

# Fife Historic Buildings Trust

## ANNUAL REPORT & ACCOUNTS 2017-18



**Cupar Burgh Chambers before (left) and after (below) restoration and conversion to a high quality holiday apartment.**



Registered number: SC173262

Charity Number: SC026043

**FIFE HISTORIC BUILDINGS TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

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**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**Trustees**

CEM May	Chairman
C Fowler	Secretary and Treasurer
BCT Wood	Trustee
J Birrell	Trustee
D Chisholm	Trustee
Dr RDA Evetts	Trustee
R J Taylor	Trustee
W G Taylor	Trustee
N Wilkinson	Trustee
Cllr J Wincott	Trustee (Appointed 8th August 2017)
Cllr J Muir	Trustee (Appointed 8th August 2017)
Cllr D Ross	Trustee (Appointed 8th August 2017)
Cllr J Beare	Trustee (Resigned 8th August 2017)
Cllr K Morrison	Trustee (Resigned 8th August 2017)
Cllr E Riches	Trustee (Resigned 8th August 2017)

**Company registered number**

SC173262

**Charity registered number**

SC026043

**Registered office**

Kinghorn Town Hall, St. Leonard's Place, Kinghorn, Fife, KY3 9TL

**Company secretary**

C Fowler, Treasurer

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31st March 2018, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes..

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

**MESSAGE FROM THE CHAIRMAN**

Our 2017/18 annual report shows that the year has been another exceptionally busy one for Fife Historic Buildings Trust, as we complete some, and press ahead with new, projects. We are always looking forward, working with funders and project partners, to develop the next restoration – fulfilling our mission statement of *Making Heritage Live*.

But we have also spent some time looking back this year, celebrating FHBT's 20<sup>th</sup> anniversary in October with a reception at Kirkcaldy Old Kirk, hosted by our Patron, Gordon Brown. I would like to take this opportunity to thank everyone who came along that night – supporters, building owners, beneficiaries, funders, contractors, architects of projects past and present. It was a wonderful opportunity to reflect on how much has been achieved in partnership to save and improve historic buildings for people and places across Fife. But just as important were the connections made afresh to develop future projects – many of these conversations continue into 2018.

Many thanks to our Patron for hosting the event and talking about FHBT's work with such knowledge and passion, and to our guest speaker Diane Watters who spoke about The National Trust for Scotland's *Little Houses Scheme* and its links to the Building Preservation Trust movement, including FHBT. And to the Kirkcaldy Old Trust for hosting the event and joining us on the night.

I am grateful also to the Trustees who led on the organisation of this event, working with Beth Bell. We hope to extend our celebrations into our 21<sup>st</sup> year in 2018, reaching out to new audiences to showcase projects in different parts of Fife, and building links with new potential partners to underpin future projects.

Our staff and volunteers, led by our Manager Lorraine Bell, continue to deliver beyond the Board's expectations and have rightly won praise and admiration for the success of FHBT. My thanks to all of them for their invaluable work.

Finally, on a personal note, I would like to record the contribution of the long-standing FHBT Vice Chairman, Brian Wood, who has stepped down from this role – but remains an active and experienced Trustee. Brian's astute use of questions and extensive legal knowledge, coupled with good humour and wide-ranging interests, contribute to the ongoing success of FHBT.

**FIFE HISTORIC BUILDINGS TRUST**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**Reference and Administrative Details**

Reference and administrative details are shown in the schedule of members of the Board and professional advisers on page 1 of the financial statements.

**The Trustees**

The Trustees who served the charity during the period were as follows:

CEM May	Chairman
C Fowler	Secretary and Treasurer
BCT Wood	Trustee
J Birrell	Trustee
D Chisholm	Trustee
Dr RDA Evetts	Trustee
R J Taylor	Trustee
W G Taylor	Trustee
W Wilkinson	Trustee
Cllr J Wincott	Trustee (Appointed 8th August 2017)
Cllr J Muir	Trustee (Appointed 8th August 2017)
Cllr D Ross	Trustee (Appointed 8th August 2017)
Cllr J Beare	Trustee (Resigned 8th August 2017)
Cllr K Morrison	Trustee (Resigned 8th August 2017)
Cllr E Riches	Trustee (Resigned 8th August 2017)

**Patron**

The Right Honourable Gordon Brown

**Structure, Governance and Management**

The Trust is incorporated under the Companies Act as a company limited by guarantee (SC173262) and the date of incorporation was 6th March 1997. The company is governed by its Memorandum and Articles of Association. The company is a recognised Scottish Charity under number SC026043.

The company is run by a Board of Trustees who meet on a regular basis to conduct the affairs of the company, within the terms of the company's Memorandum and Articles of Association. The full time manager, Lorraine Bell, is responsible for the day to day operations of the company; and gives new Trustees a detailed briefing on the work of the Trust.

One third of the Trustees (other than the nominated Trustees) shall retire from office at the Annual General Meeting. Retiring Trustees are eligible for re-election. At this time Jim Birrell, David Chisholm and Norman Wilkinson retire and are eligible for re-election.

Christine May is Chairman of the Board of Trustees and Colin Fowler is the Company Secretary and Treasurer.

The Executive Committee comprises Christine May, Brian C T Wood, Colin Fowler, Ros Taylor and William Taylor. General Meetings of the Trustees are held four times a year, or as required for specific purposes. Executive Committee meetings are generally held 7 times a year, or as required for specific purposes. The Manager and a small staff team undertook the day to day administration and management of Trust business, with all decisions on matters of expenditure, policy and funding applications being made by the Trustees.

