

**THE BUCHANAN TRUST (“the charity”) and
THE BUCHANAN TRUSTEE COMPANY LTD (“the trustee”)**

TRUSTEES REPORT AND FINANCIAL STATEMENTS

31 MARCH 2019

C O N T E N T S**Page**

TRUSTEE'S ANNUAL REPORT	1-7
INDEPENDENT EXAMINERS REPORT	8
STATEMENT OF FINANCIAL ACTIVITIES	9
BALANCE SHEET	10
NOTES TO THE FINANCIAL STATEMENTS	11-15

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD.

TRUSTEE'S ANNUAL REPORT

CHARITY DETAILS

The Buchanan Trust ("the Charity") - Charity Commission No. 235867;
The Buchanan Trustee Company Ltd. ("the Trustee") - Companies House No. 9838277

REGISTERED ADDRESS

Lower House Farm, Bosbury, Ledbury, Herefordshire

Website: <http://www.buchanan-trust.org.uk/>

Estate Secretary: Rachel Probert

TRUSTEE

The Buchanan Trustee Company Ltd

TRUST OFFICERS

Chairman - Andrew Bower,
Land Agents – Knight Frank, registered office – 55 Baker Street, London, W1U 8AN
Solicitor(s) - Willans LLP, 28 Imperial Square, Cheltenham, Gloucestershire GL50 1RH

AGENT AND ADVISORS

Bankers: CAF Bank Ltd Independent examiner: Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
Gloucestershire

STRUCTURE, GOVERNANCE AND MANAGMENT

HISTORY

The Buchanan Trust was founded by indenture on 24 September 1918 for homeless war veterans by Robert Buchanan, a local benefactor who left the entire 700 acre estate in trust, in memory of his son Alan who fell in World War 1. His intention was to provide employment and housing for returning war veterans without homes or employment. The Trustees were given discretion to select "suitable men who have served at sea or overseas during the present (1914-1918) war."

On 31 May 1932, some 14 years later, with a shortage of suitable applicants due to the passage of time, the class of beneficiaries was widened by a scheme approved by the Charity Commission. This effectively allowed the Trustees to let the farms to "any applicant who has served in any of His Majesty's Naval or Military or Air Forces, and, if no such applicant, who is in the opinion of the Trustee suitable, can be found, to one other suitable man who is in need of such assistance as the Charity can provide."

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD.

TRUSTEE'S ANNUAL REPORT (Continued)

On 16th May 2016, using its Cy-près powers, the Charity Commission published a new Scheme modernising the charity and focussing the objects more directly on ex-military beneficiaries as the founder had originally intended.

On 26th May 2016 Herefordshire District Council handed over the management of the Trust to the new body of independent trustees.

OBJECTIVES

- (1) the prevention or relief of poverty of Military Beneficiaries and the promotion of efficiency of the armed forces, assisting with the resettlement of Military Beneficiaries and their readjustment to civilian life through any or all of the following means:
 - (a) the provision of agricultural and land-based employment opportunities;
 - (b) the provision of allotments;
 - (c) the provision of accommodation and support (including supported farm facilities);
 - (d) the provision of grants to individual or groups of Military Beneficiaries and to organisations and charities who relieve the needs of Military Beneficiaries in accordance with these objects; and
 - (e) the provision of employment related education and training opportunities.
- (2) Exceptionally (in accordance with Clauses 7(3) and 7(4) of this Scheme) the prevention or relief of poverty of Non-Military Beneficiaries.

RECENT AMENDMENTS

The Directors of the Trustee company asked the Charity Commission to amend the constitution to include the provision of Social Housing in the form of almshouses, and to make the constitutional changes requested by Homes England as part of their application to become a Registered Provider.

PUBLIC BENEFIT

The Directors of the Trustee company believe that the charitable objects above collectively constitute the public benefit requirement placed on registered charities by the Charity Commission.

RECRUITMENT

The Board of Trustees is The Buchanan Trustee Company Ltd.

TRAINING

All new trust members are provided with an induction pack, which includes a copy of the constitution of the Trust and the Memorandum and Articles of the Limited Company. They are provided with a copy of the Charity Commission publication "The Essential Trustee CC3" and participate in farm visits to the estate as appropriate. CC3 includes a summary of a Trustee's duties and responsibilities.

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD.

