

Trust registration number: SC003133



Annual Report and Financial Statements

for the Year Ended 30 June 2024

The Gannochy Trust

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The Gannochy Trust

Reference and Administrative Details

Trust Registration Number SC003133

Charity name The Gannochy Trust

Principal Office Pitcullen Crescent
PERTH
PH2 7HX

Trustees Mr. Stephen J. Hay, Chairman
Mr. Roland A. Bean, Vice Chairman
Mr. David M. Gray (retired 31 May 2024)
Mr. Bruce N. Renfrew
Mrs. Ailsa Macmillan
Ms. Ruth Ogston
Professor. Karen A. Reid
Mr. David A. Kemp (from 1 June 2024)

Senior Management Team Mr. Andy A. Duncan MRICS, Chief Executive
Mr. Gilbert Valentine MCABE, Estates Manager
Mrs. Fiona Russell, Grants Manager
Mr. Steven J. F. Greig, Development Manager

Accountant Morris & Young

Chartered Accountants

6 Atholl Crescent

PERTH

PH1 5JN

Auditor

Chiene + Tait LLP (Trading
as CT)

Chartered Accountants and
Statutory Auditor

61 Dublin Street

EDINBURGH

EH3 6NL

The Gannochy Trust

Trustees' Report for the year ended 30 June 2024

1. About us

The Gannochy Trust is a registered charity established in 1937 by Arthur Kinmond (A.K.) Bell for charitable and public purposes. A. K. Bell was an extremely able businessman and pioneer within the whisky industry, with considerable foresight and a vision for philanthropy that was ahead of his time. His belief that "after you have a roof over your head and your bread and butter you should look to invest any surplus for the benefit of your native town", has matured into a lasting legacy that has improved the quality of life for many thousands of people, not only in Perth but all over Scotland.

The Trust has a wide range of interests and activities including providing homes for affordable rent; managing our 700-acre estate, from woodlands to farms; and grant making across Scotland. Income to support the Trust's activities is generated from our substantial investments and from rental of our properties. In all of our work, we strive to deliver A. K. Bell's vision and ideas, emphasising the importance of people and communities.

Our housing is of a very high quality, totalling 282 units with the majority let at affordable rents. A variety of different types and size of house provide for a range of households, including those who may need additional support to continue living independently.

Our estate includes farms, currently let to tenant farmers; woodlands, including Quarrymill Woodland Park; and a range of buildings. Of particular importance to the Trust is Doo'cot Cricket Park and Pavilion, built by A. K. Bell in 1925. A beautiful listed building, it is still used today by Perth Doo'cot Cricket Club and matches are played regularly on the well-maintained grounds. The Trust owns Kincarrathie House, which is operated by the Kincarrathie Trust as a residential care home with a beautiful walled garden. Amongst the other buildings owned by the Trust are the Gannochy Community Hall on the housing estate, and buildings which are let to the Duke of Edinburgh Award – Perth and Kinross Association and The Macmillan Coffee Shop Association.

Our grant making has long provided charities with the funding they need to carry out their essential work. The Trust provides core, project and capital grants, and while a higher proportion of funding is awarded in Perth and Kinross, we continue to support charities across the rest of Scotland. The Trust's aims for its grant funding are set out in our Grant Strategy which is guided by the wishes and vision set out by A. K. Bell in the original Trust Deed, and the more recent revisions.

2. Governance

The Board of Trustees are responsible for the strategic direction and oversight of the activities of the Gannochy Trust. All trustees are recruited for their skills and experience and serve for up to two terms of four years although this is extendable by mutual agreement. Each trustee has a thorough induction, access to development opportunities and an annual meeting with the Chair to discuss their role. Governance is regularly reviewed, taking full account of current relevant legislation and guidance. Seven Trustees form the Board on a voluntary basis, and a list of the Trustees who served during the year ending 30th June 2024 is set out below:

Stephen Hay, Chair

Roland Bean, Vice Chair

David Gray, (retired 31st May 2024)

Bruce Renfrew

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Ailsa Macmillan

Ruth Ogston

Karen Reid

David Kemp (joined 1st June 2024)

During the year, David Gray retired from the Board. He served as a Trustee for 8 years, having joined the Trust in 2016, and held the position of Chair from February 2019 to June 2023. During this period, David oversaw a review of the Trust Deed, the development of a new five-year strategic plan for the Trust, and the preparation of supporting grant making and estate management strategies. He was also closely involved with implementing a new investment strategy for the Trust which will protect and maximise the Trust's assets for public good. Trustees and staff are grateful for his commitment and support during his eight years on the Board. David Kemp joined the Board in June 2024 and brings a wealth of experience to the Trust having spent much of his career in finance and senior management positions within the private sector including 20 years at Gleneagles, initially as Finance Director and latterly as Joint Managing Director.

Over the course of the year, Trustees held seven meetings and participated in a range of working and sub-groups, as constituted by the Board. Trustees also attended two away days covering a range of management and development topics including estate development, organisational values, risk management, and specific funding themes. While confident that current governance arrangements are strong and effective, the Trustees remain mindful of the need to continuously review, and where necessary, make improvements to governance. The Trustees have therefore constituted a sub-group of the Board to meet, review and discuss governance at least annually. During the year the sub-group reviewed the Trust's liability insurance arrangements, benchmarked its governance processes against sector best practice, and reviewed its policy and procedure schedule.

3. The Gannochy Trust Staff Team

The day-to-day running of the Trust is delegated to the Chief Executive and the supporting team. Meeting the operational demands from a wide range of activities requires flexibility as well as considerable knowledge, skill and experience. The Trustees would like to thank all of the team for their efforts throughout a busy year. The senior team consisted of:

Andy Duncan, Chief Executive

Fiona Russell, Grants Manager

Gilbert Valentine, Estate Manager

Steven Greig, Development Manager

The senior team works closely with Trustees to develop strategy and support good governance. An agreed development plan, informed by the Trust's Strategic Plan and supporting strategies, is in place to support ongoing improvement and monitor planned progress. The senior team are supported by a further five office-based staff and seven grounds staff.

The Trustees aim to have a fair and consistent approach to the salary review process for all staff. From time to time, the Trust carries out a salary benchmarking exercise to inform a clear pay and conditions policy around salary points and relativity between jobs. The latest salary review and benchmarking exercise was considered and agreed by the Board in May 2024.

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Staff wellbeing is a key consideration, and the Trust provides a range of benefits to support staff including assistance with health treatments, a cycle to work scheme, and flexible working arrangements to promote a positive work environment.

4. Development of Trust Strategy

In 2020-21 the Trust developed a new overarching Strategic Plan which sets out our mission, values, and aims for the period 2021-26. They are:

Our Mission: Improving lives and supporting communities, inspired by the wishes of A. K. Bell.

Our Aspirational Values: Collaborative; Imaginative and Bold.

Our strategic aims:

- striving for excellence;
- improving lives;
- enhancing the environment;
- building resilience and sustainability; and
- supporting Perth and Kinross to recover and thrive.

There are two key supporting strategies which underpin the Strategic Plan: a ten-year Estate Strategy which sets out our plans for the management and development of the Trust's estate and property; and a five-year Grant Strategy which sets out the Trust's aims and priorities for the funding it provides to charities. Eight supporting Plans for Action articulate these key strategy documents into a series of more detailed action plans, and these inform the preparation of the Trust's annual development plan and allow the progress of key strategic projects to be tracked year on year.

In early 2024, the Trust reviewed progress with embedding our aspirational values in both strategic and operational activities through focussed sessions at the Trustee and staff away days. A number of examples were identified where positive progress can be demonstrated, including collaborative work on mental health, our approach to housing design and refurbishment, and work with partners to deliver improved outcomes through our grant funding. This will continue to be monitored through our ongoing Trustee and staff review processes.

5. Estate and Property

5.1. Housing Refurbishment and Improvement

The Trust has continued to invest in a long-term refurbishment programme for the original houses which were built between 1923 and 1931. The full refurbishment of three properties was completed during the course of the year, with a further two in progress at the year end. The work includes upgrades to improve the environmental performance of the properties, and this will be a key element of the Trust's efforts to tackle climate change through its Carbon Management Plan. In order to maximise the potential in this area, the Trust has engaged conservation architects with expertise in this field to assist with identifying enhanced insulation and heating solutions that will also be sympathetic to the traditional construction of the original houses. A number of potential interventions have been identified and those considered most appropriate are to be implemented as pilot projects during 2024/25. In addition to these major refurbishment works, the Trust continued its programme of cyclical and planned maintenance such as external redecorations, and kitchen renewals in the sheltered housing.