**FIFE HISTORIC BUILDINGS TRUST**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**Objectives and Activities**

The principal activity of the company during the year was the restoration of historical properties. The objects for which the Trust is established are to promote and encourage, either on its own or in conjunction with others, the maintenance and improvement of the amenity of the geographical area of Fife and the protection and preservation of its landscape, architectural and historical heritage by any means and, in particular, by the acquisition of such lands and buildings of historical, architectural or constructional interests as the Board of the Trust may select for the purpose of restoration and sale or lease, subject to such legal valid restrictions as will ensure the future preservations of such lands and buildings.

**Achievements and Performance**

**Building Restoration Projects**

**St Andrew's Church, Lochgelly**

FHBT is proud to be part of this exciting project, working with Fife Council to continue the positive transformation of Lochgelly town centre through the creation of the Fife Regional Indoor Climbing & Bouldering Centre. Phase 1 works to the church building were completed this year – extensive external repairs alongside first stage internal refurbishment, funded by the Scottish Government Regeneration Capital Grant Fund. The approx. £1m second phase to build a modern extension to create competition grade climbing walls is now in the development stage, with planning approval imminent. Detailed design progresses this year, working with ECD Architects, Fife Council and with end user Rockgelly (a climbing and bouldering social enterprise). Landscape Architects Ian White Associates have also been brought on board to bring forward proposals for the final phase – a small landscaped public square at the rear of the building. Concept ideas are now being developed with input from local residents and groups. On completion, the project will cement the area's status as a major outdoor activities hub for Central Scotland, following the recent completion of Fife Cycle Park, Scotland's first cycle circuit, in Lochgelly

**Burgh Chambers, Cupar**

We were delighted to achieve practical completion this year on the conversion of this long vacant B listed former Burgh Chambers to a high quality holiday apartment. Project managed by FHBT on behalf of Fife Council, as part of the Cupar CARS programme (see below), this approx. £650,000 project is funded by Historic Environment Scotland, Heritage Lottery Fund, Fife Council and by the Fife Council Common Good Fund. The project team – including Cupar based ARC Architects and Kirkcaldy contractors John Smart & Son – have delivered a very high quality restoration and conversion in a challenging town centre site. We are very grateful to the patience of neighbouring businesses and Cupar residents as we completed the stunning transformation of the building, which takes its place again as a major landmark in Cupar town centre. Throughout the project, we were able to share progress with local residents via an ongoing programme on hard hat tours and on-site training events – inc. a continuing project with a group from Bell Baxter High School. During the year it was agreed that FHBT would take on the management of the holiday apartment, adding it to its small portfolio of exclusive historic holiday lets.

**Flax Mill, Silverburn Estate, Leven**

The Trust continues to work with Fife Employment Access Trust (FEAT) on their proposal to restore the Flax Mill in Silverburn Park, Leven. FEAT have been awarded funding from the Architectural Heritage Fund to support our appointment.

The project is an opportunity to put heritage at the centre of plans to expand employability and wellbeing work in Levenmouth, one of Scotland's most disadvantaged areas. FEAT's vision is to regenerate the perilously at risk B listed former Silverburn flax mill, a little altered and rare survivor of Scotland's historic flax industry, to create a café, visitor hostel and workshop space to generate income to sustain Silverburn Park. This is critical to FEAT's plans to develop Silverburn as a place of quiet enjoyment to support the health of a local community challenged by multiple deprivation - and as an outreach centre for volunteering and training opportunities for people with mental health problems.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

FEAT's vision is to use this under-explored building, archive and natural landscape to help people develop skills, build confidence and gain employment; whilst creating a facility that encourages many more visitors to this part of Fife, boosting the local economy.

Working closely with FEAT and their partners Fife Council (who own the Park and the building) we have managed the development of a major grant application to the Heritage Lottery Fund, and project managed historic building and landscape survey work on the estate, funded by Fife Council. Methil based Sinclair Watt Architects, working with Aberdour based conservation accredited architect Stephen Newsom, led a professional team to develop an historic building survey of the Flax Mill. This work has increased our understanding of the building and informed the development of costed concept proposals for its conversion.

**Burntisland Station**

We continue to work with local artist Leo du Feu, and with ScotRail and the Railway Heritage Trust, on the proposed conversion of redundant space on the main Edinburgh-bound platform at Burntisland Station to create a bespoke artist studio. A costed feasibility study was completed by Sinclair Watt Architects and Brownriggs. The Railway Heritage Trust have asked us to expand the project to consider the opening up of a small long-disused toilet building on the platform, to create a store/water source for Floral Action Burntisland, who develop and maintain the floral displays and wildlife areas at the station. Proposals for this area are now being finalised, prior to consents and funding being sought – with work now anticipated on site in 2019.

**Management Projects**

**Cupar Conservation Area Regeneration Scheme/Townscape Heritage Initiative**

The Trust continued to manage this approx. £6.5m five-year scheme in its penultimate year. The main project this year was the restoration of Cupar Burgh Chambers (see above). Alongside this, the repair and restoration of privately owned buildings in the heart of the Conservation Area, supported by building repair grants from a £500,000 fund, continues. 9 grant-aided projects have been completed, with a further 13 grants awarded so far. The scheme is now closed to applications as all projects complete during the final year. Taken together, these projects have made an appreciable difference to the Cupar streetscape – and have also increased both the skills of local contractors (several have participated in CARS/THI funded traditional skills training and/or been given specialist support from the Scottish Lime Centre) and the ability of owners to commission repairs (building owners have been supported to establish better arrangements with their neighbours to organise common repairs).

The CARS/THI scheme continues to support traditional skills apprenticeships in masonry, joinery and plasterwork – in Fife Council and with private contractors. These form the heart of an extensive training scheme in Cupar – highlights this year include a seminar to promote the use of the Scottish Lime Centre's stone and slate survey of Cupar Conservation Area, on-site training in window repairs at Cupar Burgh Chambers and a shopfront seminar led by historic shops specialist Lindsay Lennie. Lindsay is now working with Cupar Heritage Trust to survey and highlight significant retail buildings in the town. Cupar CARS/THI also had a big presence at the Cupar Summer Fayre – with a team led by Craig Frew to demonstrate traditional skills to residents, families and visitors.

