

THE FERNIEHIRST CASTLE RESTORATION FUND
TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024
Scottish Charity Number SC000701

THE FERNIEHIRST CASTLE RESTORATION FUND

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

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THE FERNIEHIRST CASTLE RESTORATION FUND

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2024

REFERENCE AND ADMINISTRATIVE DETAILS

SCOTTISH CHARITY NUMBER SC000701

REGISTERED OFFICE DETAILS

TRUSTEES

SECRETARIES & TREASURERS

INDEPENDENT EXAMINER


JRW Hogg & Thorburn LLP
19 Buccleuch Street
Hawick
TD9 0HL

BANKERS

The Royal Bank of Scotland
6 The Square
Kelso TD5 7HG

STOCKBROKERS

RBC Brewin Dolphin
144 Morrison Street
Edinburgh
EH3 8BR

THE FERNIEHIRST CASTLE RESTORATION FUND

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Establishment of Trust

The trust was constituted by deed of trust by [REDACTED] dated 17 and 27 December 1986 and registered in the Books of Council and Session on 8th January 1987. The 12th Marquis of Lothian, settler of the trust, who died on 11 October 2004, resided at Ferniehirst Castle. His heir, the 13th Marquis lives at [REDACTED] another historic house that belongs to the Scottish Clan or Family of Kerr.

Trustee Meetings and Appointment

The original trustees were appointed by the deed of trust; subsequent trustees are appointed by the existing trustees. New trustees are briefed on the trusts aims and objectives. At the trustees' meeting, the trustees agree the broad areas of strategy and areas of activity for the trust including consideration of grant making, investment reserves, risk management and performance.

Risk Statement

The trustees consider that the only significant risk affecting the trust is that their income and the value of their investments may drop, either as a result of one or more companies in which the trust holds shares doing badly or as a result of a substantial fall in the stock market generally. To counter this risk, the trustees rely on competent investment managers and try to ensure that their expenditure on revenue account in each year does not exceed their income of that year.

Objectives and Activities

The capital and income of the trust fund are to be held for the charitable purposes of the trust, which are the advancement of the education of the public in the history of the Scottish Clan or Family of Kerr and for this purpose to assist with the restoration of Ferniehirst Castle as a museum for the Scottish Clan or Family of Kerr and the provision of facilities to enable public access to be obtained to the historic houses and castles of the Scottish Clan or Family of Kerr.

The trustees are directed to pay or apply the income of the trust fund, and have powers in their discretion to pay or apply the capital in whole or part, in or towards the furtherance of those charitable purposes in such manner as the trustees think fit, provided always such payment or application is for charitable purposes only.

Grant Making Policy

The trustees' general policy is to utilise the income arising from the assets and funds under their control to facilitate the restoration of Ferniehirst Castle as a museum for the Scottish Clan or Family of Kerr and to help with the provision of facilities to enable public access to be obtained to Ferniehirst Castle, in accordance with the objects or charitable purposes of the trust, as set out in the paragraph above. Accordingly the trustees normally make a grant representing the bulk of the income of the trust to the Ferniehirst Trust as the proprietor of Ferniehirst Castle, to assist with the cost of admitting the public to, and of maintaining the assets used exclusively for access purposes to the Castle.

In addition the trustees see it as part of their policy to encourage and support visits to Ferniehirst or studies on local history by Jedburgh schools, and to support the work of the Curator at Ferniehirst Castle.

THE FERNIEHIRST CASTLE RESTORATION FUND

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Achievements and Performance

During the year to 30 September 2024 the income of the trust amounted to £27,732 (2023: £27,636). Grants of £46,000 (2023: £20,000) were made during the year. As at the year end, the revenue cash balance is £4,067 (2023: £3,936). This included the repayment of the independent auditor's fee that was paid twice in the previous year. The applications from the trustees of the Ferniehirst Trust (as owners of the Castle) for financial assistance for the costs relating to public access at Ferniehirst were dealt with as follows:-

The trustees agreed to make a grant of £20,000 to Ferniehirst Trust for public access to the castle; The Trustees contributed £26,000 toward the costs of external painting and the replacement of the gas boiler in the bothy/ Kerr Kitchen at Ferniehirst. A commitment was made to fund the lighting conductor at a budgeted cost of £5,000+VAT, however, this work has not been undertaken and therefore, no funds have been required.

Investment Policy

In terms of the provisions of the trust deed, the trustees have unrestricted powers of investment. Accordingly the trustees employ competent investment managers to manage the investments on a discretionary basis. RBC Brewin Dolphin are the appointed investment managers to the Fund.

Financial Review

The principal assets in the trust at 30 September 2024 were a portfolio of shares managed by RBC Brewin Dolphin, which were purchased in accordance with the powers given to the trustees in the deed of trust.