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Trustees' Report for the year ended 30 June 2024

5.2. New Housing

The Trust's award-winning new housing expansion of 48 homes, which was completed in 2020, remains extremely popular with existing and prospective tenants. These houses were designed and built to maximise accessibility and flexibility and incorporate an innovative passive ventilation system with the aim of delivering a healthy indoor environment. Monitoring of the houses' performance-in-use is underway by the Mackintosh Environmental Architecture Research Unit at Glasgow School of Art; the data gathered will assist ongoing management and inform future design.

5.3. Developing our Green Spaces

Following a wide-ranging tenant consultation, the Trust prepared detailed designs for the development of three key greenspaces within the housing estate in 2023. This involves the development of a community orchard, the installation of a children's play area, and a range of footpath, access and biodiversity improvements. The community orchard was opened in April 2024, and the children's play area plus the footpath and other access improvements are due to be completed during 2024/25. The development of the community orchard included the planting of a wildflower meadow which marks the commencement of biodiversity improvement work identified in the Trust's Ecological Enhancement Plan.

5.4. Woodlands, Farms, and Public Access

Work on the repair and maintenance of paths and fences at Quarrymill Woodland Park has continued, ensuring that high standards of access across the park are maintained. The Trust's new Woodland Management Plan was approved in 2023, and implementation work commenced this year with an initial phase of tree thinning at Quarrymill. Work on the upgrading of signage throughout the Woodland Park was also completed during the year.

The Trust's farms and farmland continue to be well managed by our longstanding tenant farmers. Maintaining and improving public access through the farms remains a key priority for the Trust and we will continue to work with our tenants to achieve this aim. The Trust will also look to engage our tenants in biodiversity improvement works in line with the priorities identified in the Ecological Enhancement Plan.

A range of opportunities and priorities for upgrading and expanding the path network across the Trust's estate were agreed in 2023. Proposals for the development of a new off-road path leading up to Kinnoull Hill were developed during the year and this is planned to be constructed during 2024/25.

5.5. Doo'cot Cricket Park and Pavilion

The Trust's interest and commitment to cricket reflects A. K. Bell's passion for the game. Described as 'a sure catch in the long field' as a young man in 1885, he played cricket throughout his life and was president of the Scottish Cricket Union.

Throughout the year the Trust has continued the ongoing improvement of the playing surface at Doo'cot Park. A conservation management survey of the category 'B' listed pavilion building was commissioned which revealed an element of decay within the supporting structure. Temporary works were undertaken to allow the building to continue to function throughout the cricket season, and permanent repairs are planned for later in 2024.

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Perth Doo'cot Cricket Club ran a full programme of matches during the summer. Grant awards have also supported the development and delivery of cricket, through work with Live Active Leisure, Cricket Scotland and other organisations. Much of this work has focussed on accessible cricket for different groups.

6. Housing Service

6.1. Housing Management and Support

The Trust has a Housing Service Management and Development Plan which sets out the key management systems for the housing service, and areas for development over a five-year period. A key development activity has been the implementation of a new housing software system to manage tenancies and property maintenance. This is now fully operational with significant benefits being realised in terms of management information and operational efficiency.

The Trust provides a housing support service for the tenants in its 62 Sheltered Housing properties. This is delivered under a contract with the Kincarrathie Trust who have extensive knowledge of care services through the operation of Kincarrathie Care Home, which is also located on our estate.

6.2. Activities on the Housing Estate

Tenant groups remain active on the housing estate with over 50 activities being organised through the resident events groups and the Sheltered Housing Manager. The Trust also part-funds a Community Anchor post at Caledonia Housing Association who occasionally arranges activities for Gannochy residents. In addition, the Trust supported three youth activity events on the estate in May 2024. These were delivered by Kinross-shire Youth Enterprise and included a games night, bike maintenance training, and a live music evening. The Neighbourhood Watch group remains active, as do community social media groups with the Gannochy Community WhatsApp group having 114 members.

6.3. Housing Centenary

2024 marks the 100th anniversary of the first houses being completed and occupied on the Gannochy estate. A range of activities have been organised to celebrate this milestone including funding a celebratory cream tea event for tenants, running a challenge for young people on the estate during the school holidays, and the burying of a time capsule within the re-developed Curly play area. The new community orchard will also be named the Centenary Orchard in recognition of its completion during this year.

7. Grant making

7.1. Grant Strategy

The Trust's current Grant Strategy covers the period 2022 to 2027, and funds are distributed throughout Scotland, with a particular focus on Perth & Kinross in recognition of A. K. Bell's wish to invest in his native town and the surrounding area. Funding in the rest of Scotland will maintain our focus on developing and inspiring young people between the ages of 11 and 21, while in Perth and Kinross our key aims are: to improve the quality of life; improve the availability or quality of the built and natural environment for wide community use; and to develop and inspire children and young people aged between 0 and 21.

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In developing the new strategy we have sought to streamline the grant application process, and in late 2023 we moved to online applications and reporting for new grants. It is anticipated that this will make the process less complicated and time-consuming for applicants thus reducing the administrative burden on charities.

7.2. Gannochy Youth Panel Fund

A key strand of the new Grant Strategy has been the introduction of a specific fund which is managed and distributed by a Youth Panel. The aims and outcomes for this funding were co-produced with the Panel and the fund was launched in February 2023. Funding decisions have been fully delegated to the panel and they held four funding meetings during the course of the year, distributing £83,064 to charities within Perth and Kinross supporting young people between the ages of 11 and 26. A review of the operation of the fund has been undertaken by the Centre for Youth Impact, and their positive report was completed in June 2024. A review of the recommendations is ongoing with the Youth Panel.

7.3. Grants Plus

The Grants Plus programme, which provides organisational development support to charities we fund, has continued throughout the year and will remain a key element of the new Grant Strategy as the Trust continues to build resilience and sustainability in the sector. The majority of our Grants Plus activity is delivered in partnership with specialist providers, allowing us to draw on their expertise and share this with charities. The programme in 2023/24 included:

- leadership programme for Perth and Kinross charities, led by PKAVS;
- mentoring and development work for individual charities, led by The Cranfield Trust;
- fundraising and income generation programme, led by Citrus Consultancy;
- courses on measuring impact, led by Evaluation Support Scotland;
- a unique sustainability course, developed in partnership with The Lasting Difference; and
- a cyber security roadshow event delivered by Cyber and Fraud Centre Scotland.

In addition to the programme of training activities, we also offer all Perth and Kinross charities free use of our buildings and grounds.

7.4. Strategic Partnerships

Following a review in 2022, the Trust has continued the close working relationship with our four main Strategic Partners: Live Active Leisure, Horsecross Arts, Perth and Kinross Countryside Trust and Perth and Kinross Heritage Trust. In addition, we have led Perth and Kinross-wide discussions on improving support for mental health services, and discussions continue with both funders and delivery charities on the potential for introducing more sustainable long-term funding. We have also worked in partnership with PKAVS and Perth and Kinross Council to bring the anti-poverty Big Hoose project to Perth and Perthshire.

The five-year strategic youth work partnership which was jointly funded by the Trust and Perth and Kinross Council concluded in March 2024, and we were delighted to commence a new five-year partnership at the beginning of April. This partnership has been hugely successful with participation in universal youth work sessions increasing from 18,124 in 2019 to 44,715 in 2024.

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Trustees' Report for the year ended 30 June 2024

7.5. Grant awards

The Trust's grant-making for 2023/24 was £5,262,321 (see Note 9). This is made up of grant awards totalling £5,772,824 less £486,273 of commitments made in previous years (withdrawn due to projects not going ahead) and movement in grant liability discounting of £60,186 being applied. In addition, £35,956 of dividend income was paid to the Kincarrathie Trust, per the terms of the Farquharson Bequest.

