

Charity Registration No. SC003139

Company Registration No. SC111258 (Scotland)

PERTH AND KINROSS HERITAGE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

TUESDAY



S7G7I9H6

SCT

09/10/2018

#232

COMPANIES HOUSE

PERTH AND KINROSS HERITAGE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs S Hendry	
	Councillor S Donaldson	
	Councillor D Illingworth	
	Mr G Butt	
	Mr N Grieve	
	Mr R Illsley	
	Mrs M Wilkins	
	Mr M Ballantine	(Appointed 13 March 2018)
	Mr C Longhorn	(Appointed 13 March 2018)
Charity number	SC003139	
Company number	SC111258	
Principal address	Library Lodge 4 York Place PERTH PH2 8EP	
Auditor	Johnston Carmichael LLP 66 Tay Street PERTH PH2 8RA	

PERTH AND KINROSS HERITAGE TRUST

CONTENTS

	Page
Trustees' report	1 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the accounts	13 - 24

PERTH AND KINROSS HERITAGE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and accounts for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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)".

Objectives and activities

The charity's objectives are:

- to promote, preserve, maintain and enhance for the benefit of the residents of the area of Perth and Kinross and the public at large, whatever of the historical architectural and constructional heritage may exist in that area in the form of land or buildings of particular beauty or historical, architectural or constructional interest or significance.
- to promote the practical preservation of the amenity and character of the rural and urban areas of Perth and Kinross.
- to help maintain ancient monuments or other items or areas of archaeological or industrial archaeological importance.
- to further awareness of the natural and built environment through education about and active voluntary involvement in their conservation.

Since becoming established, a central role of the Trust has been the provision of grant aid to historic buildings and projects relating to the conservation and promotion of the historic environment more widely.

Highlights of the work for the year

The Trust concluded its organisational review, begun in late 2016 and supported by Heritage Lottery Fund transition funding and with the aid of Jura Consultants, in September 2017. The study reviewed the operational setup of the organisation and options for future operations and resulted in both changes to governance and operational procedures and the publication of a five-year strategic plan. An enlarged Board of Trustees has been secured, encompassing key business and sectoral skills, and meets quarterly, while a new Management Committee meets monthly to consider ongoing work and make recommendations to the Board of Trustees.

The Strategic Plan 2017-2022 presents the vision, mission and values of the Trust and sets out priorities for key objectives to focus future work and ensure it aligns with the aspirations of our partners, funders and stakeholders.

PERTH AND KINROSS HERITAGE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Achievements and performance

The Trust has successfully delivered the final year of the three-year tranche of the Perth City Heritage Fund which ran from April 2015 to March 2018. The fund was supported by Historic Environment Scotland and delivered on behalf of the Scottish Government. The aim of the fund is to address the dilapidation of historic buildings, and to thereby foster economic regeneration in Perth, through a programme of grant assistance and educational and community outreach. At the close of this tranche, the Perth City Heritage Fund has committed funding of £836,532 over the financial years 2015/16 to 2017/18. Scheme funds are made up of £170,000 unrestricted revenue funding and £666,532 restricted capital funding commitments. Grant assistance must have been committed towards projects by the close of the scheme at the end of the financial year 2017/18. However, as grants are paid to the grantees after completion of eligible work, ongoing monitoring and grant payments will continue beyond that date until the remaining grant assisted projects are completed over the course of the following 12 months. This means a material balance committed, but unexpended grant remains as a restricted sum in the fund at the end of the financial year 2017/18. The scheme is overseen by a Steering Group comprising a Trustee, Trust staff and Perth and Kinross Council officers. The independent external advisor took up the additional role of Trustee and Trustee member of the Steering Group in November 2017. The Steering Group meet regularly to agree project funding and give guidance towards the overall scheme. Applications for grants in excess of £25,000 are passed to the full Board of Trustees for a decision.

Following a change in priorities the Trust's Historic Building Grants scheme closed for applications in the financial year 2016/17 and the last outstanding grant payment was made in March 2018. All sums remaining in the Historic Building Grants Scheme have been transferred to the Building Preservation Fund at the end of 2017/18.