Development work has also been completed on two projects – a new hoarding to improve the appearance of the Bonnygate gap site (designed with input from Cupar Development Trust and Cupar Heritage); and proposals to improve Speedies Close, developed with community input and led by erz Landscape Architects. Completing this work will underpin an exciting final year for this scheme.

**Inverkeithing *proposed* Townscape Heritage/Conservation Area Regeneration Scheme**

Following several years of development work, and significant input from Inverkeithing residents, Fife Council were awarded a Round One pass from the Heritage Lottery Fund for its re-submitted proposed THI scheme for Inverkeithing. We are working alongside Fife Council to develop the Round Two application, and a complementary CARS application to Historic Environment Scotland.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

If successful, this scheme would enable Inverkeithing to realise the potential of its significant mediaeval fabric – capitalising on this often-overlooked asset to involve local people in the telling of this fascinating part of Inverkeithing's story. FHBT is leading on proposals for a new community hub at Inverkeithing Town House, working with ARC Architects to develop designs that meet the needs of community user groups for a more accessible space that allows this building to develop its role as the hub that brings together the many groups active in the town.

**Property Management**

The Trust continues to manage a small portfolio of properties - together providing a small additional income to the Trust, but also providing day-to-day opportunities for people to enjoy and experience these historic buildings.

**Kinghorn Town Hall & John McDouall Stuart View, Dysart**

The Town Hall continues to operate as a very special and successful holiday let, achieving its highest ever occupancy of 72% occupancy in 2017 and making an important contribution to FHBT income. Occupancy at our second holiday apartment John McDouall Stuart View in Dysart continued to grow, reaching 57%. Beth Bell, who delivers holiday let management and marketing services for FHBT, has grown FHBT's online and social media presence to promote the apartments and deliver these results – in particular spearheading the development of a new FHBT website by Maclean TM, with the facility to take direct bookings for all our holiday lets: [www.fifehistoricbuildings.org.uk](http://www.fifehistoricbuildings.org.uk). Thanks are due also to Suzanne Gilfeather, our lead housekeeper, who ensures that all our guests receive a warm welcome.

**Cupar Burgh Chambers**

During our work this year to restore this building, it was agreed that FHBT would also take on the management of the holiday let – and at the time of writing, this luxurious Georgian property is open for business, with our first guests arriving in summer 2018.

**The Platform, Burntisland**

Following completion of the building restoration in 2012, the Trust has managed the former Platform building as five starter units for the creative industries. This fascinating building with exceptional views across the Forth to Edinburgh provides inspirational working space to high profile and award winning artists, jewellers and creative marketers. The tenants work together to promote their work, participating in the Fife-based *Artline* initiative for artist studios at railway stations, and holding their own open studio/shopping events. See more at: [www.facebook.com/platformstudiosburntisland](http://www.facebook.com/platformstudiosburntisland).

**West Wemyss Community Lodge**

The Trust retained a small shop front unit for community use in West Wemyss Main Street at the end of the West Wemyss THI (1999 – 2004). For many years this had been used by West Wemyss Development Trust – but has since been handed back to FHBT, with a new use being sought.

**Management and Acknowledgements**

We are extremely grateful to Fife Council for its continuing partnership and funding support for FHBT, and for individual projects. Manager Lorraine Bell's secondment from Fife Council also continued through its fourth year. These arrangements underpin our role as Fife Council's heritage regeneration partner of choice, and we continue to value very highly the constructive working relationship we have with officers and elected members at Fife Council, and their continuing support for projects across Fife.

Project Officer Fiona Stenke continues to lead on Cupar CARS/THI (see above), shaping and co-ordinating the overall programme, liaising with Fife Council partner contacts and external consultants to deliver individual projects; and leading on the £0.5m building repair grant scheme.

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**FOR THE YEAR ENDED 31 MARCH 2018**

Fiona has also continued to be a key member of the Silverburn Flax Mill team, developing the programme and funding proposals. Robert Gibson, Finance & Administration Officer, has continued to develop FHBT's approaches to financial management – leading the work on FHBT's annual report and accounts, on securing professional advice to trustees on pension arrangements for FHBT staff, and continuing to develop position statements for completed FHBT projects to underpin decision-making about the use of FHBT reserves.

We have also been so grateful for the continuing support of our volunteers. Jim McLeish has continued to support us throughout the year on many aspects of our work, including supporting FHBT's anniversary programme, research and recommendations to develop the management of The Platform and offering enthusiastic input to projects in Cupar. Brian Laing, our maintenance volunteer, has helped us keep on top of a wide variety of small repairs to our properties over the year, as well as patiently repainting the historic iron railings at Kinghorn Town Hall.

Trustees continued to play an important role in the management of the Trust and its projects, as well as supporting the team and providing governance oversight of all FHBT activities. Trustee David Chisholm led the group delivering activities for FHBT's 20<sup>th</sup>/21<sup>st</sup> Anniversaries. This year we welcomed three new Trustees, elected members nominated by Fife Council – their contributions support the Trust and its partnership with Fife Council. The welcome support that all Trustees have given is integral to the success and financial stability of the Trust and is greatly valued.

The Trust is grateful for the support it receives from all its partners, from its Patron and from all the funding agencies mentioned in this report. Such support is very much appreciated.

### **Plans for Future Periods**

The Trust's links with the Council remain a crucial cornerstone of its work. The Trust is extremely grateful for the funding and organisational support it receives from Fife Council. Both organisations continue to work together to facilitate the transfer of the FHBT Manager to FHBT, whilst continuing to develop new projects together.

