ROBERT C GRANT OF BALGOWAN'S TRUST

TRUSTEES REPORT
AND
FINANCIAL STATEMENTS
FOR YEAR ENDED 8 NOVEMBER 2024

ROBERT C GRANT OF BALGOWAN'S TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees (being, *ex officio*, the Bishops of the eight Scottish dioceses and the Administrator of St Mary's Cathedral, Aberdeen):

St Andrews & Edinburgh [redacted]

Glasgow [redacted]

Motherwell [redacted]

Dunkeld [redacted]

Paisley [redacted]

Argyll & The Isles [redacted]

Aberdeen [redacted]

Galloway [redacted]

St Mary's Cathedral [redacted]

Charity Number: SC006209

Address: Suite A, 9 Queen's Road, Aberdeen, AB15 4YL

Independent Examiner: [redacted] Hall Morrice LLP,
Chartered Accountants, Aberdeen

Bankers: Bank of Scotland plc, Queen's Cross, Aberdeen

Solicitors: Burnett & Reid LLP, Aberdeen

ROBERT C GRANT OF BALGOWAN'S TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 8 NOVEMBER 2024

The Trustees submit their annual report and the financial statements for the year ended 8 November 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accountancy and Reporting by Charities" issued in 2019 in preparing the annual report and financial statements of the trust.

Trust Deed & Purposes

The Trust is founded on the Settlement of Robert Charles Grant of Balgowan dated 11 March and registered in the Books of Council and Session on 24 May 1823, in which the Trustees appointed were the Bishop serving as Vicar Apostolic of the Lowland District of Scotland, the [redacted], Priest in Aberdeen, and the [redacted], Priest at Blairs, and their respective successors in office. In a subsequent Deed of Assumption by the Trustees then acting, dated 21 February and subsequent dates and registered in the Books of Council and Session on 29 May 1906, it was declared that the Trustees would be, *ex officio,* the Catholic Bishops in Scotland and the Administrator of the Congregation of St Mary's Cathedral, Aberdeen.

It was in that Deed of 1906 that it was first recognised that the late Robert Charles Grant had in his Settlement of 1823 created a Trust with <u>two</u> purposes:

1. He conveyed All and Whole the Lands and Estate of Balgowan in the Parish of Keig in the County of Aberdeen to the Trustees for the purpose of enabling them "to erect, establish and continue in all time coming a College in Scotland similar to the present establishment at Auquhorties, and which establishment at Auquhorties can be removed and transferred to Balgowan how soon the Lease of Auquhorties expires"; and

2. He conveyed to a different set of Trustees certain land in Aberdeen for the purpose of enabling the Trustees to erect a school for the education of children of Roman Catholic parents. Accordingly in 1906 a separate second Deed of Assumption assumed Trustees for the second purpose.

   The trustees of the first trust were to pay £60 per annum to the trustees of the second trust, such payment to be augmented in line with the increase in rental income from Balgowan Estate.

The *ex officio* nature of the appointment of Trustees was reinforced by the only Deed of Assumption that has been executed since 1906, being by the then acting Trustees in favour of the eight Bishops of Scotland plus the Administrator of St Mary's Cathedral, Aberdeen, date 24 January and subsequent dates and registered in the Books of Council and Session on 18 March 1952. The *ex officio* nature of the appointments means that assumptions are unnecessary.

The Lease of Auquhorties (near Burnhervie, Inverurie) was not due to expire until Whitsunday 1904, but was surrendered in 1844 as a result of the fact that the College had transferred to Blairs Estate, Aberdeen, in 1829, as a result of the gift of that Estate by another benefactor, [redacted] Since the establishment of a college at Balgowan was no longer required, the Trustees paid the free rents of Balgowan Estate to Blairs College, and that continued until June 1986 when Blairs College was closed and the college transferred to Scotus College, Bearsden.

Because of the closure of Blairs the Trustees accumulated the revenue from the Trust until 1998, and then presented a Petition for a Cy-Pres Scheme to enable the revenue to be paid "to provide for the training of Roman Catholic Priests in Scotland", by paying it to Scotus College, Bearsden, which had been purchased by the John Menzies Trust to replace Blairs; and also to assist in the provision of Roman Catholic school education in Aberdeen, being the secondary provision of the original Settlement. That secondary provision is now in the hands of separate Trustees who administer the Balgowan No.2 Trust, the beneficiary of which is St Peter's Primary School, King Street, Aberdeen.