The Trust considered 170 applications during the year (Trustees 153 and Youth Panel 17) of which 127 (Trustees 112 and Youth Panel 15) (75%) were successful and totalled £5,772,824. The table below summarises the split of grants awarded and withdrawn across Scotland and within Perth and Kinross (P&K) during the year:

	Awarded	Withdrawn	Balance
Rest of Scotland - Develop and Inspire Young People	£1,086,406	(£26,120)	£1,060,286
P&K - Develop and Inspire Children and Young People	£1,367,059	(£58,777)	£1,308,282
P&K - Improve the Quality of Life	£2,382,960	(£21,376)	£236,584
P&K - Capital Projects	£853,335	(£380,000)	£473,335
P&K - Youth Panel Fund	£83,064	-	£83,064
Sub totals	£5,772,824	(£486,273)	£5,286,551
Other - dividend income paid to Kincarrathie Trust			£35,956
Movement in grant liability discounting			(£60,186)
Total			£5,262,321

A number of larger grants were made in the year to support a range of projects including: multi-year funding to support MCR Pathways, Perth Festival of the Arts, St Johnstone Community Trust, and Support Help and Integration in Perthshire. Capital support included: a £200,000 grant to Blairgowrie and Rattray Community Football Trust towards the development of a new sport and community facility, and a £100,000 grant to Corbenic Camphill Community Ltd towards their day service and community barn development. The Trust also committed £988,514 of funding over 5 years to the strategic partnership with Perth and Kinross Council for the provision of universal youth work across Perth and Kinross.

8. Communications

The Trust developed a revised Communications Strategy in 2023 which aligns our communications activity with our strategic direction and priorities. We have continued to implement an annual communications plan with activity focussed on developing our new website content, and an appropriate level of activity on social media. Communication with tenants is also a key priority, and we provide regular updates via the general Estate Newsletter and direct contact as appropriate.

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9. Financial review

9.1. Financial Management

Expenditure is carefully monitored and managed in all aspects of the Trust's work. This ensures that the best use is made of charitable funds, while achieving very good quality in delivery, such as maintaining all of our houses to a high standard. A well-developed procurement and tendering policy is in place, which supports the Trust to achieve best value.

All income and expenditure throughout the financial year is carefully monitored. Regular reports to Trustees ensure there is robust oversight of the budget. An annual budget review, led by the Chief Executive, ensures that the budget is refined to meet existing and emerging financial demands. Detailed financial policies and procedures, including a scheme of delegation, support the day-to-day financial management as well as strategic financial decision-making.

A quinquennial valuation of our land and buildings has been carried out this year. This has resulted in an uplift of our asset base of £12.6m as reflected in the notes to the accounts.

In addition, land and buildings have been reclassified during the year into Affordable Housing, Operational Property, Investment Property, and Social Investment Property.

9.2. Financial Performance

Our income from charitable activities (primarily rent from housing) was £1.6m (2023: £1.8m). Investment income was £4.2m (2023: £2.1m), comprising £4.0m from dividends and £0.2m rent from investment properties. Rental income that relates to properties valued on a market value basis has been reclassified as investment income during the year.

Total expenditure was £7.6m (2023: £7.9m). Included in this were £5.7m of grants awarded and related costs (2023: £6.0m) and £1.9m of housing and related costs (2023: £1.8m).

Net expenditure before gains on investments was £1.8m (2023: £3.9m).

Total funds at the year-end were £232.9m (2023: £207.2m). These funds increased by £25.6m including gains on listed and other investment funds of £14.8m in improved market conditions, and £12.6m gains on revaluation of property assets. (In 2023, they increased by £4.4m including gains on listed and other investments of £8.3m). Details of these funds are set out in Notes 25 to 27 to the accounts.

£215.9m are expendable endowment funds, of which £56.9m are represented by property assets that cannot be readily disposed of, with the balance represented by listed and other investment funds. Restricted funds, which are all represented by listed investment funds, amounted to £1.3m. Unrestricted funds were £15.7m, represented by £0.1m of tangible fixed assets, £20.8m of cash funds and £1.5m of cash and debtors, offset by liabilities of £6.7m. The Cash funds were high at the year end, as they included monies earmarked for re-distribution to new investments following an interim review of the portfolio.

These unrestricted general funds are available for the general use of the Trust in line with its objectives and are supplemented from the Trust's expendable endowment funds as and when required. The Trustees are the sole judges of what constitutes revenue, reserves and capital and, if revenue and reserves are insufficient, they may decide to spend out of capital.

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Trustees' Report for the year ended 30 June 2024

9.3. Reserves Policy

The Trust does not have a specific reserves policy. Rather, the Trust focuses on close monitoring of our investment performance and mitigating the associated risks. Included in the investment portfolio is a significant cash fund which represents several years of expenditure. The Trustees may vary this cash balance if they believe it could be better invested. Since grants are at the discretion of Trustees, unforeseen and unavoidable significant financial obligations are very improbable.

9.4. Investment Policy

The principal objective of the Trust is the maintenance and development of the housing estate with any surplus invested to allow the Trust to make charitable donations in line with the aims of the Trust Deed. The majority of the Trust's investment portfolio is unrestricted and is managed with the aim of generating a surplus that will meet the needs of the housing estate, help cover the administrative costs of the Trust, fund charitable donations and at a minimum maintain in real terms the underlying value of the portfolio. The Trustees have discretion in the management of the portfolio and currently manage it on an evergreen basis; meaning they assume the Trust to be perpetual. The smaller and restricted part of the portfolio is the Farquharson Bequest. Income from the Farquharson Bequest portfolio is paid directly to the Kincarrathie Trust. The Trustees of the Gannochy Trust and the Kincarrathie Trustees consult regularly on investment matters pertaining to the Bequest portfolio and review and agree the investment policy. Full investment policy statements have been prepared for the Trust's main investment portfolio and the Farquharson Bequest portfolio.

9.5. Investment Risk Management

The Trust pays particular attention to ensuring effective investment management. The Trust:

- employs an investment adviser, Isio, to advise on investment strategy, and on its directly managed investment assets, strategic asset allocation and risk measurement. The investment adviser also monitors the performance of the investment managers and produces detailed six-monthly reports on the performance of all the managers employed by the Trust which are reviewed at board meetings;
- implements a clear investment strategy, which is regularly reviewed;
- uses a number of investment specialists to manage funds within the overall portfolio;
- receives regular performance reports from its investment managers;
- reviews and upgrades its control processes to minimise the risks of fraud or a cyber security breach;
- reviews each calendar year the Investment Policy Statements for the Gannochy Trust and the Farquharson Bequest.

9.6. Investment Strategy

The Gannochy Trust's investment objective is to generate a return of CPI +3.5% over the medium term from a diversified portfolio. The Farquharson Bequest's objective is CPI +2% from a less diversified and much smaller portfolio. In addition, the Farquharson Bequest has a target yield of 2.5%. The portfolios are managed on a total return basis, meaning charitable commitments are met through a combination of dividends and capital gains. The Trust has currency exposure through its investment in the LGIM Developed Markets Index Fund. The Trust considers ESG issues with regard to its investments. It does not hold equity exposure to emerging markets, principally because of governance concerns. The investment in the LGIM Developed Markets Fund is in the ESG class.

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The Trust's current asset allocation was agreed following an investment strategy review in 2021, with transition taking place during 2022. Since then, global financial markets have seen significant change, therefore a review of the trust's asset allocation was carried out in early 2024 which recommended reducing the allocation to Diversified Growth Funds and increasing the allocation to credit. This recommendation will be implemented in the Trust's 2024-2025 financial year. Isio have also recommended a rebalancing of the Farquharson Bequest portfolio which will be undertaken in the same time frame with the objective of achieving a yield of at least 3% and a CPI + 3% target.