Longer term, Fife Council and FHBT are committed to working together to develop a Fife Built Heritage Strategy. This will identify potential future THI/CARS schemes, but also address potential priorities across the historic environment in Fife, increasing opportunities for collaboration.

### **Financial Review**

#### **Revenue Account/Unrestricted Reserves**

The Revenue Account for the Trust is reported within the Statement of Financial Activities which is shown on page 15 of these accounts. In relation to the annual operating account of the Trust total income for the year was £186,082 (2016/17 – £188,136) compared to expenditure of £199,601 (2016/17 - £163,804). The total expenditure figure included the cost of the 20<sup>th</sup> anniversary celebrations of £3,952 and website development costs of £4,400. The expenditure total shown above also includes a £4,000 credit in the accounts calculated by the actuary to the LGPS relating to the Trust's workplace pension arrangements. Expenditure therefore exceeded income by £13,519 (2016/17 surplus £24,332). As part of the financial arrangements however with Fife Council the Fife Council/Fife Historic Buildings Trust Partnership Fund provided an agreed contribution of £21,500 to the Trust's overall finances resulting in a surplus for the year of £7,981 before any other accounting adjustments.

In relation to workplace pension arrangements the Trust is an admitted body to the Fife Council Local Government Pension Scheme (LGPS) and these accounts reflect both the costs of membership of the LGPS as well as the Trust's share of the liabilities in relation to the Pension Fund. In addition the actuary has estimated that the Trust's pension liabilities at 31<sup>st</sup> March 2018 have reduced in total by £26,000 compared to the end of March 2017 i.e. from £152,000 to £126,000. A further adjustment of £22,000 has been made in the accounts to reflect this gain making £26,000 of total adjustments to the accounts increasing the surplus to £29,981.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

One final adjustment to the accounts is the recording of the value of the Trust's property at 48 Main Street West Wemyss which previously had not been included. Whilst there were no issues with the Trust's title to the property, the funding provided by the Fife Environment Trust (FET) for the project potentially could have been the subject of some clawback however engagement with FET has confirmed that this will not be the case. As a result the Trust has had the property valued by DM Hall and have brought the valuation of £17,500 into the accounts.

The overall position within the Statement of Financial Activities is summarised as follows:

Deficit for the Year	(£13,519)
Contribution FC/FHBT Partnership Fund	<u>£21,500</u>
Operating Surplus for the Year	£7,981
Revaluation of 48 Main Street West Wemyss	£17,500
Reduction in Pension Liability Actuarial gain	<u>£22,000</u>
Total Increase in Unrestricted Funds	<u>£47,481</u>

**Restricted Reserves**

The Trust currently holds six restricted reserve funds. Total income in the year was £57,333 with expenditure of £51,333 a net increase in reserve funds of £6,000. The funds held at 31<sup>st</sup> March 2018 were as follows.

Fife Council /FHBT Joint Partnership	£116,703
Kirkcaldy CARS/Adam Smith Close Project Funds	£64,575
Dysart Townscape Heritage Initiative Funds	£27,913
Anstruther CARS/THI	(£16,995)
Beveridge Park	£8,000
Silverburn Park Project	<u>£11,000</u>
Total Restricted Reserves Funds at 31st March 2018	<u>£211,196</u>

Following a review of project specific restricted reserves held by the Trust in relation to previous projects delivered in partnership with Fife Council a Fife Council/Fife Historic Buildings Trust Partnership Fund to be managed jointly by both organisations was created at 31<sup>st</sup> March 2017 with initial reserve funds of £143,203.

These reserves will be used to provide funds for the feasibility studies and project development costs to pump prime potential joint projects. The reserves will also be used to develop a Fife Built Heritage Strategy as well as underwriting potential shortfalls on agreed joint projects. During the year this fund contributed £21,500 towards the Trust's general running costs and £5,000 towards the Inverkeithing CARS/THI project development. Reserves at 31<sup>st</sup> March 2018 therefore stood at £116,703.

The Trust held 5 other restricted reserve funds which were received by the Trust for specific projects. These are detailed above. The projects at Adam Smith Close, the Dysart Townscape Heritage Project (THI) along with Anstruther CARS and THI projects are complete and the Trust is working with Fife Council to agree the final financial position statements for the projects and the treatment of any residual funds which the Trust hold. The funds held for the Silverburn Project are to cover professional fees which will be outlaid in 2018-19. The funds held in relation to Beveridge Park are the subject of ongoing discussions with Fife Council as to the future use of these funds.

**Balance Sheet**

The Trust's Balance Sheet at 31<sup>st</sup> March 2018 is shown on page 16, Fixed assets owned by the Trust are now £208,320 (2016/17 £192,056) reflecting the valuation of 48 Main Street West Wemyss now brought into the accounts. Money due to the Trust was £10,575 (2016/17 £39,331). Cash and bank balances were £438,059 (2016/17 £397,633).

Money owed by the Trust at the balance sheet date was £64,590 (2016/17 £42,637) and the Trust's share of pension liabilities stood at £126,000 (2016/17 £152,000) down £26,000 from the year before.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

The situation with the Pension Fund continues to be monitored on an ongoing basis with the Trust seeking independent professional advice about workplace pension arrangements going forward. The Trust's net assets currently stand at £466,364 represented by unrestricted funds of £255,168 and restricted funds of £211,196.

The figures reported above are supplemented by the notes to the accounts on pages 17-26.

**Trust's Policy on Reserves**

The Trust in line with best practice and good governance is aware of the need to continually assess the potential financial risks to the ongoing activities of the Trust and to have in place sound risk management arrangements including ensuring that these risks are removed or mitigated against. Many such risks can be mitigated through the arrangement of insurance cover which the Trust has done including public liability, professional indemnity and employer's liability policies together with buildings and contents insurance. There are other risks however that can't be insured against and it is these risks that the Trust has to build up reserves to ensure it is able to meet any liabilities that may arise in the future.