In addition to the provision of grant-aid, the Trust achieves its objectives through the delivery of projects and a number of these were carried out over the year. Most significant was the successful delivery of the fourth delivery year of the Tay Landscape Partnership (TLP), a major programme of work supported by the Heritage Lottery Fund, The Gannochy Trust, Perth and Kinross Council, Perth and Kinross Countryside Trust, Historic Environment Scotland, The Robertson Trust, Scottish Natural Heritage, Esmee Fairbairn Foundation and The Cross Trust, with a total value of £2.6 million over the life of the project. The Scheme, carried out in partnership with Perth and Kinross Countryside Trust, delivered 28 projects around the estuary through a team of five staff, with the aim of bringing together local, regional and national organisations to celebrate the unique character of natural and historic environments of the upper Tay estuary. A Management Committee, with representatives of the Trust and Perth and Kinross Countryside Trust meets regularly. The date for completion of the Scheme has been extended from August 2018 to October 2018 with the agreement of the Heritage Lottery Fund, the main funder, and spend from 1 April 2018 to mid-September has totalled £87,774. In addition, a maintenance budget, agreed with the Heritage Lottery Fund, will retain a restricted budget of £135,909 for ongoing monitoring and maintenance of legacy items over the next 10 years as detailed in an agreed Maintenance Agreement.

The year also saw a final year of excavation in the Glenshee Archaeology Project, engaging volunteers, university students and schools in the investigation of Pictish longhouses, however as outlined in Future Plans below, post-excavation work and publication will progress over 2018 and into 2019. In addition, the first year was delivered in a four-year community archaeology project at the King's Seat hillfort, Dunkeld. Developed in partnership with the Dunkeld and Birnam Historical Society, the project is funded by the Heritage Lottery Fund, the SSE Griffin Community Fund and The Gannochy Trust.

Other achievements include the provision of the Trust's two key annual outreach events: with an expanded Perth and Kinross Archaeology Year from April to October 2017, and Doors Open Days over three weekends in September 2017. The Trust also contributed to the Catechan Common Wealth project, a programme of arts, culture and heritage centred on the Catechan Trail. The Trust has also continued to provide a planning archaeology service to Perth and Kinross Council's Environment Service.

PERTH AND KINROSS HERITAGE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Financial review

Results for the year ended 31 March 2018 are given in the Statement of Financial Activities on page 9. The assets and liabilities are detailed on the Balance Sheet on page 10.

The Statement of Financial Activities shows a net outflow of funds for the year of £144,256 (2017 - net inflow - £86,856). This deducted from the funds brought forward of £1,021,774 gives a surplus to carry forward of £877,518 which includes a revaluation reserve of £17,815. The closing reserves are made of restricted reserves of £445,950, designated reserves of £163,500 and unrestricted reserves of £268,068, including the revaluation reserve. Full details of income and expenditure are set out in the notes to the accounts.

The charity's expenditure in the financial year 2017/18 supports the identification, recording, protection, management, interpretation and promotion of the historic environment within the Perth and Kinross area for the benefit of both the community and visitors to the area. This is undertaken through the provision of heritage advisory and consultancy services to partner organisations and the public; through the award of grants; the delivery and funding of projects, and through outreach and education activities aimed at increasing community awareness of the local historical environment. Since late 2017 activities are carried out in line with the Strategic Plan 2017-2022, which in addition to the above areas of work, has identified skills training and development as an important theme of work over the next 5 year period. The charity's income reflects the continuing support of its founding partners; the attraction of grant funding from Historic Environment Scotland, the Heritage Lottery Fund and other funding bodies; income generated through consultancy work and the sale of the charity's publications and charitable donations from the public.

Reserves Policy

Perth and Kinross Heritage Trust continues to adopt a policy of retaining reserves to protect it against any future decline in income generated or funds held which could prevent it from delivering services and fulfilling its objectives and activities in the future.

Each year, the Trustees review the level of reserves designated for future operating costs and capital projects by considering risks associated with income streams, expenditure plans and other balance sheet items.