Table 1 Gannochy Trust Portfolio Performance
Gannochy Trust

Strategy	Name of Manager	Value 30/06/2024 £m	1 year	Total Return 2 year (annualised)	Since Inception (annualised)
DM Equity	LGUM	58.4	22.8%	18.7%	15.2%
Diversified Growth	Ruffer	23.4	0.3%	-0.7%	-1.4%
Diversified Growth	Newton	13.2	9.6%	2.7%	-0.5%
Semi Liquid Credit	Apollo	17.3	8.7%	7.5%	5.2%
Infrastructure	JP Morgan	29.8	10.8%	n/a	9.7%
Diversified Alternatives	Partners Group	17.0	4.2%	5.8%	5.8%
Cash	LGIM	20.8	5.2%	4.1%	4.0%
Total		179.9	11.2%	8.7%	
Trust Objective	CPI+3.5%		5.5%	8.4%	

Source: isio

Table 1 shows the breakdown of the Gannochy Trust's portfolio at the end of June 2024 and Table 2 shows the breakdown of the Farquharson Bequest portfolio. Both tables also show 1- and 2-year performance for the whole portfolio, benchmark performance, and where the investment has existed for more than two years annualised performance since inception. During the year the Trust benefitted from a decline in inflation and a recovery in asset markets and this enabled the investment portfolios to beat their benchmark over one and two years. The diversified growth funds have acted as a drag on performance in both the most recent years.

Table 2 Farquharson Bequest Portfolio Performance
Farquharson Bequest

Strategy	Name of Manager	Value 30/06/2024 £m	1 year	Total Return 2 year (annualised)	Since Inception (annualised)
DM Equity	LGUM	0.5	22.8%	18.7%	15.2%
Diversified Growth	Ruffer	0.4	0.3%	-0.7%	-2.4%
Semi Liquid Credit	Apollo	0.4	8.7%	7.5%	5.2%
Total		1.3	11.3%	8.9%	
Trust Objective	CPI+2%		4.0%	6.9%	

Source: isio

During the year the Gannochy Trust received £3.9m in dividend income and withdrew £1.5m from the Gannochy Trust portfolio to help cover its charitable commitments. The Farquharson Bequest received just under £36,000 in dividends, equating to a yield of 3%.

9.8. Looking Forward

The investment environment remains challenging. There are significant geopolitical risks and the post-Second World War order is under strain. The Trust's portfolios are broadly diversified in terms of asset mix, active and passive mandates, market exposures and contractual type investments which Trustees believe are appropriate in this context.

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Trustees' Report for the year ended 30 June 2024

9.9. Risk Management

The Trust's strategic risk register is reviewed regularly by staff and Trustees, with full formal reviews completed and reported to the Board at a minimum of six-monthly intervals. The risk register includes all areas of the Trust's operations and recognises the significant health and safety issues associated with the operation of a complex estate. The risks associated with the Covid-19 pandemic have continued to diminish over the year, however the financial risks from the global economic and geo-political situation have persisted, requiring careful consideration and management, particularly with regard to investments and expenditure on the estate. The reorganisation and diversification of the Trust's investment portfolio have helped to mitigate these risks.

While there is considerable expertise within the Gannochy Trust team in the identification and management of risk, Trustees are mindful of the value of objective and impartial advice, and Armour Risk Consulting Ltd provide a number of services that support risk management. This includes an annual health and safety audit, development of a detailed improvement plan and provision of expert advice on an ongoing basis.

10. Our Future Plans

The development of our overarching Strategic Plan, the supporting Estate and Grant strategies, and the individual Plans for Action provide a clear set of priorities for the Trust over the coming years. These are driven by our mission and informed by our aspirational values. Housing, our estate and grant making will continue to be the focus of our activities, and key areas for development over the coming 12 to 18 months will be:

- continuation of our programme of housing refurbishment and upgrades;
- implementation of our carbon reduction action plan including the completion and monitoring of pilot refurbishment projects on our original houses;
- continued implementation of our woodland and habitat management plans for the estate;
- completion of the development of green spaces within our housing estate;
- implementation of the first phase of footpath improvements on the wider estate with associated biodiversity enhancements;
- reviewing and updating the estate strategy and masterplan with a focus on housing, our farms, and estate development;
- reviewing and monitoring the effectiveness of the new online application, assessment and reporting process for grant making;
- continued engagement with charities and partners to communicate our grant strategy and increase our understanding of the challenges in the sector;
- developing our relationships with key partners to promote collaboration and joint working, with a particular focus on improving support for mental health services;
- reviewing our contribution to the delivery of equality across all areas of activity; and
- ongoing development of our staff and Trustees to ensure we have the knowledge and insight required to deliver our strategic priorities.

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Trustees' Report for the year ended 30 June 2024

As noted above, 2024 is the centenary of the first houses being completed on the Gannochy Estate and events to celebrate this milestone will continue throughout the year. 2025 will mark the centenary of the opening of Doo'cot Cricket Park and we are planning to work with Perth Doo'cot Cricket Club to arrange an appropriate celebration of this anniversary.

The strong governance of the Trust will continue to be important, as we move forward with the updated Trust Deed, ensuring that we continue to work to fulfil A. K. Bell's wishes in a modern-day context. Trustees are highly committed to managing investments and resources to ensure the longevity of the Trust and to support the broad range of activities undertaken and planned for the future.

11. Disclosure of information to the auditor

Trustees understand their individual and collective responsibilities and have taken steps to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which the auditor is unaware.

12. Statement of Trustees' Responsibilities

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

The law applicable to charities requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that period. In preparing these financial statements, 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.


The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust's founding document. The Trustees are also responsible for safeguarding the assets of the Trust 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Gannochy Trust

Trustees' Report for the year ended 30 June 2024

The annual report was approved by the Trustees of the Trust on 4 December 2024 and signed on its behalf by:

.....

Mr. Stephen J. Hay

Trustee

The Gannochy Trust

Independent Auditor's Report to the Trustees of The Gannochy Trust

Opinion on financial statements

We have audited the financial statements of the Gannochy Trust (the 'charity') for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash flows, and the related notes. 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 charity's affairs as at 30 June 2024 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 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 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. 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.

The Gannochy Trust

Independent Auditor's Report to the Trustees of The Gannochy Trust

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities on page 13 the trustees are responsible for the preparation of the financial statements which 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 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 trustees 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 report in accordance with regulations made under that Act.

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.

The Gannochy Trust

Independent Auditor's Report to the Trustees of The Gannochy Trust

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the charity's financial statements. Our tests included, but were not limited to:

- agreement of the financial statements disclosures to underlying supporting documentation;
- enquiries of senior management and the Trustees;
- review of minutes of board meetings throughout the period, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

The Gannochy Trust

Independent Auditor's Report to the Trustees of The Gannochy Trust

Use of our report

This report is made solely to the charity'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 charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

CT

CT

Chartered Accountants and Statutory Auditor

61 Dublin Street

Edinburgh

EH3 6NL

06 December 2024
..... **2024**

Chiene + Tait LLP (Trading as CT) is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Gannochy Trust

Statement of Financial Activities for the Year Ended 30 June 2024

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Income and Endowments from:						
Government grants	3	-	-	-	-	38,500
Charitable activities	4	1,599,031	-	-	1,599,031	1,818,337
Investment income	5	254,342	35,956	3,941,302	4,231,600	2,142,741
Other income		<u>1,923</u>	<u>-</u>	<u>-</u>	<u>1,923</u>	<u>546</u>
Total Income		<u>1,855,296</u>	<u>35,956</u>	<u>3,941,302</u>	<u>5,832,554</u>	<u>4,000,124</u>
Expenditure on:						
Raising funds	6	(170,070)	-	(59,250)	(229,320)	(40,530)
Charitable activities	7	<u>(7,187,505)</u>	<u>(35,956)</u>	<u>(183,108)</u>	<u>(7,406,569)</u>	<u>(7,845,269)</u>
Total Expenditure		<u>(7,357,575)</u>	<u>(35,956)</u>	<u>(242,358)</u>	<u>(7,635,889)</u>	<u>(7,885,799)</u>
Net expenditure before (losses)/gains on investments		<u>(5,502,279)</u>	<u>-</u>	<u>3,698,944</u>	<u>(1,803,335)</u>	<u>(3,885,675)</u>
Realised gains on investment assets		-	-	39,512	39,512	466,948
Unrealised gains on investment assets	17	<u>879,355</u>	<u>95,183</u>	<u>13,801,061</u>	<u>14,775,599</u>	<u>7,794,530</u>
Total gains on investment assets		<u>879,355</u>	<u>95,183</u>	<u>13,840,573</u>	<u>14,815,111</u>	<u>8,261,478</u>
Net (expenditure)/income		(4,622,924)	95,183	17,539,517	13,011,776	4,375,803
Gross transfers between funds	25	10,765,158	-	(10,765,158)	-	-
Gains on revaluation of fixed assets	14	-	-	11,031,827	11,031,827	-
Gains on revaluation of investment properties	15	<u>-</u>	<u>-</u>	<u>1,607,660</u>	<u>1,607,660</u>	<u>-</u>
Net movement in funds		6,142,234	95,183	19,413,846	25,651,263	4,375,803
Reconciliation of funds						
Total funds brought forward	25	<u>9,535,750</u>	<u>1,179,963</u>	<u>196,516,836</u>	<u>207,232,549</u>	<u>202,856,746</u>
Total funds carried forward	25	<u>15,677,984</u>	<u>1,275,146</u>	<u>215,930,682</u>	<u>232,883,812</u>	<u>207,232,549</u>

All of the Trust's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 and 2023 are shown in note 25.

