hr/> <hr/>

All investments are carried at their fair value. Investments are all in traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of the financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and the Report of the directors.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of the investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub sectors, particularly as the charity uses the dividend yield in part to finance its work.

The Charity has managed the investment risks by retaining an expert advisors and operating an investment policy that provides a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchange. The Charity does not make use of derivatives and other similar complex financial instruments.

10. Debtors: amounts falling due within one year

	Year ended 31 March 2020	Period ended 31 March 2019
	£	£
Prepayments and accrued income	17,124	-
	<hr/>	<hr/>
	17,124	-
	<hr/> <hr/>	<hr/> <hr/>

THE NORTH BERWICK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2020

11. Creditors: amounts falling due within one year

	Year ended 31 March 2020 £	Period ended 31 March 2019 £
Accruals	10,800	-
Grants payable	113,700	-
Pension	98	-
	<hr/>	<hr/>
	124,598	-
	<hr/> <hr/>	<hr/> <hr/>

12. Funds

	Year ended 31 March 2020 £	Period ended 31 March 2019 £
Unrestricted funds:		
General fund	213,808	-
Designated funds:		
Land	1	-
Investments	13,415,315	-
	<hr/>	<hr/>
	13,629,124	-
	<hr/> <hr/>	<hr/> <hr/>

The designated **Land Fund** represents the net book value of land owned by the Charity. The designated **Investments Fund** represents the net book value of investments.

13. Company limited by guarantee

This is a company limited by guarantee and does not have share capital. Each member of the company has agreed to contribute an amount not exceeding £1 to the assets of the company in the event of winding up.

14. Related parties

No transactions with related parties were undertaken in either the current or previous year such as are required to be disclosed under Financial Reporting Statement 102. No one individual had control of the charity during the year.