The risks include the timing of the receipt of fundraising income, the likelihood of downturns in the various sources of income, the desire to maintain services provided and future investment plans.

The Trustees aim to hold reserves for future operating costs equating to at least 6 months of operating costs. This sum amounts to £177,480.

In addition, Trustees have placed £150,000 in reserves for future capital projects, as they are currently investigating two potential building preservation projects, with potential start dates in the next year. In addition, Trustees have agreed up to £35,000 to appoint a Skills Training Development post in line with aspirations in our current Strategic plan, and plan to review unrestricted reserves at the AGM in September 2018.

The charity holds reserves of £877,518 of which £268,068 are unrestricted therefore the charity has sufficient reserves to cover 6 months of operating costs.

The Trust maintains an organisational Risk Register, which is considered by the Board of Trustees on a quarterly basis, and assesses both Strategic and Tactical risk to the organisation, the former being defined as having potential to result in a critical failure of the Trust, and the latter having the potential to cause delay to one area of work but which is recoverable for the Trust as a whole. Responsibility for the Risk Register is shared between the Board of Trustees, the Trust Director and other professional staff.

The key Strategic Risks to the organisation identified over the year were: failure to deliver the Perth City Heritage Fund and Tay Landscape Partnership scheme; and failure to secure a third tranche of Perth City Heritage Fund support from Historic Environment Scotland (HES) and to maintain ongoing funding from Perth and Kinross Council, through the existing Service Level Agreement, and The Gannochy Trust. Agreed mitigated measures are in place to minimise risks appropriately, ensuing regular and clear communication with partners and funders and in terms of projects, the charity will not agree to commence delivery of projects until all external funding required is secured.

PERTH AND KINROSS HERITAGE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Future plans

The Tay Landscape Partnership scheme is due to be brought to conclusion by October 2018 and this will remain the focus of the remaining staff member from that team, while, as outlined above, the Trust will hold a restricted fund for the monitoring and maintenance of legacy items over the next decade, detailed in a Maintenance Agreement with Perth and Kinross Countryside Trust and relevant stakeholders. The Perth City Heritage Fund is set to feature as major area of work for the Trust over at least the next 3 years, with a business plan and application for tranche 3 funding being submitted on the 30 November 2017 as agreed with Historic Environment Scotland (HES).

An application was submitted, at the end of August 2017 for £107,468, to the Society of Antiquaries of Scotland for a 3 year project to develop an Archaeological Research Framework for the Perth and Kinross area. Post-excavation study and publication of the Glenshee Archaeology Project is planned for 2018 as is continued delivery of the Kings Seat, Dunkeld, community excavation project, the annual outreach events, Perth and Kinross Archaeology Month, and Perth and Kinross Doors Open Days, and the provision of the planning archaeology service to Perth and Kinross Council. In addition to this, the Trust is seeking to develop a major historic building project and is in discussion with the owners of two such buildings.

Structure, governance and management

The charitable company is a company limited by guarantee. The charitable company is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the period from 01 April 2017 to the date the financial statements were approved were as follows:

Mrs S Hendry	
Mr M Webster	(Resigned 12 March 2018)
Mr M Simpson	(Resigned 5 February 2018)
Councillor S Donaldson	
Councillor D Illingworth	
Mr G Butt	
Mr N Grieve	
Mr R Illsley	
Mrs M Wilkins	
Mr M Ballantine	(Appointed 13 March 2018)
Mr C Longhorn	(Appointed 13 March 2018)

The charity's Memorandum and Articles of Association require that members of the Board of Trustees be either admitted through the passing of a resolution by the board of trustees or be the nominees of the subscribers to the Memorandum of Association, who are the Gannochy Trust, Perth Civic Trust and Perth & Kinross Council.

On appointment, new trustees receive a welcome letter and are supplied with information about the charity, including copies of the Memorandum and Articles of Association, an organisation chart, a copy of the latest annual report and the previous years audited accounts.

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

The trustees administer the charitable company. The trustees meet quarterly and have delegated the running of the day to day activities of the charitable company to the charitable company's manager, Mr David Strachan.