The notes on pages 23 to 48 form part of these financial statements.

The Gannochy Trust

(Registration number: SC003133)

Balance Sheet as at 30 June 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	48,688,476	44,338,482
Investment properties	15	6,885,000	-
Social investment properties	16	1,339,076	-
Other investments	17	<u>181,154,253</u>	<u>167,839,143</u>
		<u>238,066,805</u>	<u>212,177,625</u>
Current assets			
Debtors	18	87,559	88,863
Cash at bank and in hand	27	<u>1,411,395</u>	<u>1,321,309</u>
		1,498,954	1,410,172
Creditors: Amounts falling due within one year	20	<u>(4,895,281)</u>	<u>(5,012,514)</u>
Net current liabilities		<u>(3,396,327)</u>	<u>(3,602,342)</u>
Total assets less current liabilities		234,670,478	208,575,283
Creditors: Amounts falling due after more than one year			
	21	<u>(1,786,666)</u>	<u>(1,342,734)</u>
Net assets		<u>232,883,812</u>	<u>207,232,549</u>
Funds of the Trust:			
Endowment funds			
Capital fund		182,030,957	173,553,540
Revaluation reserve		<u>33,899,725</u>	<u>22,963,296</u>
Total endowment funds	25	215,930,682	196,516,836
Restricted	25	1,275,146	1,179,963
Unrestricted income funds			
General funds	25	<u>15,677,984</u>	<u>9,535,750</u>
Total funds		<u>232,883,812</u>	<u>207,232,549</u>


The Gannochy Trust

(Registration number: SC003133)

Balance Sheet as at 30 June 2024

The financial statements on pages 19 to 48 were approved by the Trustees, and authorised for issue on 4 December 2024 and signed on their behalf by:


.....
Mr. Stephen J. Hay
Trustee


.....
Mr. Roland A. Bean
Trustee

The notes on pages 23 to 48 form part of these financial statements.

The Gannochy Trust

Statement of Cash Flows for the Year Ended 30 June 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net income		25,651,263	4,375,803
Adjustments to cash flows from non-cash items			
Depreciation	14	178,604	202,070
Income from investments	5	(3,977,258)	(2,142,741)
Unrealised gain on investments	17	(14,775,599)	(7,794,530)
Realised gain on investments		(39,512)	(466,948)
Gain on revaluation of fixed assets	14	(11,031,827)	-
Gain on revaluation of investment properties		(1,607,660)	-
Cash movement in investments	17	-	14,126
		<u>(5,601,989)</u>	<u>(5,812,220)</u>
Working capital adjustments			
Decrease in debtors	18	1,304	225,385
Increase in creditors	20, 21	326,699	250,855
		<u>(5,273,986)</u>	<u>(5,335,980)</u>
Net cash flows from operating activities			
Cash flows from investing activities			
Purchase of tangible fixed assets	14	(115,104)	(202,624)
Sale of tangible fixed assets		1,917	-
Purchase of investments	17	(5,500,000)	(28,000,000)
Proceeds from the sale of investments	17	7,000,001	31,985,874
Income from investments	5	3,977,258	2,142,741
		<u>5,364,072</u>	<u>5,925,991</u>
Net cash flows from investing activities			
Net increase in cash and cash equivalents		90,086	590,011
Cash and cash equivalents at 1 July 2023	27	<u>1,321,309</u>	<u>731,298</u>
Cash and cash equivalents at 30 June 2024	27	<u>1,411,395</u>	<u>1,321,309</u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash		90,086	590,011
Net funds at 1 July 2023		<u>1,321,309</u>	<u>731,298</u>
Net funds at 30 June 2024		<u>1,411,395</u>	<u>1,321,309</u>

All of the cash flows are derived from continuing operations during the above two periods.

These notes on pages 23 to 48 form part of these financial statements.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

1 General information

The Gannochy Trust is a Trust founded in 1937 and is registered with the Office of the Scottish Charity Regulator under Charity Number SC003133.

2 Accounting policies

Statement of compliance

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 (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)(Second edition - October 2019)), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of preparation

The financial statements are presented in sterling (£) and are rounded to the nearest £1.

The Gannochy Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Significant judgements and estimation uncertainty

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As 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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See Note 14 for carrying amounts of tangible assets.

Going concern

The financial statements have been prepared on a going concern basis.

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements and are satisfied that no material uncertainties exist in respect of going concern.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

2 Accounting policies (continued)

Income and endowments

Grants receivable

Grants are recognised when the Trust has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank.

Accumulation units received in the year are invested for the purpose of capital growth therefore these have not been recognised as income within the financial statements.

Rental income from property held and managed in furtherance of charitable activities is recognised in the period to which it relates.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, where probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets' use. Other support costs are allocated based on the spread of staff costs.

Raising funds

Costs relating to raising funds are operational and maintenance costs in relation to investment properties together with costs incurred in the management of investments.

Charitable activities

Charitable expenditure comprises those costs incurred by the Trust in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

The cost of charitable activities includes grants made, providing housing, the costs incurred with the Gannochy Estate, Doo'cot Park, Quarrymill and include an apportionment of overall overhead and support costs.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

2 Accounting policies (continued)

Grant expenditure

Grant-making consists of grants paid, being payments made to third parties in the furtherance of the charitable objectives of the Trust.

In addition included within grant-making are grants which are payable under certain conditions. These grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Trust.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to charitable activities based on staff time and usage.

Governance costs

These include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

Taxation

The Trust is a charity and is not liable to Corporation Tax. The Trust is not registered for VAT and resources expended therefore include irrecoverable input VAT.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

2 Accounting policies (continued)

Tangible fixed assets

There is no amount below which assets are not capitalised.

Tangible fixed assets are stated at cost less depreciation, subject to revaluation. Tangible fixed assets are depreciated over their estimated useful lives and are calculated on the cost less the estimated residual value of the assets.

The land and buildings were valued in June 2024 using a different basis of valuation for different assets in the portfolio as appropriate - current market value; depreciated replacement cost; and the Existing Use Value for Social Housing which is the specific method used for properties within the affordable housing sector. The valuation of the agricultural land and buildings was carried out by Bidwells, Chartered Surveyors, while the residential properties were valued by D M Hall, Chartered Surveyors. Both these Chartered Surveyors are external to the Trust.

In the opinion of the Trustees, these valuations are appropriate to be used at 30 June 2024. Consideration has been given as to the useful life of each of these properties and 50 years is still deemed to be appropriate.

The Trust Deed sets out obligations on the Trustees for the maintenance of the properties within the Gannochy Estate in terms of which the Trustees consider that it would not be competent for them to sell such properties. In consequence, the market value which is attributed to such properties is considered by the Trustees to be of restricted use.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Charitable property	Straight line over fifty years
Fixtures, fittings and equipment	10% to 33% straight line basis

Investment properties

Investment properties were valued in June 2024 using current market value. Any changes in fair value will be recognised in the Statement of Financial Activities.

Investment properties will not be subject to annual depreciation but the carrying value will be considered, on a routine basis, by the Trustees to assess any impairment.

In the opinion of the Trustees, these valuations are appropriate to be used at 30 June 2024.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

2 Accounting policies (continued)

Social investments

Social investments are made in furtherance of the Trust's objects and any investment return is secondary to the charitable purpose supported by the investment. Such investments are included at their cost. Any loss or impairment arising from such investments is charged to the Statement of Financial Activities.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the period, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the period and are credited or charged to the Statement of Financial Activities based on the market value at the period end.