TRUSTEE'S ANNUAL REPORT (Continued)

ORGANISATIONAL STRUCTURE

- a) The Directors of the Trustee company meet every two months to make decisions in relation to the running of the estate, and the management of the charity, the budget, the staff and the contractors.
- b) A resident farm manager is appointed to run the 230 acres "in hand farm" constructed from the consolidated three farms whose tenants were given notice and have left.
- c) A Veterans Support Manager provides individual and group support, as well as organisation and training for the Beneficiaries.
- d) Land Agents, Knight Frank oversee the day to day management of the let farms on the estate; their duties include:- maintenance and repair obligations, professional advice on land agency matters and rent reviews of the tenancies.
- e) The Woodlands are in need of management but this is being held off as there are regular enquiries about learning forestry skills which it is anticipated will allow this to be undertaken in the woods.

Property held;

Location	Acres	Type	Status
Green Farm	118.98	Stock	In hand – managed, house – let
North Farm & Caravan Club site	68.90	Stock	In hand - managed
Lower House Farm	113.62	Stock/arable	In hand - managed
Aurals Farm Cottage	1.68	Two flats	Let to beneficiaries
North Farmhouse	0.10	Cottage	Let to beneficiary
Woodlands	26.21	Woodlands	In hand - managed
Ponds Rest	0.30	Residential	Let to beneficiary
Tracks	1.30		In hand - managed
Total	331.09		In Hand
Orchard Farm	130.52	Stock/arable	Let to beneficiary
Beaconhill Farm	102.60	Dairy	Let to beneficiary
Birchwood Farm	128.82	Dairy	Let commercially
Aurals Cottage	0.17	Cottage	Let privately
Cotmeadow	0.34	Cottage	Vacant pending demolition
Total	362.45		
GRAND TOTAL	<u>693.54</u>		

Returning the Estate to its Original Purpose

The Charity Commission insisted that any restructuring of the way the estate is let in future, should be designed to meet the Charity's objectives with the best possible outcome for larger numbers of ex-military beneficiaries, whilst using all the land and buildings to the best advantage to this end.

The Directors of the Trustee Company believe that the Charity's objectives are best achieved by managing the estate to achieve a profitable return from the farming enterprises whether let or in hand. The funds from this and from external fund raising can be utilised to repair some of the farm buildings and convert/demolish others to create 30+ veterans' almshouses, with access to parts of the estate for respite, recuperation and training. The stays would be short term (6-18 months in most cases) with a view to a successful transition to civilian life. The c.700 acres and the associated farm buildings will encompass a small community of veterans who can help support each other whilst providing

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD.

TRUSTEE'S ANNUAL REPORT (Continued)

employment opportunities including start up workshops or small offices for those veterans establishing their own businesses.

Within the estate it is anticipated there will be a working farm-based recovery unit, provided in partnership with another charity with experience of providing rehabilitative support staff, managing and reviewing the "individually centred Personal Development Plans" for the beneficiaries.

This would be a "low tech" recovery farm and yard, comprising up to 20 acres on a quiet part of the estate, providing recuperation, respite, work experience and leisure time activities for the beneficiaries, who can also access some of the other commercial acreage, on a supervised basis, for more extensive training and work experience.

It is difficult to predict an accurate timescale for the changes as they depend on lease expiries, retirement of existing tenants, planning consents, permitted developments, funding availability and the success of the venture. However due to the way the estate is presently let, and the wish to behave fairly towards the existing tenants, several phases may be necessary.

RISK MANAGEMENT

Risk Management forms a standard agenda item for all Board Meetings.

Physical visits – All buildings are inspected regularly, insured and their values regularly reviewed.

A Risk Register has been established.

All activities for the beneficiaries will be risk assessed.

The gradual reorganisation of the estate over 5 - 10 years from one involving principally independent commercial tenants paying rent, to an estate of supported military beneficiaries in receipt of Housing Benefit brings a very different range of risks. Originally the main risk was rent arrears but this will change to the risks associated with managing/looking after people with different backgrounds, managing beneficiaries' recovery, a cash flow that is gradually shifting from agricultural rents to residential ones, with the need for outside grant funding to create almshouses, and a need for paid staff to manage the new elements of the business which are being introduced incrementally.

Running the commercial farm enterprise of 300 acres, employing staff and turning a profit also brings a new challenge of its own.