PERTH AND KINROSS HERITAGE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

The remuneration of key management personnel is agreed by the Board of Trustees following the Single Status Pay Evaluation carried out by Perth & Kinross Council in 2006.

Auditor

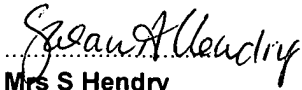
Johnston Carmichael LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

The trustees' report was approved by the Board of Trustees.



Mrs S Hendry

Trustee

Dated: *2nd October 2018*

PERTH AND KINROSS HERITAGE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

The trustees, who are also the directors of Perth and Kinross Heritage Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They 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 trustees 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 accounts may differ from legislation in other jurisdictions.

PERTH AND KINROSS HERITAGE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES AND MEMBERS OF PERTH AND KINROSS HERITAGE TRUST

Opinion

We have audited the financial statements of Perth and Kinross Heritage Trust (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 incoming resources and application of resources, including 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.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. 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.

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.

PERTH AND KINROSS HERITAGE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES AND MEMBERS OF PERTH AND KINROSS HERITAGE TRUST

Opinion 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 Trustees' Report (incorporating the Directors' Report) 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 the applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper 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
- the trustees were not entitled to take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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 regulations made under those Acts.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

PERTH AND KINROSS HERITAGE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

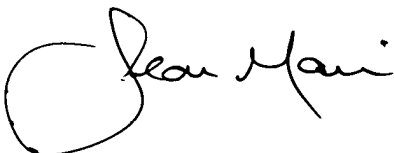
TO THE TRUSTEES AND MEMBERS OF PERTH AND KINROSS HERITAGE TRUST

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jean Main (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

2/10/18

Chartered Accountants
Statutory Auditor

66 Tay Street
PERTH
PH2 8RA

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

PERTH AND KINROSS HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2018	Total 2017
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	103,403	-	682,241	785,644	908,829
Charitable activities	4	85,249	2,013	-	87,262	85,274
Investments	5	196	-	-	196	1,737
Total income		188,848	2,013	682,241	873,102	995,840
Expenditure on:						
Charitable activities	6	91,343	44,840	881,175	1,017,358	908,984
Net income/(expenditure)		97,505	(42,827)	(198,934)	(144,256)	86,856
Gross transfers between funds		(162,317)	158,791	3,526	-	-
Net (expenditure)/income for the year/ Net movement in funds		(64,812)	115,964	(195,408)	(144,256)	86,856
Reconciliation of Funds						
Fund balances at 1 April 2017		332,880	47,536	641,358	1,021,774	934,918
Fund balances at 31 March 2018		268,068	163,500	445,950	877,518	1,021,774

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

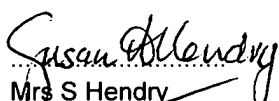
PERTH AND KINROSS HERITAGE TRUST

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	12		69,000		70,500
Current assets					
Debtors	14	351,215		600,077	
Cash at bank and in hand		696,915		1,060,513	
		1,048,130		1,660,590	
Creditors: amounts falling due within one year	15	(239,612)		(709,316)	
Net current assets			808,518		951,274
Total assets less current liabilities			877,518		1,021,774
Net assets			877,518		1,021,774
The funds of the charity:					
Restricted funds	17	445,950		641,358	
Unrestricted funds - designated	18	163,500		47,536	
<u>Unrestricted funds - general</u>					
General unrestricted funds		250,253		315,065	
Revaluation reserve		17,815		17,815	
			268,068		332,880
			877,518		1,021,774

The accounts were approved by the Trustees on 2nd October 2018


Mrs S Hendry
Trustee

Company Registration No. SC111258

PERTH AND KINROSS HERITAGE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	20		(363,794)		129,308
Cashflows from investing activities					
Interest received		196		1,737	
Net cash provided by investing activities			196		1,737
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(363,598)		131,045
Cash and cash equivalents at beginning of year			1,060,513		929,468
Cash and cash equivalents at end of year			696,915		1,060,513
Relating to:					
Bank balances and short term deposits			696,915		1,060,513

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Perth and Kinross Heritage Trust is a private company limited by guarantee incorporated in Scotland. The company is also a charity registered in Scotland with the Office of the Scottish Charity Regulator. The registered office and principal address is .