Trade debtors

Rent arrears and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due. Concessionary loans made in furtherance of charitable objectives are accounted for at the amount paid, less any subsequent repayments.

Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

If the settlement date of a liability, including grants, is likely to be more than 12 months from the reporting date and the time value of money is material to the amount, then the liability is discounted back to its present value at the reporting date. The appropriate discount rate is considered to be the market rate of interest comparable to the opportunity cost of income from investments foregone.

Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments other than investments are initially recognised at transaction value and subsequently measured at their settlement value.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

2 Accounting policies (continued)

Fund accounting

Unrestricted income funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Trust.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Endowment funds represent the current value of the original capital invested. The Trustees are the sole judges as to what constitutes revenue, reserves and capital and as far as revenue and reserves are insufficient may spend out of capital, and the endowment funds are therefore considered to be expendable.

Further details of each fund are disclosed in Note 25.

Pensions and other post retirement obligations

The Trust operates a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. The Trust also provides benefits to a small number of former employees who are not members of the pension scheme. A reliable estimate of future commitments regarding these is not available, and accordingly no provision has been made in these financial statements.

3 Income from government grants

	Total 2024 £	Total 2023 £
Grants, including capital grants;		
Perth & Kinross Council Empty Homes Initiative	-	38,500

Income from government grants was treated as restricted in 2023.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

4 Income from charitable activities

	Total 2024 £	Total 2023 £
Housing	1,583,732	1,709,035
Charitable Buildings Other	15,299	69,510
Farms & Fields	-	39,792
	<u>1,599,031</u>	<u>1,818,337</u>

Housing includes affordable rents, pensioners housing and other properties. All income from charitable activities was unrestricted in 2023 and 2024.

Rental income that relates to investment properties and social investments has been reclassified as investment income during the year.

5 Investment income

	Unrestricted funds		Endowment funds		
	General £	Restricted funds £	Expendable £	Total 2024 £	Total 2023 £
Dividends receivable from listed investments	-	35,956	3,941,302	3,977,258	2,142,741
Income from rents	<u>254,342</u>	<u>-</u>	<u>-</u>	<u>254,342</u>	<u>-</u>
	<u>254,342</u>	<u>35,956</u>	<u>3,941,302</u>	<u>4,231,600</u>	<u>2,142,741</u>

Of the total income for the year to 30 June 2023, £28,691 was restricted and £2,114,050 related to expendable endowment funds.

Income from rents has been reclassified from charitable activities during the year.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

6 Expenditure on raising funds

Investment management costs

	Activities undertaken directly	Allocated support costs (Note 8)	Total 2024	Total 2023
	£	£	£	£
Administration of the investments	59,250	-	59,250	40,530
Investment property repairs	72,381	97,689	170,070	-
	<u>131,631</u>	<u>97,689</u>	<u>229,320</u>	<u>40,530</u>

Of the total expenditure for the year to 30 June 2024, £170,070 was unrestricted, and £59,250 related to expendable endowment funds.

Investment property repairs relate to investment properties and social investment costs that have been reallocated from charitable activities during the year.

7 Expenditure on charitable activities

	Activity undertaken directly	Grant funding of activity (Note 9)	Activity support costs (Note 8)	Total 2024	Total 2023
	£	£	£	£	£
Grant-Making	51,171	5,262,321	361,655	5,675,147	6,029,100
Housing	681,609	-	698,411	1,380,020	1,453,940
Other Charitable Property	60,347	-	91,592	151,939	163,048
Gardens, Grounds & Plantation	77,768	-	76,427	154,195	105,885
Estate Buildings	11,873	-	2,108	13,981	12,484
Farms & Fields	-	-	-	-	52,438
Community	-	-	31,287	31,287	28,374
	<u>882,768</u>	<u>5,262,321</u>	<u>1,261,480</u>	<u>7,406,569</u>	<u>7,845,269</u>

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

7 Expenditure on charitable activities (continued)

Of the total expenditure for the year to 30 June 2024, £7,187,505 was unrestricted, £35,956 restricted and £183,108 related to expendable endowment funds.

Of the total expenditure for the year to 30 June 2023, £7,596,730 was unrestricted, £67,191 restricted and £181,348 related to expendable endowment funds.

Investment property repairs that relate to investment properties and social investment costs have been reallocated to expenditure on raising funds during the year.

8 Analysis of governance and support costs

Support costs allocated to expenditure on raising funds

	Governance costs	Employed Staff costs	Administration costs	Premises costs including depreciation	Total 2024	Total 2023
	£	£	£	£	£	£
Investment property repairs	<u>5,927</u>	<u>53,800</u>	<u>35,809</u>	<u>2,153</u>	<u>97,689</u>	<u>-</u>

The basis of allocation is staff time and usage.

Support costs allocated to charitable activities

	Governance costs	Employed staff costs	Administration costs	Premises costs including depreciation	Total 2024	Total 2023
	£	£	£	£	£	£
Grant-Making	59,270	187,415	107,330	7,640	361,655	311,019
Housing	41,489	340,669	153,733	162,520	698,411	676,499
Other Charitable Property	5,927	58,387	21,848	5,430	91,592	101,773
Gardens, Grounds & Plantation	5,927	48,037	19,685	2,778	76,427	73,320
Estate Buildings	-	1,547	561	-	2,108	1,437
Farms & Fields	-	-	-	-	-	47,329
Community	-	26,137	5,150	-	31,287	26,946
	<u>112,613</u>	<u>662,192</u>	<u>308,307</u>	<u>178,368</u>	<u>1,261,480</u>	<u>1,238,323</u>

The basis of allocation is staff time and usage.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

8 Analysis of governance and support costs (continued)

Governance costs

	Total 2024 £	Total 2023 £
Staff costs		
Wages and salaries	55,289	62,857
Other staff costs	1,415	44
Audit fees		
Audit of the financial statements	11,262	9,874
Accountancy fees	9,262	9,306
Legal fees & consultants	23,569	49,075
Allocated support costs	<u>17,743</u>	<u>18,564</u>
	<u><u>118,540</u></u>	<u><u>149,720</u></u>

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

9 Grant-making

Analysis of grants awarded	Grants to organisations
	£
Rest of Scotland - Develop and Inspire Young People	1,060,286
Perth & Kinross - Develop and Inspire Children & Young People	1,308,282
Perth & Kinross - Improve the Quality of Life	2,361,584
Perth & Kinross - Capital Projects	473,335
Perth & Kinross - Youth Panel Fund	83,064
Other	35,956
	<u>5,322,507</u>
Movement in grant liability discounting	(60,186)
	<u><u>5,262,321</u></u>

The support costs associated with grant-making are £361,655 (30 June 2023 - £311,019).

Grants awarded in the year of £100,000 and over	2024
	£
Blairgowrie & Rattray Community Football Trust	200,000
Corbenic Camphill Community Ltd	100,000
MCR Pathways	143,726
Perth & Kinross Council re Strategic Youth Work Partnership	988,514
Perth Festival of the Arts	270,000
St Johnstone Community Trust	165,000
Support Help and Integration in Perthshire SCIO	145,552
The Y Centre Limited	200,000
Other (all less than £100,000)	3,109,715
	<u>5,322,507</u>
Movement in grant liability discounting	(60,186)
	<u><u>5,262,321</u></u>

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

9 Grant-making (continued)

All awards are made under the charitable activity of Grant-Making.

The £200,000 grant to the Blairgowrie & Rattray Community Football Trust is towards their new build sports and community facility including changing rooms.

The £100,000 grant to the Corbenic Camphill Community Ltd is towards their Corbenic Day Service and Community Barn Development.

The £143,726 grant over three years to MCR Pathways is towards the salary costs of three Pathways Co-ordinators.

The £988,514 grant over five years to Perth & Kinross Council is towards the Strategic Youth Work Partnership.

The £270,000 grant over three years to Perth Festival of the Arts is towards delivery of an annual 10-12 day Arts Festival from 2025-2027.

The £165,000 grant over three years to the St. Johnstone Community Trust is towards unrestricted core running costs from March 2024 to February 2027.

The £145,552 grant over three years to Support Help and Integration in Perthshire SCIO is towards the salary costs of three members of staff.