Current Beneficiaries

As a result of the Cy-Pres Scheme, the accumulated revenue was thereafter distributed by the Trustees between Scotus College and the Balgowan No.2 Trust in the proportions 98/158ths (62%) and 60/158ths (38%) respectively, but following the closure of Scotus College in 2009 all priests are now educated at the Scots College in Rome or in England. Since then the Trustees have merely accumulated income (less the proportion due to the No. 2 Trust) pending clarification of the purposes of the Trust as a result of the decision to close Scotus College in Bearsden in 2009.

Administration

The Lands and Estate of Balgowan had been vested in the Trustees by Robert Charles Grant's Settlement of 1823, but the Trustees sold that estate during the financial year 2010/11 because of the sharp rise in the price of agricultural land. The trust funds are currently managed by the Trust's solicitors.

Performance, Financial Reviews and Future Plans

In reviewing the financial year to 8 November 2011, the Trustees (in this section referred to as "the Balgowan Trustees") discussed whether in the longer term they would need to consider taking the necessary steps to amend the purposes of the Trust, and possibly to amalgamate it with a trust of similar purpose, the John Menzies Trust for Scotus College and Catholic Education (SC027490) ("the John Menzies Trust"), subject always to securing the interests of the Balgowan No.2 Trust, which is entitled to 38% of the Trust's income.

The closure of Scotus College, Bearsden, meant that the main purpose of the Trust, the training of Catholic priests in Scotland, no longer existed. However, in 2007 the John Menzies Trust had purchased a former Dominican monastery at 61 Hamilton Avenue, Pollokshields, Glasgow, with a view to its becoming the repository of the Scottish Catholic Archives and similar educational material, and the housing of some Catholic agencies with educational purposes. The John Menzies Trustees commissioned architects to design the alterations required to make the building fit for purpose, and the Balgowan Trustees resolved to await the decision of the John Menzies Trustees on the future of the building, in the expectation that an amendment to the purposes of the Trust would enable it to join with the John Menzies Trust in supporting the development of the Hamilton Avenue property.

The study into the feasibility of the Hamilton Avenue project took several years to complete, and the Balgowan Trustees meanwhile retained the sale proceeds of Balgowan Estate in cash in the expectation that a capital grant to the John Menzies Trustees might be appropriate. However, the John Menzies Trustees resolved in 2015 that the Hamilton Avenue project was going to be too expensive, and that the property should be resold.

The John Menzies Trustees have the intention of seeking approval to a change of purpose, permitting them to apply their funds towards the general support of the Scottish Catholic Church, and the furtherance of the Catholic religion in Scotland. The Balgowan Trustees intend to follow suit and thereafter to seek approval for the transfer of the funds and assets of the Trust to the John Menzies Trust, thus enabling that trust substantially to enlarge its share portfolio and achieve a marked increase in its income and in the benefits it can pass on to the Catholic Church.

ROBERT C GRANT OF BALGOWAN'S TRUST

REPORT OF THE TRUSTEES (CONT'D)
FOR THE YEAR ENDED 8 NOVEMBER 2024

Statement of trustees' responsibilities

The trustees 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).

The law applicable to charities in Scotland 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 charity and of the incoming resources and application of resources of the charity 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether application accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

ON BEHALF OF THE TRUSTEES

[redacted]

[redacted]
Chairman

REPORT BY THE INDEPENDENT EXAMINER OF ROBERT C GRANT OF BALGOWAN'S TRUST

We report on the accounts of the charity for the year ended 8 November 2024 which are set out on pages 6 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is our responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to our attention.