**Designated Fund - Renewal and Repair Fund**

The Board decided that a proportion of unrestricted reserves should be set aside and designated for use in funding major repairs to its properties. As the age of the properties increases then so too does the potential for major repairs to the roofs, gutters, windows, structural problems and heating systems etc increase. The Trust currently has £47,415 set aside and designated for the funding of significant repairs costing in excess of £1,000. This sum is deemed sufficient to cover known potential repairs but the designated sum will be reviewed at the end of each financial year.

**General Unrestricted Reserves**

Part of this process involves the building up and the maintenance of unrestricted reserves sufficient to meet the Trust's cash flow requirements, ongoing running costs and liabilities in any financial year as well as meeting any potential unforeseen or emergency expenditures. In a worst case scenario the Trust would have to deal with losing grant funding either downsizing or winding up operations entirely.

The Trust is an admitted body to the Fife Local Government Pension Scheme (LGPS) where employees have access to a final salary or career average pension once they retire. Overall the scheme is currently in deficit and as a result the Trust has an obligation to meet its share of the liabilities which currently stand at £126,000 down from £152,000 last year. The Trust has set aside this sum from unrestricted reserves to meet this liability. Given the costs of employer's contributions and the level of liabilities the Trust have engaged professional advice on what options to consider in terms of occupational pensions and identifying an affordable solution for the future.

The most significant financial risk to the Trust would be the loss of its funding streams particularly the Partnership Funding from Fife Council and Management Fees from projects. The Trust also operates in an extremely challenging external funding environment, with competition for grant funding intense and funding available from major project funders (e.g. Heritage Lottery Fund) reducing. In a worst case scenario where the Trust potentially has to be wound up either because of funding being withdrawn or where the running costs of the Trust exceed the funding available on an ongoing basis then a structured and organised exit strategy would have to be agreed with Fife Council having regard to the projects in progress and the timescales for completion of these. If such an event were to transpire the Trust would require potentially to meet redundancy costs and all other outstanding liabilities at that time. The winding up process could take some time therefore the Board have agreed to maintain reserves equivalent to approximately three months running costs after allowing for pension liabilities as a minimum.

We believe that in light of the significant financial challenges facing local authorities, and changes in the external funding environment, our current business model needs to adapt to ensure it is sustainable. In particular, we need to investigate new approaches to generating income (including non-grant fundraising) that allow us to both sustain the organisation, continue to deliver our charitable purposes and develop our capacity to respond to requests from community groups for support in delivering future heritage regeneration projects across Fife.

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We are currently seeking grant support for additional capacity to develop this strategy, as well as working with Fife Council on an over-arching Fife Built Heritage Strategy to underpin our partnership work.

**Restricted Reserves**

The Trust currently holds six restricted reserves and will continue to use these for the purposes for which these funds were assigned. As indicated above the projects at Adam Smith Close, the Dysart Townscape Heritage Project (THI) along with Anstruther CARS and THI projects are complete and the Trust is working with Fife Council to agree the final financial position statements for the projects and the treatment of any residual funds which the Trust hold.

**Trustees' responsibilities statement**

The Trustees (who are also directors of Fife Historic Buildings Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 2015 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

In so far as that Trustee is aware

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- that trustees have taken all the steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Trustees on

and signed on their behalf by:

**Colin Fowler**  
**Company Secretary and Treasurer**

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF FIFE HISTORIC BUILDINGS TRUST**

**OPINION**

I have audited the financial statements of Fife Historic Buildings Trust for the year ended 31 March 2018 which comprises the Statement of Financial Activities (incorporating the Income and Expenditure Accounts), the Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1) (c) of the Charities and Trustee investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

My audit work has been undertaken so that I might state to the charitable company's members those matters I am required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Trustees, as a body, for my audit work, for this report or for the opinion I have formed.

**BASIS FOR OPINION**

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charitable company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions applicable for small entities, and I have fulfilled my ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

I have nothing to report in respect of the following matters in which the ISAs (UK) require me to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**FIFE HISTORIC BUILDINGS TRUST**  
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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF FIFE HISTORIC BUILDINGS TRUST**

**OTHER INFORMATION**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

**OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In my opinion, based on the work undertaken in the course of the audit:

- The information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the charitable company its environment obtained in the course of the audit, I have not identified material misstatements in the directors' report.

I have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) regulations 2006 (as amended) requires me to report to you if, in my opinion:

- Adequate accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- There was a failure to obtain all the information and explanations which, to the best of my knowledge and belief, are necessary for the purpose of the audit; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- I have not received all the information and explanations I require for my audit.
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

**RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Directors' Responsibilities Statement set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**FIFE HISTORIC BUILDINGS TRUST**  
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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF FIFE HISTORIC BUILDINGS TRUST**

In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

Lynn Cunningham Chartered Accountant, Statutory Auditor  
The Granary Business Centre  
Coal Road  
Cupar  
Fife  
KY15 5YQ  
.....

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2018**

<b>Income from:</b>	<b>Note</b>	<b>Un- restricted Funds 2018 £</b>	<b>Restricted Funds 2018 £</b>	<b>Total Funds 2018 £</b>	<i>Total Funds 2017 £</i>
Donations and capital grants	2	216	-	216	277
Investments	3	49,866	-	49,866	43,109
Charitable Activities	4	136,000	57,333	193,333	167,181
<b>Total Income</b>		<u>186,082</u>	<u>57,333</u>	<u>243,415</u>	<u>210,567</u>
<b>Expenditure on:</b>					
Charitable activities	5	199,601	51,333	250,934	219,121
<b>Total expenditure</b>		<u>199,601</u>	<u>51,333</u>	<u>250,934</u>	<u>219,121</u>
<b>Net income/(expenditure)</b>		<b>(13,519)</b>	<b>6,000</b>	<b>(7,519)</b>	<b>(8,554)</b>
<b>Transfer between funds</b>					
Gain on revaluation of fixed assets	10	17,500	-	17,500	-
Actuarial gains/(losses) on defined benefit pension plans	13	22,000	-	22,000	(17,000)
<b>Net income/ (expenditure)</b>		<u>47,481</u>	<u>(15,500)</u>	<u>31,981</u>	<u>(25,554)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward	14/15	207,687	226,696	434,383	459,937
<b>Total funds carried forward</b>	14/15	<u>255,168</u>	<u>211,196</u>	<u>466,364</u>	<u>434,383</u>

All activities relate to continuing operations.