The market value of the investments managed by the RBC Brewin Dolphin, as at the year end was £980,397, and with cash held of £4,423 amounted to £984,820 (2023: £890,737), which represented an increase of 10.56% over the year.

The trustees will consider making further investments in due course from the cash deposits held, but meantime consider it prudent to retain a degree of liquidity. Overall there was deficit for the year of £23,301 (2023: Surplus £421) due to the additional grants paid to the Ferniehirst Trust.

Reserves Policy

The trustees see no need for reserves, as they have no real commitments other than the administration costs of the trust; in effect the whole investment and property portfolio may be looked on as a reserve, as the trustees would be able to spend part of the capital of the portfolio if the trustees felt it sufficiently important to maintain the level of grants to the bodies which the trust supports on a regular basis.

Plans for Future Periods

By continuing to award grants the charity provides a long term commitment to meeting its objectives. In addition to this commitment the trustees will be carrying out a further strategic review of the activities of the trust in 2025 to ensure their long term commitment is met.

THE FERNIEHIRST CASTLE RESTORATION FUND

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2024

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The trustees must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of the charity during the financial year.

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

The trustees confirm that the financial statements of the trust for the year to 30 September 2024 comply with current statutory requirements and with the provisions of the deed of trust.

Date:

12 June 2028,

THE FERNIEHIRST CASTLE RESTORATION FUND

STATEMENT OF RECEIPTS AND PAYMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	<u>Notes</u>	<u>Unrestricted Funds</u>		<u>2024</u>	<u>2023</u>
		<u>Capital</u>	<u>Revenue</u>	<u>Total</u>	<u>Total</u>
<u>Receipts</u>					
<u>Investment Income</u>					
Dividend Income and Interest		£ 0	£ 27,732	£ 27,732	£ 27,636
Repayment from JRW HT		0	1,800	1,800	
Net Investment Sales - (Sales less Purchases)		2,750	0	2,750	7,020
Total Receipts		£ 2,750	£ 29,532	£ 32,282	£ 34,656
<u>Payments</u>					
Investment Purchase Costs - (Sales less Purchases)	8	0	0	0	0
Investment Management Costs	9	5,047	0	5,047	8,235
Grants	10	0	46,000	46,000	20,000
Management Cost	11	0	2,736	2,736	2,400
Independent Examiner Cost	12	0	1,800	1,800	3,600
Total Payments		£ 5,047	£ 50,536	£ 55,583	£ 34,235
(Deficit) for Year before Transfers		£ -2,297	£ -21,004	£ -23,301	£ 421
Transfers		-21,135	21,135	0	0
Surplus/(Deficit) for Year		£ -23,432	£ 131	£ -23,301	£ 421

THE FERNIEHIRST CASTLE RESTORATION FUND

STATEMENT OF BALANCES

AS AT 30 SEPTEMBER 2024

	<u>Restricted Funds</u>		<u>Unrestricted Funds</u>			
	<u>Capital</u>		<u>Capital</u>	<u>Revenue</u>	<u>Total</u>	<u>Total</u>
<u>Notes</u>	<u>2024</u>		<u>2024</u>	<u>2024</u>	<u>2024</u>	<u>2023</u>
<u>Cash Funds</u>						
Opening cash at bank and in hand	2,199 £		46,630 £	3,936	52,765	52,344
Receipt and Payments Surplus/Deficit	0		-23,432	131	-23,301	421
	£ 2,199	£	23,198	£ 4,067	£ 29,464	£ 52,765
<u>Bank and Cash Balances</u>						
Brewin Dolphin - Revenue Account	0		0	4,067	4,067	3,936
Brewin Dolphin - Capital Account	2,199		2,224	0	4,423	6,720
Royal Bank of Scotland Account	0		20,974	0	20,974	42,109
	£ 2,199	£	23,198	£ 4,067	£ 29,464	£ 52,765
<u>Investments</u>						
Stockbroker Securities - Brewin Dolphin 8	0		980,397	0	980,397	884,017
Works of Art	0		14,026	0	14,026	14,026
	£ 0	£	994,423	£ 0	£ 994,423	£ 898,043
<u>Liabilities</u>						
Independent Examiner Fee	0		0	1,800	1,800	1,800
Ferniehirst Trust	0		0	0	0	0
Investment Management Fee	0		0	0	0	0
Lothian Estates Fee	0		0	2,400	2,400	2,400
	£ 0	£	0	£ 4,200	£ 4,200	£ 4,200
Total Reserves	£ 2,199	£	1,017,621	£ -133	£ 1,019,687	£ 946,608

Approved by the Trustees

Date:

12 June 2025

THE FERNIEHIRST CASTLE RESTORATION FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

1. BASIS OF ACCOUNTING

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) regulation 2006 (as amended).