ACHIEVEMENTS AND PERFORMANCE OF THE TRUST

Since the transfer from Herefordshire District Council of the entire estate including all the assets and liabilities, and the charity's website which has since been updated and social media has also been used to spread the word of the Trusts facilities to help veterans.

The Directors of the Trustee Company and Veterans Support Manager have established local and national working relationships with:-

- Herefordshire Council
- Bosbury Parish Council in relation to community consultation.
- The Royal British Legion, SSAFA, Hereford Veterans Support and the Cart Shed.
- Walking with the Wounded
- Veterans Self Build Agency
- Herefordshire Civilian Military Task Group
- COBSEO

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD.

TRUSTEE'S ANNUAL REPORT (Continued)

The resident assistant farm manager runs the consolidated 230 acres across three small farms as a single livestock unit currently focusing on beef cattle with contract turkey rearing for the Christmas market.

Commenced the construction of the first phase of a desired 30+ Almshouses for the Military Beneficiaries by re-modelling farm houses, redundant agricultural buildings and some new build units.

FINANCES

The Trust was earlier divided into two funds in accordance with the requirements of the Charities SORP (Statement of Recommended Practice) and the 1918 Indenture. The capital of the Trust is held in the Capital (Restricted) Fund and the day to day transactions are recorded in the General (Unrestricted) Fund.

Accounting records had not previously distinguished the "restricted" and "unrestricted" parts of the fund since the creation of the Trust in 1918. The split between restricted and unrestricted funds in these statements is a best estimate based on the more recent records that are available to the Council.

The Trust currently has funds awaiting use invested within a CAF Gold Account, the interest of which is transferred to the main CAF working account. In addition, Knight Frank as the land agent for the Trust holds a client account which funds the general maintenance costs that are undertaken. The level of funds available needs to cover any minor capital maintenance costs for maintaining and improving the estate.

To provide slightly better interest, further funds had been invested with Saunderson House until required, but the costs of this have been reviewed and this is no longer looking worthwhile so the funds will be transferred back to the reserve account.

Expenditure on the acquisition, creation or enhancement of fixed assets is capitalised and charged to the Capital Restricted Fund on an accruals basis provided that it yields benefits to the Trust for more than one year.

The Trust is currently pursuing major project opportunities, restructuring the estate and therefore restricted reserves will be used to fund the developments in 2019/20 and beyond.

RESERVES POLICY

The intention is to spend most reserves on developments to reorganise and enhance the properties on the estate whilst still retaining sufficient so as to provide for unforeseen needs/costs. The variable amounts spent on maintenance and repairs means there are occasional underspends and overspends.

The time has now come to commence the reorganisation of the estate by creating a further 25+ almshouses from existing farmhouses, cottages and redundant agricultural buildings. The estimated costs of these conversions and new build is about £150,000 x 25 = £3.75million which is well in excess of the current restricted funds. Fund raising is thus required and there is a dedicated sub group of trustees and a professional fund raiser assisting them who has donated her time free of charge.

PRINCIPAL FUNDING SOURCES

Prior to 2017 the main source of income comprised rental from the leases of six farms and three cottages owned by the Trust, together with interest from deposits. This money amounting to about £82,000 p.a. was used to pay for all costs associated with the running of the estate with annual expenditure ranging from c. £40,000 to £80,000 the main variant being maintenance and repair costs.

In 2017 three of the farms were brought in-hand by the Trustee to start the creation of the in hand farm

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD.

TRUSTEE'S ANNUAL REPORT (Continued)

with about 25 almshouses providing housing, with on-site support for the military beneficiaries' recovery, occupation training and gradual transition to civilian life.

As it becomes established and finishes repairing decades of lack of maintenance, it is planned to secure farming income from the "in hand" section of the estate together with rents from the first almshouses, and continued income from the other three farms and cottages.

INVESTMENT POLICY

Given the use of funds for repairs and creation of new almshouses, the reserves have diminished but the Trustee still has some funds with Saunderson House including a working reserve of £100,000 in case of unforeseen circumstances. As described above this investment will shortly be closed down and the funds transferred back to the Trust's bank account.

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

TRUSTEE'S ANNUAL REPORT (Continued)

ACCOUNTING AND REPORTING RESPONSIBILITIES

The Directors of the Trustee company are responsible for preparing a Trustees report and financial statements in accordance with the applicable law and United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Principles).