The notes on pages **17 to 26** form part of these financial statements

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: SC173262**

**BALANCE SHEET**  
**AS AT 31 MARCH 2018**

	Note	£	2018 £	£	2017 £
<b>Fixed Assets</b>					
Tangible assets	10		<b>208,320</b>		<b>192,056</b>
<b>Current Assets</b>					
Debtors	11	<b>10,575</b>		<b>39,331</b>	
Cash at bank and in hand		<b>438,059</b>		<b>397,633</b>	
		<b>448,634</b>		<b>436,964</b>	
<b>Creditors:</b> amounts falling due within one year	12	<b>(64,590)</b>		<b>(42,637)</b>	
<b>Net Current assets</b>			<b>384,044</b>		<b>394,327</b>
			<b>574,864</b>		<b>586,383</b>
<b>Total assets less current liabilities</b>					
Defined benefit pension plan liability	13		<b>(126,000)</b>		<b>(152,000)</b>
<b>Net assets including pension scheme liabilities</b>			<b>466,364</b>		<b>434,383</b>
<b>Charity Funds</b>					
Restricted funds	14/15		<b>211,196</b>		<b>226,696</b>
Unrestricted funds	14/15		<b>255,168</b>		<b>207,687</b>
<b>Total Funds</b>			<b>466,364</b>		<b>434,383</b>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March 2018 and of its net resources expended for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on \_\_\_\_\_ and signed on their behalf by:

**Colin Fowler**  
**Company Secretary and Treasurer**

The notes on pages **17 – 26** form part of these financial statements.

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The charity constitutes a public benefit entity as defined by FRS 102. 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)(Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

**1.2 Going Concern**

The accounts have been prepared on a going concern basis. There are no material uncertainties that exist or material changes in the way it operates. The Trustees consider it appropriate to prepare accounts on a going concern basis.

**1.3 Funds Structure**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in the furtherance of the charity objectives. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

**1.4 Cash Flow**

The financial statements do not include a Cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the SORP (FRS102)

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. The costs of minor additions are not capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	25% Reducing Balance
Equipment	-	Straight line over 3 years

**1.6 Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in net gains/(losses) on investments in the Statement of Financial Activities.

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**1. Accounting policies (continued)**

**1.7 Pensions**

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2017. The charity is part of the Fife Council Local Government Pension Scheme. The assets of the scheme are held separately from those of the charity.

The contributions are determined by a qualified actuary (who is appointed by Fife LGPS) on the basis of triennial valuations using the projected unit method. The most recent valuation was at 31 March 2017 and has been updated to reflect conditions at the balance sheet date.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme deficit is recognised in full on the balance sheet.

**1.8 Income**

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity or its subsidiary have entitlement to the funds;
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Uncommitted reserves are temporarily invested either in fixed interest term deposits or in on call deposits. This generates additional interest for the Trust. These investments are reflected in the Cash at bank and in hand line in the Balance Sheet.

**1.9 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Governance and support costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements and include the audit fees and costs linked to the strategic management of the charity.

Charitable expenditure comprises of those costs incurred in the delivery of the charity's activities and services. It included both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the Statement of financial Activities on a basis designed to reflect the use of resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

**FIFE HISTORIC BUILDINGS TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**2. Donations and Capital Grants**

	<b>Unrestricted Funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Donations	<u>216</u>	<u>-</u>	<u>216</u>	<u>277</u>

**3. Investments**

	<b>Unrestricted Funds 2018 £</b>	<b>Restricted Funds 2018 £</b>	<b>Total Funds 2018 £</b>	<i>Total Funds 2017 £</i>
Rental income – Furnished Holiday Lets and Commercial Lets	47,555	-	47,555	40,080
Bank interest receivable	2,311	-	2,311	3,029
	<u>49,866</u>	<u>-</u>	<u>49,866</u>	<u>43,109</u>

**4. Income from charitable activities**

	<b>Unrestricted Funds 2018 £</b>	<b>Restricted Funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Grants – Fife Council	34,750	-	34,750	34,750
Grants from other sources	-	57,333	57,333	22,431
Sale of property	-	-	-	-
Management fees and Costs Recovered	101,250	-	101,250	110,000
	<u>136,000</u>	<u>57,333</u>	<u>193,333</u>	<u>167,181</u>
2016/17	<u>144,750</u>	<u>22,431</u>		

**FIFE HISTORIC BUILDINGS TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**5. Costs of Charitable Activities**

	Basis of allocation	Governance and support costs £	Charitable Activities £	Total 2018 £	Total 2017 £
Kinghorn Town Hall	Cost	-	13,657	13,657	11,830
Kirkcaldy 20 Esplanade	Cost	-	-	-	1,452
Cupar Burgh Chambers	Cost	-	204	204	-
Burntisland Platform Building	Cost	-	8,902	8,902	8,279
Ladybank (Laird's Waiting Room)	Cost	-	-	-	8,442
West Wemyss 48 Main Street	Cost	-	977	977	478
Dysart War Memorial	Cost	-	-	-	423
Dysart J McDouall Stuart House	Cost	-	5,752	5,752	6,328
Inverkeithing THI/CARS	Cost	-	31,450	31,450	-
Cupar THI/CARS	Cost	-	4,908	4,908	-
Anstruther THI/CARS	Cost	-	-	-	35,000
Lochgelly St Andrew's Church	Cost	-	-	-	10,000
Leven Silverburn Park	Cost	-	11,000	11,000	-
Burntisland Station Artist Studio	Cost	-	3,975	3,975	-
Trust – Direct Costs	Cost	3,943	166,166	170,109	136,889
Total		<u>3,943</u>	<u>246,991</u>	<u>250,934</u>	<u>219,121</u>