The £200,000 grant to The Y Centre Limited is towards their Y Centre capital project.

Grants of £100,000 and over paid out, provided for in previous years

	Unrestricted funds
	£
Live Active Leisure	229,000
Perth and Kinross Countryside Trust	140,500
Perth and Kinross Heritage Trust	100,000
Rape and Sexual Abuse Centre Perth and Kinross	113,730
Scottish Crannog Centre Trust	400,000
All under £100,000	2,613,065
	3,596,295
	3,596,295

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

10 Net outgoing/(incoming) resources

Net outgoing/(incoming) resources for the year include:

	2024	2023
	£	£
Audit fees	11,262	9,874
Profit on disposal of tangible fixed assets	(1,119)	(260)
Depreciation of fixed assets	<u>178,604</u>	<u>202,070</u>

11 Taxation

The Trust is a registered charity and is therefore exempt from taxation.

12 Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the charity during the year (2023: no remuneration received).

£1,046 was paid for Directors and Officers insurance cover for the Trustees (2023: £1,046).

13 Staff costs

The aggregate payroll costs were as follows:

	2024	2023
	£	£
Staff costs during the year were:		
Wages and salaries	637,547	579,452
Social security costs	59,340	53,372
Pension costs	65,220	57,402
	<u>762,107</u>	<u>690,226</u>
Other staff costs	10,589	11,452
	<u>772,696</u>	<u>701,678</u>

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

13 Staff costs (continued)

The monthly average number of persons (including senior management team) employed by the Trust during the year, analysed by category, was as follows:

	2024 No	2023 No
Estate upkeep (6 full-time/1 part-time)	7	7
Management and administration (8 full-time/1 part-time)	9	9
	16	16

The total employee benefits of the key management personnel of the Trust were £302,875 (2023 - £281,068).

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

Pensions

All employees participated in the Defined Contribution Pension Scheme.

Contributions to the employee pension scheme for the year totalled £65,220 (2023 - £57,402).

The basis of allocating the pension expense is included at Note 8 under staff costs. There was no outstanding liability at the year end.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

14 Tangible fixed assets

	Affordable Housing	Operational Property	Other Property	Furniture & Equipment	Total
	£	£	£	£	£
Cost or valuation					
At 1 July 2023	37,106,578	1,506,481	6,724,000	523,264	45,860,323
Transferred to investment properties	-	-	(5,363,150)	-	(5,363,150)
Transferred to social investment properties	-	-	(1,360,850)	-	(1,360,850)
Additions	90,000	-	-	25,104	115,104
Disposals	-	(1,917)	-	-	(1,917)
Revaluations	10,198,421	(279,899)	-	-	9,918,522
At 30 June 2024	<u>47,394,999</u>	<u>1,224,665</u>	<u>-</u>	<u>548,368</u>	<u>49,168,032</u>
Depreciation					
At 1 July 2023	572,190	386,820	107,584	455,247	1,521,841
Transferred to investment properties	-	-	(85,810)	-	(85,810)
Transferred to social investment properties	-	-	(21,774)	-	(21,774)
Charge for the year	148,787	5,508	-	24,309	178,604
Revaluations	(720,977)	(392,328)	-	-	(1,113,305)
At 30 June 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>479,556</u>	<u>479,556</u>
Net book value					
At 30 June 2024	<u>47,394,999</u>	<u>1,224,665</u>	<u>-</u>	<u>68,812</u>	<u>48,688,476</u>
At 30 June 2023	<u>36,534,388</u>	<u>1,119,661</u>	<u>6,616,416</u>	<u>68,017</u>	<u>44,338,482</u>

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

14 Tangible fixed assets (continued)

Land and buildings comprise assets which have been subject to revaluations.

The land and buildings valuation was carried out in June 2024 using a different basis of valuation for different assets in the portfolio as appropriate - current market value; depreciated replacement cost; and the Existing Use Value for Social Housing which is the specific method used for properties within the affordable housing sector. The valuation of the amenity woodlands, which are included in operational properties, was carried out by Bidwells, Chartered Surveyors, while the affordable housing and other operational properties were valued by D M Hall, Chartered Surveyors. Both these Chartered Surveyors are external to the Trust. In the opinion of the Trustees, these valuations are appropriate to be used at 30 June 2024.

On an original historic cost basis, the cost of the revalued properties was £23,654,364 with depreciation applied to these assets of £4,365,648 giving a net book value of £19,288,717.

During the year to 30 June 2024 the Trustees reviewed the basis for the classification and presentation of the Trust's land and buildings in order to more accurately reflect in the balance sheet the nature of heritable property held. The revised categories of property are accounted for as below:

- Heritable property held purely in furtherance of the Trust's charitable purposes is comprised of affordable housing and property held for the charity's operational purposes. This property is accounted for at valuation, including £532,213 of land and buildings previously held at cost at 30 June 2023. The carrying value of the affordable housing property as at 30 June 2023 was £36,534,388, and carrying value of operational property at 30 June 2023 was £1,119,661.
- Residential properties and agricultural land and buildings leased at market rent were reallocated in 2024 to be presented as investment property, and continued to be accounted for at valuation. The carrying value of these properties as at 30 June 2023 was £5,277,340.
- Property held in furtherance of the Trust's objects, but from which rental income is received, was reallocated in 2024 to be presented as social investment property. This continued to be accounted for at 30 June 2024 at a historic cost of £1,339,076.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

15 Investment properties

	Investment properties £
Valuation	
Transferred from fixed assets	5,277,340
Revaluation	<u>1,607,660</u>
At 30 June 2024	<u>6,885,000</u>
Net book value	
At 30 June 2024	<u><u>6,885,000</u></u>

Investment properties comprise residential properties and agricultural land and buildings leased at market rent.

A valuation was carried out in June 2024 using a current market value basis. The valuation of the agricultural land and buildings was carried out by Bidwells, Chartered Surveyors, while the residential properties were valued by D M Hall, Chartered Surveyors. Both these Chartered Surveyors are external to the Trust. In the opinion of the Trustees, these valuations are appropriate to be used at 30 June 2024.

On an original historic cost basis, the cost of the revalued properties was £1,731,000 with depreciation applied to these assets of £331,776 giving a net book value of £1,399,224.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

16 Social investment properties

	Land & buildings £	Total £
Cost		
Transferred from tangible fixed assets	<u>1,360,850</u>	<u>1,360,850</u>
At 30 June 2024	<u>1,360,850</u>	<u>1,360,850</u>
Depreciation		
Transferred from tangible fixed assets	<u>21,774</u>	<u>21,774</u>
At 30 June 2024	<u>21,774</u>	<u>21,774</u>
Net book value		
At 30 June 2024	<u><u>1,339,076</u></u>	<u><u>1,339,076</u></u>

Social investments comprise Kincarrathie House Residential Care Home and associated land and buildings, which are carried at cost less depreciation.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

17 Fixed asset investments

Other investments

	Listed investment funds £	Other investment funds £	Total £
Cost or Valuation			
At 1 July 2023	153,426,333	14,412,810	167,839,143
Additions	-	5,500,000	5,500,000
Disposals	(6,960,489)	-	(6,960,489)
Unrealised gain	<u>13,896,244</u>	<u>879,355</u>	<u>14,775,599</u>
At 30 June 2024	<u>160,362,088</u>	<u>20,792,165</u>	<u>181,154,253</u>
Net book value			
At 30 June 2024	<u>160,362,088</u>	<u>20,792,165</u>	<u>181,154,253</u>
At 30 June 2023	<u>153,426,333</u>	<u>14,412,810</u>	<u>167,839,143</u>

The historical cost of the listed and other investments at 30 June 2024 was £162,108,867 (2023: £162,720,438).

Other investments comprise wholly of the L&G Cash Trust.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange.