The law applicable to charities in England and Wales requires the charity's Trustee to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors of the Trustee company are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity SORP and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors of the Trustee company are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Directors of the Trustee company and signed on their behalf by:-

K A Bower , Chairman of the Board,

Date:

INDEPENDENT EXAMINERS' REPORT

TO THE TRUSTEE OF BUCHANAN TRUST

I report on the accounts of the Trust for the year ended 31 March 2019 which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The charity's Trustee is responsible for the preparation of the accounts. The charity's Trustee considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) or under Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (the 2006 Regulations) and that an independent examination is needed. The charity is preparing accrued accounts and I am qualified to undertake the examination by being a qualified member of ICAEW.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act 2011 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act),
- To follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act,
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act and section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations and,
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act and section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations,
- have not been met or,

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

Nicholas Dee
For and on behalf of Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
Gloucestershire
GL51 0UX

Date:

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2019

	Note	Unrestricted Total 2019	Unrestricted Total 2018
INCOME			
Activities for generating funds:			
Farming income	4	333,213	125,263
Donation income		1,930	40,668
Rental income		39,734	46,898
Investment income		69	123
Other interest receivable		1,946	9,905
		<hr/>	<hr/>
TOTAL INCOME		376,892	222,857
		<hr/>	<hr/>
EXPENDITURE			
Charitable activities expenditure	3	424,460	447,869
		<hr/>	<hr/>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		(47,568)	(225,012)
TOTAL FUNDS BROUGHT FORWARD		206,266	431,278
TOTAL FUNDS CARRIED FORWARD		£ 158,698	£ 206,266
		<hr/> <hr/>	<hr/> <hr/>

All activities are continuing.

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

BALANCE SHEET

31 March 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Intangible fixed assets (unrestricted)	5	22,874	22,874
Tangible fixed assets (unrestricted)	6	160,090	168,154
Tangible fixed assets (restricted)	7	913,873	930,768
		<hr/>	<hr/>
		1,096,837	1,121,796
CURRENT ASSETS			
CAF Gold account		70,410	5,355
CAF Current account		28,505	120,385
Saunderson House		186,851	264,905
Knight Frank cash account		-	4,205
Knight Frank Barclays account		14,456	-
Stock		213,744	175,436
Debtors	8	15,067	34,768
		<hr/>	<hr/>
		529,033	605,054
CREDITORS - due within one year	9	(33,096)	(86,508)
		<hr/>	<hr/>
NET CURRENT ASSETS		495,937	518,546
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 1,592,774	£ 1,640,342
		<hr/> <hr/>	<hr/> <hr/>
FUNDS			
Restricted funds	10	1,434,076	1,434,076
Unrestricted funds	10	158,698	206,266
		<hr/>	<hr/>
		£1,592,774	£1,640,342
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved by:

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K A Bower
 Director of The Buchanan Trustee Company Limited

Date:

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2019

1 ACCOUNTING POLICIES

Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustee considers that there are no material uncertainties about the Trust's ability to continue as a going concern.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustee has considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was not needed. The Trustee considers that there were no changes to the total funds as reported under the previous SORP, therefore no restatements are needed.

Income recognition

All incoming resources are included in the financial statements on an accruals basis. Investment income is deposit interest receivable on Trust cash balances invested originally with Herefordshire Council but from June 2016 in the cash account. The interest on the funds held by Herefordshire Council was calculated at transfer point using the average rate obtained on Herefordshire Council held funds. All other interest is paid as per the rate on the CAF Gold Account.

Expenditure recognition

All expenditure is accounted for on an accruals basis, and is included once there is a legal obligation to pay. Direct charitable expenditure relates to costs incurred in the pursuit of the charitable objects of the charity. Costs for the management of the estate are also included and have been calculated in accordance with the current basis in the Trust's policy document.

Stock

Stock is valued at the lower of cost and net realisable value.

Governance costs

Governance costs include all costs incurred in running the charity, which cannot be directly allocated to the charity's projects or fundraising. As such, it includes costs incurred by the Trustee during the running of the charity.

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2019

Revaluation

The Estate property and land is included at a professional valuation.