Allocation of cost is based on project specific expenditure

**6. Governance and Support Costs**

	Unrestricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
Accountancy & Audit fees	2,500	2,500	2,500
Other professional fees	4,202	4,202	2,576
Costs of Trustees' meetings	903	903	632
Trustee Training Costs	242	242	325
Defined benefit pension scheme	(4,000)	(4,000)	(6,000)
Bank charges and interest	96	96	126
<b>Total</b>	<u>3,943</u>	<u>3,943</u>	<u>159</u>

**7. Net incoming resources/(resources expended)**

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charity	3,857	3,883
Auditors' fees	<u>2,500</u>	<u>2,500</u>

**FIFE HISTORIC BUILDINGS TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**8. Auditors' remuneration**

Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<b>2018</b> £	2017 £
	<b><u>2,500</u></b>	<b><u>2,500</u></b>

**9. Staff Costs**

The average number of persons employed by the company during the year was as follows

	<b>2018</b> <b>No.</b>	2017 No.
Trust manager (seconded from Fife Council)	<b>1</b>	<b>1</b>
Project Officer	<b>1</b>	<b>1</b>
Finance and Administration Officer	<b>1</b>	<b>1</b>
	<b><u>3</u></b>	<b><u>3</u></b>

**Total staff costs were as follows:**

	<b>2018</b> £	2017 £
Wages and salaries	<b>94,737</b>	<b>82,288</b>
Social security costs	<b>9,694</b>	<b>7,910</b>
Other pension costs	<b>27,992</b>	<b>26,577</b>
Total	<b><u>132,423</u></b>	<b><u>116,775</u></b>

No employee received remuneration amounting to more than £60,000 in either year

Wages in the current year of £94,737 (2017: £82,288). The trust manager (who is on secondment from Fife Council) salary is also included within wages and salaries.

Other pension costs of £27,992 (2017: £26,577) include an additional deficit contribution of £12,500 (2017 £12,500) in respect of the defined benefit scheme.

The total remuneration for key management during the year was £Nil (2017 - £Nil).

**FIFE HISTORIC BUILDINGS TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**10. Tangible fixed assets**

	Freehold Property £	Fixtures and fittings £	Equipment £	Investment Property £	Total £
<b>Cost or Valuation</b>	<b>24,000</b>	<b>24,766</b>	<b>12,709</b>	<b>159,000</b>	<b>220,475</b>
At 1 April 2017					
Additions	-	2,621	-	-	2,621
Revaluation	-	-	-	17,500	17,500
At 31 March 2018	<u>24,000</u>	<u>27,387</u>	<u>12,709</u>	<u>176,500</u>	<u>240,596</u>
<b>Depreciation</b>					
At 1 April 2017	-	16,566	11,853	-	28,419
Charge for the year	-	3,165	692	-	3,857
At 31 March 2018	<u>-</u>	<u>19,731</u>	<u>12,545</u>	<u>-</u>	<u>32,276</u>
<b>Net book value</b>					
At 31 March 2018	<u>24,000</u>	<u>7,656</u>	<u>164</u>	<u>176,500</u>	<u>208,320</u>
At 31 March 2017	<u>24,000</u>	<u>8,200</u>	<u>856</u>	<u>159,000</u>	<u>192,056</u>

Following a decision by the board early in 2014 to designate its properties as investment properties the company's freehold and investment properties at Kinghorn Town Hall, Bob Watt Studio, Burntisland Platform Building and John McDouall Stuart House in Dysart were revalued in June 2014 on an open market basis by Norman H Clark BA Dip land Econ MRICS, an independent valuer to determine the open market value at 31<sup>st</sup> March 2014. The Trustees are of the opinion there has been no material change in the fair value of the properties at the year-end date.

48 Main Street, West Wemyss has been revalued at fair value to £17,500 at the year-end by Harry Cormie BSc FRICS a surveyor from DM Hall.

**11. Debtors**

	2018 £	2017 £
Other debtors	6,784	30,398
Prepayments and accrued income	3,791	8,933
	<u>10,575</u>	<u>39,331</u>

**12. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	25,128	7,518
VAT	4,462	119
Accruals and deferred income	35,000	35,000
	<u>64,590</u>	<u>42,637</u>

**FIFE HISTORIC BUILDINGS TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**13. Pension Commitments**

To address the pension deficit – the charity has agreed to pay additional pension contributions for three years at £12,500 per annum, starting in 2015.

The amounts recognised in the statement of financial activities are as follows:

	<b>2018</b>	2017
	£	£
<b>Total operating charge in resources expended:</b>		
Current service cost	<b>11,000</b>	<b>7,000</b>
Employer contributions	<b>(19,000)</b>	<b>(18,000)</b>
	<hr/>	<hr/>
Total operating charge	<b>(8,000)</b>	<b>(11,000)</b>
<b>Amounts included in other finance income:</b>		
Expected returns on scheme assets	<b>(13,000)</b>	<b>(14,000)</b>
Interest on scheme	<b>17,000</b>	<b>19,000</b>
	<hr/>	<hr/>
Net operating charges and other finance income	<b>(4,000)</b>	<b>(6,000)</b>
<b>Amounts included in other recognised gains and losses:</b>		
Actuarial (gain) / loss	<b>(22,000)</b>	<b>17,000</b>
	<hr/>	<hr/>
Total charge to the statement of financial activities	<b>(26,000)</b>	<b>11,000</b>
	<hr/>	<hr/>

The total operating charge and other finance costs are recognised in the following line items in the statement of financial activities.