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), 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), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity has availed itself of S396 of Companies Act 2006, as permitted in paragraph 4(i) of Schedule 1 of SI 2008 No 409, and adapted the Companies House formats to reflect the special nature of the charity's activities.

The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for at least the next twelve months. Thus the trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

For donations and grants to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until these conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Charitable expenditure is incurred in direct pursuance of the charity's principal objects and as set out in the trustees' report. Direct charitable costs comprise costs incurred in inducing organisations to contribute financially to the charity's work and income received in pursuance of these areas is shown within income.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	50 years
-------------------	----------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs.

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company'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. The estimates and underlying assumptions are reviewed on an ongoing basis.

The trustees consider that there are no estimates and underlying assumptions which has a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Donations and legacies

	Unrestricted funds general £	Restricted funds £	Total 2018 £	Total 2017 £
Donations and gifts	103,403	682,241	785,644	908,829
For the year ended 31 March 2017	100,408	808,421		908,829
Donations and gifts				
The Gannochy Trust	100,000	15,000	115,000	100,000
Historic Environment Scotland	-	23,000	23,000	54,872
The George Street Owners Association	-	-	-	6,359
Tay Landscape Partnership	-	559,384	559,384	701,295
Perth & Kinross Countryside Trust	-	-	-	20,250
Heritage Lottery Fund	-	72,850	72,850	16,650
SSE Community Trust	-	6,000	6,000	-
Other donations < £5,000	3,403	6,007	9,410	9,403
	103,403	682,241	785,644	908,829

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Charitable activities

	2018 £	2017 £
Consultancy income	2,013	1,617
Sales of services by publications	668	657
Performance related grants	84,581	83,000
	<u>87,262</u>	<u>85,274</u>
Analysis by fund		
Unrestricted funds - general	85,249	
Unrestricted funds - designated	<u>2,013</u>	
	<u>87,262</u>	
For the year ended 31 March 2017		
Unrestricted funds - general		83,657
Unrestricted funds - designated		<u>1,617</u>
		<u>85,274</u>
Performance related grants		
Perth & Kinross Council Service Level Agreement	84,581	83,000
Other	-	-
	<u>84,581</u>	<u>83,000</u>

5 Investments

	Unrestricted funds general £	Total 2018 £	Total 2017 £
Interest receivable	196	196	1,737
	<u>1,737</u>		<u>1,737</u>
For the year ended 31 March 2017			

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

6 Charitable activities

	Grants and Projects £	Tay Landscape Partnership £	Total 2018 £	Total 2017 £
Staff costs	104,611	129,223	233,834	230,251
Depreciation and impairment	1,500	-	1,500	1,500
Contract labour	63,131	-	63,131	68,010
Office expenses	12,725	23,553	36,278	28,769
Insurance	2,932	1,785	4,717	2,349
Payroll fees	751	-	751	1,397
	<u>185,650</u>	<u>154,561</u>	<u>340,211</u>	<u>332,276</u>
Grant funding of activities (see note 7)	76,222	593,016	669,238	564,949
Share of governance costs (see note 8)	7,909	-	7,909	11,759
	<u>269,781</u>	<u>747,577</u>	<u>1,017,358</u>	<u>908,984</u>
Analysis by fund				
Unrestricted funds - general	91,343	-	91,343	
Unrestricted funds - designated	4,840	40,000	44,840	
Restricted funds	173,598	707,577	881,175	
	<u>269,781</u>	<u>747,577</u>	<u>1,017,358</u>	
For the year ended 31 March 2017				
Unrestricted funds - general	139,400	-		139,400
Unrestricted funds - designated	3,122	40,000		43,122
Restricted funds	63,826	662,636		726,462
	<u>206,348</u>	<u>702,636</u>		<u>908,984</u>

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Grants payable

	Grants and Projects £	Tay Landscape Partnership £	Total £	2017 £
Grants to institutions:				
City Heritage Fund	78,969	-	78,969	137,490
City Heritage Fund Grants not paid	-	-	-	(160,904)
Historic Building Grants not paid	(54,058)	-	(54,058)	-
Tay Landscape Partnership	-	593,016	593,016	535,898
	<u>24,911</u>	<u>593,016</u>	<u>617,927</u>	<u>512,484</u>
Projects	51,311	-	51,311	52,465
	<u>76,222</u>	<u>593,016</u>	<u>669,238</u>	<u>564,949</u>

Grants payable are to support activities in line with the charitable objectives of the charity.