Tangible fixed assets and depreciation

The Estate property and land is included at revaluation. Where an asset is due to be sold the asset is valued at open market value less 2% selling costs. No depreciation has been charged because the charge for depreciation and the accumulated depreciation would be immaterial due to the annual valuation policy.

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:

Freehold land and buildings	Nil
Office equipment	20% reducing balance
Motor vehicles	20% reducing balance
Plant and machinery	15% reducing balance / 20 years straight line

Investments

Fixed asset investments are stated at historical cost less provision for any diminution in value. Investment income is included in the Statement of Financial Activities on a receivable basis.

Taxation

The Trust is a registered charity, and is not liable to UK taxation on its income or gains

2 REMUNERATION AND EXPENSES

The Trust had 3 employees during the year (2018 - 2).

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2019

3 Resources Expended

	2018/19 Capital (Restricted) Fund £	2018/19 General (Unrestricted) Fund £	2018/19 Total Funds £	2017/18 Total Funds £
Direct Charitable Expenditure				
Farming expenditure (note 4)	-	179,318	179,318	119,870
Wages and salaries	-	56,639	56,639	30,362
Contracting	-	35,970	35,970	23,758
Council tax	-	1,544	1,544	7,715
Light and heat	-	2,721	2,721	3,760
Repairs and maintenance	-	75,608	75,608	157,445
Water charges	-	2,356	2,356	2,012
Telephone	-	1,058	1,058	838
Motor and tractor expenses	-	12,481	12,481	15,568
Other fees	-	2,326	2,326	25,165
Website and office costs	-	727	727	1,652
Bank charges	-	63	63	83
Insurance	-	7,294	7,294	7,130
Accountancy	-	2,550	2,550	2,450
Trustee expenses	-	6,765	6,765	6,076
Legal fees	-	14,930	14,930	21,692
Licences and subscriptions	-	710	710	2,044
Depreciation	-	25,581	25,581	26,845
Pre registration VAT	-	-	-	(6,596)
(Profit)/loss on disposal of fixed asset	-	(4,181)	(4,181)	-
	-----	-----	-----	-----
	-	424,460	424,460	447,869
	=====	=====	=====	=====

The Trustee received no remuneration payments in the year.

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2019

4

Farming income	2019	2018
	£	£
Sheep sales	62,796	33,839
Cattle sales	215,693	61,088
Pig sales	-	1,230
Wool	295	61
Hay and straw	1,230	1,428
Contract work done	-	120
Storage and grasskeep	-	1,834
Countryside stewardship scheme	26,694	-
Basic payment scheme	26,505	25,663
	<u>333,213</u>	<u>125,263</u>
Farming expenditure	2019	2018
	£	£
Opening stock	175,436	-
Sheep purchases	-	58,016
Cattle purchases	136,614	171,727
Closing stock	(213,744)	(175,436)
Commissions payable	5,380	942
Feed	59,546	35,898
Fertiliser and spray	6,566	11,575
Veterinary and medicines	2,713	8,403
Haulage	4,172	2,990
Arable crop sundries	790	1,045
Livestock sundries	1,845	4,710
	<u>179,318</u>	<u>119,870</u>
Gross profit/(loss)	153,895	5,393
	<u>153,895</u>	<u>5,393</u>

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2019

5 Intangible Assets – Capital Unrestricted Fund

	Entitlements
	£
Cost	
As at 1 April 2018	22,874
Additions	-
	<hr/>
As at 31 March 2019	22,874
	<hr/>
Net book value	
As at 31 March 2019	22,874
	<hr/> <hr/>
As at 31 March 2018	22,874
	<hr/> <hr/>

6 Fixed Assets – Capital Unrestricted Fund

	Office equipment	Motor vehicles	Plant and machinery	Total
	£	£	£	£
Cost				
As at 1 April 2018	992	9,600	185,532	196,124
Additions	470	-	24,059	24,529
Disposals	-	-	(8,250)	(8,250)
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2019	1,462	9,600	201,341	212,403
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
As at 1 April 2018	198	1,920	25,852	27,970
Charge	253	1,536	23,792	25,581
Eliminated on disposal	-	-	(1,238)	(1,238)
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2019	451	3,456	48,406	52,313
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
As at 31 March 2019	1,011	6,144	152,935	160,090
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2018	794	7,680	159,680	168,154
	<hr/>	<hr/>	<hr/>	<hr/>