	<b>2018</b>	2017
	£	£
Charitable activities	<b>4,000</b>	6,000
	<hr/>	<hr/>

At 31<sup>st</sup> March 2018 the cumulative amount of actuarial gains recognised in the statement of financial activities is £28,000 (2017 £6,000).

	<b>2018</b>	2017
	£	£
Present value of obligations	<b>(608,000)</b>	<b>(670,000)</b>
Fair value of scheme assets	<b>482,000</b>	<b>518,000</b>
	<hr/>	<hr/>
Net pension liability	<b>(126,000)</b>	<b>(152,000)</b>
	<hr/>	<hr/>

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

Changes in the present value of the defined benefit obligation scheme are as follows:

	<b>2018</b>	2017
	£	£
Opening defined benefit obligation	<b>(670,000)</b>	<b>(550,000)</b>
Current service cost	<b>(11,000)</b>	<b>(7,000)</b>
Interest on scheme liabilities	<b>(17,000)</b>	<b>(19,000)</b>
Actuarial (loss)/gain	<b>66,000</b>	<b>(93,000)</b>
Contributions by scheme participants	<b>(2,000)</b>	<b>(1,000)</b>
Benefits paid	<b>26,000</b>	-
Closing defined benefit obligation	<u><b>(608,000)</b></u>	<u><b>(670,000)</b></u>

Changes in the fair value of scheme assets are as follows:

	<b>2018</b>	2017
	£	£
Opening fair value of scheme assets	<b>518,000</b>	<b>409,000</b>
Expected return on scheme assets	<b>13,000</b>	<b>14,000</b>
Contributions by employer	<b>19,000</b>	<b>18,000</b>
Contributions by scheme participants	<b>2,000</b>	<b>1,000</b>
Actuarial loss/(gain)	<b>(44,000)</b>	<b>76,000</b>
Benefits paid	<b>(26,000)</b>	-
Closing fair value of scheme assets	<u><b>482,000</b></u>	<u><b>518,000</b></u>

The fair value of the major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2018</b>	2017
	%	%
European equities	<b>72</b>	<b>72</b>
European bonds	<b>14</b>	<b>15</b>
Property	<b>9</b>	<b>8</b>
Cash	<b>5</b>	<b>5</b>

**FIFE HISTORIC BUILDINGS TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**14. Statement of funds**

	Brought Forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds	312,272	186,082	(203,601)	21,500	17,500	333,753
Defined Pension Scheme	(152,000)	-	4,000	-	22,000	(126,000)
Designated Renewal & Repair Fund	47,415	-	-	-	-	47,415
	<u>207,687</u>	<u>186,082</u>	<u>(199,601)</u>	<u>21,500</u>	<u>39,500</u>	<u>255,168</u>
<b>Restricted Funds</b>						
Kirkcaldy 20 Esplanade	34,575	-	-	30,000	-	64,575
Dysart THI	27,913	-	-	-	-	27,913
Anstruther CARS/THI Hew Scott Hall	13,005	-	-	(30,000)	-	(16,995)
Kirkcaldy Beveridge Park Projects	8,000	-	-	-	-	8,000
Burntisland Station Artist Studio	-	3,975	(3,975)	-	-	-
Leven Silverburn Park	-	22,000	(11,000)	-	-	11,000
Cupar CARS/THI	-	4,908	(4,908)	-	-	-
Inverkeithing CARS/THI	-	26,450	(31,450)	5,000	-	-
FC/FHBT Partnership Fund	143,203	-	-	(26,500)	-	116,703
	<u>226,696</u>	<u>57,333</u>	<u>(51,333)</u>	<u>(21,500)</u>	<u>-</u>	<u>211,196</u>
Total of Funds	<u>434,383</u>	<u>243,415</u>	<u>(250,934)</u>	<u>-</u>	<u>39,500</u>	<u>466,364</u>

For clarification of the restricted funds, see the Trustees' Report, which gives further detail on each project.

**FIFE HISTORIC BUILDINGS TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**Summary of funds**

	Brought Forward £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Carried Forward £
General funds	207,687	186,082	(199,601)	21,500	39,500	255,168
Restricted funds	226,696	57,333	(51,333)	(21,500)	-	211,196
	<u>434,383</u>	<u>243,415</u>	<u>(250,934)</u>	<u>-</u>	<u>39,500</u>	<u>466,364</u>

**15. Analysis of net assets between funds**

	Unrestricted funds 2018 £	Designated funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Tangible fixed assets	17,664	-	190,656	208,320	192,056
Current assets	345,679	47,415	55,540	448,634	436,964
Creditors due within one year	(29,590)	-	(35,000)	(64,590)	(42,637)
Provisions for liabilities and charges	(126,000)	-	-	(126,000)	(152,000)
	<u>207,753</u>	<u>47,415</u>	<u>211,196</u>	<u>466,364</u>	<u>434,383</u>

**16. Contingencies**

The company is in receipt of grant funding from public bodies. Some grants have contractual terms and conditions and in the event of the company failing to comply with all of the terms and conditions then all or some of the grants may be repayable.

**17. Related party transactions**

The company was not under the control of any one individual throughout the current and previous year.

The Trustees received no remuneration or expenses in the year ended 31<sup>st</sup> March 2018 (2017 - £Nil).

**18. Company limited by Guarantee**

Every member of the company undertakes to contribute a maximum of £1 to the assets of the company should it be wound up while they are a member or within one year of them ceasing to be a member.

The Memorandum of Association does not permit the payment of dividends or the distribution of the surpluses to members.