8 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Audit fees	-	4,500	4,500	4,080	Direct
Legal and professional	-	3,409	3,409	7,679	Direct
	<u>-</u>	<u>7,909</u>	<u>7,909</u>	<u>11,759</u>	
Analysed between Charitable activities	-	7,909	7,909	11,759	
	<u>-</u>	<u>7,909</u>	<u>7,909</u>	<u>11,759</u>	

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor and associates:	2018 £	2017 £
Audit of the company's annual accounts	<u>4,500</u>	<u>4,080</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenditure or expenditure paid directly on their behalf during the year.

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
Administrative	10	9

Employment costs

	2018 £	2017 £
Wages and salaries	208,221	199,133
Social security costs	15,407	15,521
Employer contribution to defined contribution schemes	10,206	15,597
	233,834	230,251

There were no employees whose annual remuneration was £60,000 or more.

12 Tangible fixed assets

	Freehold property £
Cost	
At 1 April 2017	75,000
At 31 March 2018	75,000
Depreciation and impairment	
At 1 April 2017	4,500
Depreciation charged in the year	1,500
At 31 March 2018	6,000
Carrying amount	
At 31 March 2018	69,000
At 31 March 2017	70,500

The Heritable Property (Library Lodge, 4 York Place Perth PH2 8EP) was revalued by Graham and Sibbald, Chartered Surveyors at £75,000 on 14 March 2014. The valuation was carried out on the basis that this is a specialised building. The charity has elected to apply the option available within FRS 102 Section 35 paragraph 10(d) permitting the charity, on transition to FRS 102, to use a previous GAAP revaluation of property, plant and equipment as deemed cost at the revaluation date. Accordingly the freehold buildings revalued in 2014 are subsequently carried at deemed cost. The Trustees still consider this valuation to be appropriate at 31 March 2018.

The historic cost of the property is £105,692.

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

13 Financial instruments	2018	2017
	£	£
Carrying amount of financial assets		
Measured at amortised cost	1,047,089	1,654,096
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	235,052	704,324
	<u> </u>	<u> </u>
14 Debtors	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	366	-
Other debtors	350,849	600,077
	<u> </u>	<u> </u>
	351,215	600,077
	<u> </u>	<u> </u>
15 Creditors: amounts falling due within one year	2018	2017
	£	£
Other taxation and social security	4,560	4,992
Trade creditors	11,710	79,113
Accruals and deferred income	223,342	625,211
	<u> </u>	<u> </u>
	239,612	709,316
	<u> </u>	<u> </u>

16 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to statement of financial position in respect of defined contribution schemes was £10,206 (2017 - £15,597).

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2017 £	Movement in funds		Transfers £	Balance at 31 March 2018 £
		Income £	Expenditure £		
Historic Building Grants	15,129	-	(15,000)	(129)	-
Building Preservation Fund	3,760	950	69,058	(2,396)	71,372
The Tay Landscape Partnership	283,891	559,384	(707,577)	-	135,698
Perth City Heritage Fund	289,159	57	(165,070)	28,506	152,652
Glenshee Excavation Fund	8,219	7,000	(9,573)	-	5,646
Kilmagadwood Excavation Fund	4,300	-	(2,834)	-	1,466
Jura Review	16,650	16,650	(10,845)	(22,455)	-
Cateran Commonwealth Project	20,250	-	(20,250)	-	-
Kings Seat Archaeology Project	-	67,200	(13,273)	-	53,927
Traditional Building Skills	-	21,000	-	-	21,000
Building Boats - Inspiring Futures	-	10,000	(5,811)	-	4,189
	<u>641,358</u>	<u>682,241</u>	<u>(881,175)</u>	<u>3,526</u>	<u>445,950</u>

The Historic Building Grants Reserve is a restricted fund in so far as the charitable company had previously received a grant from Perth & Kinross Council for the defined purpose of awarding grants for works to historic buildings. The scheme closed for applications in 2016 and with the agreement of Perth & Kinross Council funds transferred to the Building Preservation Fund. Over the year three outstanding grants were paid, the final being on 15 March 2018.