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2019

7 Fixed Assets – Capital Restricted Fund

	2018/19	2017/18
	Freehold land and buildings	Freehold land and buildings
	£	£
Valuation at 1st April 2012	922,812	922,812
Additions	215,447	156,342
Disposals	(76,000)	-
Unrealised Gain/(Loss) on Fixed Assets	(148,386)	(148,386)
	<hr/>	<hr/>
	913,873	930,768

Property

	Value at	Value at
	31 March	31 March
	2019	2018
	£	£
Lower House Farm	41,626	41,626
North Farm	72,885	72,885
Birchwood Farm	52,826	52,826
Orchard Farm	28,197	28,197
Green farm	41,434	41,434
Beaconshill Farm	34,250	34,250
Aurals Farm	47,767	47,767
Aurals Cottage	142,000	142,000
Cotemeadow	156,800	156,800
In Hand Woodlands	102,740	102,740
Caravan Site	53,900	53,900
Tracks	1	1
3 stables	2,633	2,633
HFC Planning application 180777	462	462
Practical completion stage 97.5%	5,155	5,155
Planning fees and expenses	15,135	15,135
Bat survey	3,360	3,360
Site visit and sound test	395	395
Preliminary ecological appraisal	779	779
Home energy calculations	400	400
Planning application Green Farm	13,542	13,542
Planning work	15,666	15,666
Ecological appraisal North Farm	1,600	1,600
Work to split Aurals Cottage in two	111,485	97,215
Grant for work to convert building	(76,000)	-
Trackway	19,449	-
Fencing	25,386	-
	<hr/>	<hr/>
	913,873	930,768
	<hr/> <hr/>	<hr/> <hr/>

THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2019

Freehold land and buildings above represent the agricultural properties used and/or leased by the charity. As described in the Trustee's Report, the charity is currently in the process of returning the properties to their original charitable purpose. As a result, a proportion of the land and buildings currently remains leased out on commercial terms and is therefore in the nature of 'investment properties'. However, given the current situation surrounding the charity's properties (as described in the Trustee's Report), the Trustee considers that any attempt to apportion the properties between 'freehold land and buildings' and 'investment properties' and subsequently revalue the investment portion, would be onerous and would not provide any meaningful information to users of the financial statements.

The properties are therefore included at a previous valuation prepared on the following basis by George Thompson MRICS – land agent for financial year 12/13:

a) Vacant Possession (VP) land at open market value less sale costs of 2%.

b) Tenanted land at gross income less repairs and maintenance costs multiplied by Years Purchase of 7 for dairy farms and 6 for mixed, arable and stock working out as multipliers of 14.285 and 16.667 respectively. This methodology is recommended by Association of Chief Estates Surveyors rural division for the valuation of farms that are proposed to remain in agriculture as tenanted farms for the foreseeable future and are not for sale. This methodology is also recommended by the Audit Commission. The reason for the change in values is the increase in repairs and maintenance expenditure.

c) Cottages, woodland and caravan site are valued on an open market basis less 2%.

8 Debtors - due within one year (Unrestricted)	2019	2018
Debtors	9,365	15,889
VAT	3,525	18,879
Prepayments	2,177	-
	<hr/>	<hr/>
	£15,067	£34,768
	<hr/>	<hr/>
9 Creditors - due within one year (Unrestricted)	2019	2018
Creditors	29,761	79,685
PAYE	1,335	616
Accruals	2,000	6,207
	<hr/>	<hr/>
	£33,096	£86,508
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THE BUCHANAN TRUST AND THE BUCHANAN TRUSTEE COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2019

10 Funds

Unrestricted funds comprise those funds, which the Trustee is free to use in accordance with the charitable objects.

	Restricted 2019	Unrestricted 2019	Total 2019	Total 2018
	£	£	£	£
Opening Balance	1,434,076	206,266	1,640,342	1,865,354
Gains on Disposal of Fixed Assets	-	-	-	-
Unrealised Gains/ Losses on Fixed Asset	-	-	-	-
Revaluation	-	-	-	-
Transfer re Capital Works	-	-	-	-
Surplus/ (Deficit) for Year	-	(47,568)	(47,568)	(225,012)
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance Carried Forward	1,434,076	158,698	1,592,774	1,640,342
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11 Ultimate Controlling Party

The ultimate controlling party is the body of Trustees.