Liquidity risk is anticipated to be low, as most assets are traded in markets with good liquidity and high trading volumes although some investments are locked in for a period of time. Furthermore, a significant proportion of the Trust's investments are in diversified growth funds and cash funds to secure short and medium term cash-flows. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings. The Trust does not make use of derivatives and similar complex financial instruments.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

17 Fixed asset investments (continued)

Details of investments in which the Trust hold 5% or more of their total portfolio are as follows:

	Total
	£
BNY Mellon Real Return	13,247,581
Apollo Total Return Fund	17,264,416
L&G Future World ESG Developed Index Fund	58,381,354
L&G Cash Trust	20,792,166
Link Fund Solutions Limited (Ruffer Absolute Return)	23,384,652
Partners Fund	17,025,576
J P Morgan Infrastructure Investment Fund	29,783,362
	<u>179,879,107</u>
Other (investments less than 5%)	1,275,146
	<u><u>181,154,253</u></u>

18 Debtors

	2024	2023
	£	£
Kincarrathie Trust	8,079	7,334
Loan - Hope Park Trust	20,000	30,000
Rent debtors	20,480	12,529
Other debtors - Bond Payment	<u>39,000</u>	<u>39,000</u>
	<u><u>87,559</u></u>	<u><u>88,863</u></u>

Debtors includes £10,000 (2023: £20,000) receivable after more than one year.

This can be analysed as follows:

	2024	2023
	£	£
Loan - Hope Park Trust	<u>10,000</u>	<u>20,000</u>

The above loan is made in furtherance of the Trust's charitable objectives and accordingly no interest is charged on the capital. The loan is repayable at £10,000 per annum and is unsecured.

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

19 Cash and cash equivalents

	2024	2023
	£	£
Cash on hand	200	200
Cash at bank	<u>1,411,195</u>	<u>1,321,109</u>
	<u><u>1,411,395</u></u>	<u><u>1,321,309</u></u>

20 Creditors: amounts falling due within one year

	2024	2023
	£	£
Charitable commitments - grants payable	4,113,293	4,977,992
Other creditors	751,750	-
Accruals	<u>30,238</u>	<u>34,522</u>
	<u><u>4,895,281</u></u>	<u><u>5,012,514</u></u>

21 Creditors: amounts falling due after one year

	2024	2023
	£	£
Charitable commitments - grants payable	1,962,007	1,457,889
Grant liability discounting	<u>(175,341)</u>	<u>(115,155)</u>
	<u><u>1,786,666</u></u>	<u><u>1,342,734</u></u>

22 Capital commitments

Expenditure in respect of the existing housing renovations contracted for, but not incurred or provided for in the financial statements at 30 June 2024, amounted to £23,174 (2023: £201,040).

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

23 Lessor and financial commitments

The total future minimum rental income receivable under non-cancellable operating lease agreements is £191,846 (2023: £189,458).

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024
	£
Within one year	3,389
Between one and five years	<u>3,106</u>
	<u><u>6,495</u></u>

24 Related party transactions

The following relations exist between the Trustees who have served at any time during the year and related parties, including charities who have received or provided services. The Trustees do not participate in deliberations relating to, and do not vote on, decisions affecting the charities with whom they have a relationship. The related parties are:

Mr. David Gray

Chapter House Museum Trust (Independent Examiner)

A grant of £30,000 per annum for three years towards unrestricted core running costs from January 2024 to December 2026.

Dunkeld Birnam & District Community Development Trust (Member)

A grant of £17,000 per annum for three years towards unrestricted core costs from April 2024 to March 2027.

Mr. Bruce N. Renfrew

Kinnoull Parish Church (Elder)

A grant of £14,976 over three years being Year 1 £5,712, Year 2 £4,992 and Year 3 £4,272 towards core funding of their Messy Play sessions from August 2023 to July 2026.

A grant of £4,650 towards a 2-day residential trip to the Abernethy Trust's Nethy Bridge Centre (awarded by the Youth Panel).

No balances were due in respect of the above related parties as at 30 June 2024 (2023: £nil).

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

25 Funds

	Balance at 1 July 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 30 June 2024 £
Unrestricted funds						
<i>Unrestricted general funds</i>						
Unrestricted income fund	9,535,750	1,855,296	(7,357,575)	10,765,158	879,355	15,677,984
Restricted funds						
W.G. Farquharson Bequest	1,179,963	35,956	(35,956)	-	95,183	1,275,146
Endowment funds						
<i>Expendable endowment funds</i>						
Capital fund	173,553,540	3,941,302	(146,960)	(10,765,158)	15,448,233	182,030,957
Revaluation reserve	22,963,296	-	(95,398)	-	11,031,827	33,899,725
	<u>196,516,836</u>	<u>3,941,302</u>	<u>(242,358)</u>	<u>(10,765,158)</u>	<u>26,480,060</u>	<u>215,930,682</u>
Total funds	<u>207,232,549</u>	<u>5,832,554</u>	<u>(7,635,889)</u>	<u>-</u>	<u>27,454,598</u>	<u>232,883,812</u>

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

25 Funds (continued)

	Balance at 1 July 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 30 June 2023 £
Unrestricted funds						
<i>Unrestricted general funds</i>						
Unrestricted income fund	23,832,710	1,818,883	(7,596,730)	(9,106,481)	587,368	9,535,750
Restricted funds						
W.G. Farquharson Bequest	1,132,352	28,691	(28,691)	-	47,611	1,179,963
Empty Homes Initiative	-	38,500	(38,500)	-	-	-
Total restricted funds	<u>1,132,352</u>	<u>67,191</u>	<u>(67,191)</u>	<u>-</u>	<u>47,611</u>	<u>1,179,963</u>
Endowment funds						
<i>Expendable endowment funds</i>						
Capital fund	154,832,990	2,114,050	(126,480)	9,106,481	7,626,499	173,553,540
Revaluation reserve	23,058,694	-	(95,398)	-	-	22,963,296
	<u>177,891,684</u>	<u>2,114,050</u>	<u>(221,878)</u>	<u>9,106,481</u>	<u>7,626,499</u>	<u>196,516,836</u>
Total funds	<u><u>202,856,746</u></u>	<u><u>4,000,124</u></u>	<u><u>(7,885,799)</u></u>	<u><u>-</u></u>	<u><u>8,261,478</u></u>	<u><u>207,232,549</u></u>

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

25 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

Restricted Funds - W.G. Farquharson bequeathed certain properties to the Trust which were disposed of in 1994 and 2011 with the net proceeds invested on the stock market for the W.G. Farquharson Bequest. Movements occur on this fund reflecting gains & losses and related distributions. £35,956 was remitted directly to the Kincarrathie Trust during the year.

A grant was received in 2022/23 from Perth & Kinross Empty Homes Initiative that has been treated as restricted funds. This was fully expended at the year end.

Endowment Funds - the Trustees are the sole judges as to what constitutes revenue, reserves and capital and as far as revenue and reserves are insufficient may spend out of capital.

During the year £10,765,158 was transferred to the Trust's unrestricted general funds from endowment funds.

26 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Endowment funds Expendable £	Total funds 2024 £
Tangible fixed assets	68,812	-	48,619,664	48,688,476
Other investments	20,792,165	1,275,146	159,086,942	181,154,253
Investment properties	-	-	6,885,000	6,885,000
Social investments	-	-	1,339,076	1,339,076
Current assets	1,498,954	-	-	1,498,954
Current liabilities	(4,895,281)	-	-	(4,895,281)
Creditors over 1 year	(1,786,666)	-	-	(1,786,666)
Total net assets	<u>15,677,984</u>	<u>1,275,146</u>	<u>215,930,682</u>	<u>232,883,812</u>
	Unrestricted funds General £	Restricted funds £	Endowment funds Expendable £	Total funds 2023 £
Tangible fixed assets	68,016	-	44,270,466	44,338,482
Fixed asset investments	14,412,810	1,179,963	152,246,370	167,839,143
Current assets	1,410,172	-	-	1,410,172
Current liabilities	(5,012,514)	-	-	(5,012,514)
Creditors over 1 year	(1,342,734)	-	-	(1,342,734)
Total net assets	<u>9,535,750</u>	<u>1,179,963</u>	<u>196,516,836</u>	<u>207,232,549</u>

The Gannochy Trust

Notes to the Financial Statements for the Year Ended 30 June 2024

27 Analysis of net funds

	At 1 July 2023 £	Cash flow £	At 30 June 2024 £
Cash at bank and in hand	1,321,309	90,086	1,411,395
Net debt	1,321,309	90,086	1,411,395
	At 1 July 2022 £	Cash flow £	At 30 June 2023 £
Cash at bank and in hand	731,298	590,011	1,321,309
Net debt	731,298	590,011	1,321,309