The Building Preservation Fund is a restricted fund in that the charity transferred funds from The Historic Building Grants Reserve and other sources to support building preservation projects to be undertaken by the Trust.

The Tay Landscape Partnership is a restricted fund in that the charity receives grants from the Heritage Lottery Fund, and a number of other government bodies and trusts and foundations, as a lead partner in the delivery of a four year heritage project, carried forward in partnership with Perth and Kinross Countryside Trust, The Gannochy Trust and Perth and Kinross Council.

Perth City Heritage Fund is a restricted fund in that the charity receives grants from Historic Environment Scotland for the defined purpose of awarding grants in Perth Central and Kinnoull Conservation Areas.

The Glenshee Excavation Fund is a restricted reserve in that the charity has received charitable donations and grants from a number of sources towards the Glenshee Archaeology project.

Kilmagadwood Excavation Fund is a restricted fund in that the charity has received funds from external sources to progress archaeological post-excavation work.

The Jura Review is a restricted fund in that the charity received a grant from The Heritage Lottery Fund for the defined purpose of carrying out an organisational review.

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

17 Restricted funds

(Continued)

Catern Commonwealth Project is a restricted fund in that the charity has received funds from Perth and Kinross Countryside Trust for the defined purpose of delivering the Catern Commonwealth Project.

The Kings Seat Archaeology Project, Traditional Building Skills, and Building Boats - Inspiring Futures are restricted funds in that the charity has received charitable donations and grants from a number of sources for specific purposes.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2017	Movement in funds			Balance at 31 March 2018
	£	Income	Expenditure	Transfers	£
		£	£	£	
Perth and Kinross Historic Environment Record	2,536	2,013	(4,840)	291	-
The Tay Landscape Partnership	40,000	-	(40,000)	-	-
Glenshee Excavation Fund	5,000	-	-	-	5,000
Capital projects	-	-	-	150,000	150,000
Kilmagadwood Excavation Fund	-	-	-	3,500	3,500
Kings Seat Archaeology Project	-	-	-	5,000	5,000
	<u>47,536</u>	<u>2,013</u>	<u>(44,840)</u>	<u>158,791</u>	<u>163,500</u>

Underpinning much of the work of the Trust is the Perth and Kinross Historic Environment Record (HER), a digital map with associated records of over 17,000 archaeological sites and historic buildings in the area. The Board of Trustees has, as in previous years, agreed to 'ring-fence' income generated through grant aid to, and commercial use of, the HER; with the resulting funds used for maintenance and ongoing development of the record.

The trustees have designated £40,000 as part of the Trust's contribution to The Tay Landscape Partnership.

The trustees have designated £5,000 as part of the Trust's contribution to The Glenshee Excavation Fund.

The trustees have designated £150,000 towards any future capital projects.

The trustees have designated £3,500 as part of the Trust's contribution to Kilmagadwood Excavation Fund.

The trustees have designated £5,000 as part of the Trust's contribution to Kings Seat Archaeology Project.

PERTH AND KINROSS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

19 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:				
Tangible assets	69,000	-	-	69,000
Current assets/(liabilities)	375,340	53,209	379,969	808,518
	<u>444,340</u>	<u>53,209</u>	<u>379,969</u>	<u>877,518</u>

20 Net cash provided by (used in) operating activities

	2018 £	2017 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(144,256)	86,856
Adjustments for:		
Investment income	(196)	(1,737)
Depreciation and impairment of tangible fixed assets	1,500	1,500
Movements in working capital:		
Decrease in debtors	248,862	31,120
(Decrease)/increase in creditors	(469,704)	11,569
Cash (used in)/provided by operations	<u>(363,794)</u>	<u>129,308</u>