2 NATURE AND PURPOSE OF FUNDS

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity. The trust's unrestricted funds comprise of a Capital and a Revenue Fund. Capital is the invested funds which generate the income (Revenue). Revenue is the income received from capital investments. Both funds are subject to expenses. Donations are usually paid from the available Revenue balance. However the trustees are free to use either fund for any purpose in furtherance of the charitable purposes, if they so determine.

Restricted funds are cash donations held specifically for Library and/or books and for the Museum.

	<u>2024</u>	<u>2023</u>
<u>Restricted Fund</u>		
Cash resulting from donations is held for the following:		
Library and/or Books	1,037	1,037
Museum	1,162	1,162
	<u>£ 2,199</u>	<u>£ 2,199</u>

Administration costs have been allocated to the revenue fund.

3 VAT

The trust is not registered for VAT and accordingly expenditure includes VAT where appropriate.

4 TAXATION

The trust is a charity and is recognised as such by H M Revenue and Customs for taxation purposes. As a result there is no liability to taxation on any of its income.

5 EMPLOYEES

The trust has no employees at any time during the year.

6 TRUSTEE REMUNERATION AND EXPENSES

There were no payments for remuneration or expenses to the Trustee in 2024 or 2023.

7 RELATED PARTY TRANSACTIONS

██████████ is the son of ██████████ a sister of ██████████, a beneficiary of the Ferniehirst Trust. ██████████ is a distant relation of both ██████████ ██████████ is a trustee of the Ferniehirst Trust. The Ferniehirst Trust which was set up to own and maintain the designated heritage property at Ferniehirst Castle, received grants from the trust as shown in Note10.

THE FERNIEHIRST CASTLE RESTORATION FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

8 INVESTMENTS

Stock Market Securities

Investments are quoted on International Stock Exchanges.

Investments are reviewed at least yearly by investment managers and changes in the portfolio are made or their recommendation.

	<u>2024</u>	<u>2023</u>
Opening Market Value at 30 September 2023	884,017	891,834
Disposal proceeds	(299,746)	-95,427
Acquisition at Cost	296,996	88,407
Revaluations	99,130	-797
Closing Market Value at 30 September 2024	<u>£ 980,397</u>	<u>£ 884,017</u>
Historic Cost at 30 September 2024	<u>£ 871,642</u>	<u>£ 857,856</u>

Works of Art

Works of Art are heritage assets and are stated at cost. No depreciation is charged as the works of art are well maintained and have an estimated realisable value in excess of the cost.

The trustees review the paintings annually for indications of impairment.

	<u>2024</u>	<u>2023</u>
Painting of Ferniehirst Castle by Axel Haig (Cost £2,000 4 May 1993)	2,000	2,000
Portrait of Robert Kerr Lord Somerset attributed to George Geldorp and restoration work (Cost £5,646, restoration 4 December 1993 - £1,880)	7,526	7,526
Painting of Mary Queen of Scots by an anonymous 18th century British artist (Cost £4,500 29 June 1998)	4,500	4,500
	<u>£ 14,026</u>	<u>£ 14,026</u>

9 INVESTMENT MANAGEMENT COSTS

Portfolio Management Fees - Brewin Dolphin	<u>£ 5,047</u>	<u>£ 8,235</u>
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10 GRANTS MADE

Public access at Ferniehirst Castle

To the Ferniehirst Trust, to assist with the cost of admitting the public to, and of maintaining the assets used

exclusively for access purposes at Ferniehirst Castle	<u>£ 46,000</u>	<u>£ 20,000</u>
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THE FERNIEHIRST CASTLE RESTORATION FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

11 ADMINISTRATION COSTS

	<u>2024</u>	<u>2023</u>
Management Fees - Lothian Family Trust	<u>£ 2,736</u>	<u>£ 2,400</u>

12 INDEPENDENT EXAMINER

	<u>2024</u>	<u>2023</u>
Independent Examiner Fees - JRW	<u>£ 1,800</u>	<u>£ 3,600</u>

13 GUARANTEES AND COMMITMENTS

There are some contingent liabilities for lightning conductor in the sum of £5,000+VAT at 30 September 2024

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE FERNIEHIRST CASTLE RESTORATION FUND**

I report on the Accounts of the charity for the year ended 30th September 2024 which are set out on pages 5 to 9.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the Accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Charity Trustees consider that the audit requirement of Regulation 10 (1) (d) 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 statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given in the Accounts.

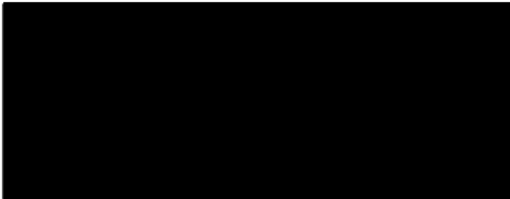
Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which give 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 (as amended), and
 - to prepare Accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Accounts to be reached.



JRW, Hogg & Thorburn LLP
19 Buccleuch Street,
HAWICK
TD9 0HL.

17th June 2025