Basis of independent examiner's statement

Our examination is carried out 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

1. which gives us reasonable cause to believe that in any material respect the requirements:

    - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and

    - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met; or

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

[redacted]

[redacted]
On behalf of Hall Morrice LLP
Chartered Accountants
Aberdeen, 18 September 2025

ROBERT C GRANT OF BALGOWAN'S TRUST

INCOME AND EXPENDITURE ACCOUNT
FOR YEAR ENDED 8 NOVEMBER 2024

		2024		2023
INCOME				
Interest Received	£ 994		£ 3,018	
Dividends	30,408		17,705	
		£ 31,402		£ 20,723
EXPENDITURE				
Revenue Fund				
Legal Fees	-		2,889	
Independent Examination	1,230		1,200	
Investment Management Fees	12,760		6,349	
Distributions to Beneficiaries	6,612		3,906	
		20,602		14,344
Distributions retained in Restricted Reserves		10,800		6,379
NET GAINS ON INVESTMENTS				
Capital Fund				
Revaluation of Investments	131,766		38,832	
Gain/(Loss) on Sale of Investments	(102)		2,677	
		131,664		41,509
SURPLUS FOR YEAR		£ 142,464		£ 47,888
		=======		=======

ROBERT C GRANT OF BALGOWAN'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR YEAR ENDED 8 NOVEMBER 2024

2023		Unrestricted Funds	Restricted Funds	2024
	INCOME AND ENDOWMENTS FROM:			
£ 3,018	Interest	£ 994	£ -	£ 994
17,705	Investment Income	30,408	-	30,408
20,723	**TOTAL INCOME**	31,402	-	31,402
	EXPENDITURE ON:			
7,995	Charitable Activities (Note 3)	7,842	-	7,842
6,349	Investment Fees	12,760	-	12,760
14,344	**TOTAL EXPENDITURE**	20,602	-	20,602
41,509	Net gains on investments	131,664	-	131,664
47,888	**NET INCOME**	142,464	-	142,464
-	Transfer between funds	(10,800)	10,800	-
47,888	**NET MOVEMENT IN FUNDS**	131,664	10,800	142,464
1,322,214	**TOTAL FUNDS BROUGHT FORWARD**	1,291,022	79,080	1,370,102
£1,370,102	**TOTAL FUNDS CARRIED FORWARD**	£1,422,686	£89,880	£1,512,566
=======		========	======	========

ROBERT C GRANT OF BALGOWAN'S TRUST

BALANCE SHEET
AS AT 8 NOVEMBER 2024

2023				2024
	FIXED ASSETS			
£ 1,367,124	Investments (Note 6)			£1,486,336
	CURRENT ASSETS			
12,056	General Bank Accounts	£	36,803	
387	Debtors and Prepayment		6,733	
12,443			43,536	
	CURRENT LIABILITIES: Due within one year			
1,470	Creditors and Accruals		2,700	
7,995	Due to Beneficiaries		14,606	
9,465			17,306	
2,978	**NET CURRENT LIABILITIES**			26,230
£1,370,102	**NET ASSETS**			£1,512,566
========				========
	Represented by:			
	FUNDS			
£1,291,022	Unrestricted General Funds (Note 7)			£1,422,686
79,080	Restricted Fund (Note 7)			89,880
£1,370,102				£1,512,566
========				========

Approved on 18 September 2025

[redacted]

Chairman

ROBERT C GRANT OF BALGOWAN'S TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 8 NOVEMBER 2024

1. BASIS OF PREPARATION

The 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), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statement are round to the nearest £.

The charity has adequate resources and is well placed to manage future risks. The charity's planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue. The financial statements have therefore been prepared on the basis that the charity is a going concern.

2. ACCOUNTING POLICIES

Investments
Investments are stated at cost less a provision for diminution in value.

Interest Receivable
Interest is included when receivable by the trust.

Incoming Resources
Income from investments is accounted for on the date on which it falls due for payment.

Resources Expended
Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. All expenditure is directly attributable to specific activities and has been included in those cost categories.

Fund Accounting
Funds held by the charity are:-

- Unrestricted General Funds – these are funds which can be used in accordance with the trusts objectives at the discretion of the trustees.
- Restricted Funds – these funds are to provide for the training of priests in Scotland, and relate to distributions for educational purposes which have been suspended as a result of the closure of Scotus College.

Debtors
Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

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

ROBERT C GRANT OF BALGOWAN'S TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 8 NOVEMBER 2024

Value Added Tax
The charity is not VAT registered and as a result all VAT on expenditure is irrecoverable, therefore it is included in the relevant expense or asset cost as appropriate.

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

3. TOTAL RESOURCES EXPENDED

	2024	2023
Charitable Activities:		
Distributions to Beneficiaries	£ 6,612	£ 3,906
Governance Costs		
- Legal Fees	-	2,889
- Independent Examination	1,230	1,200
	£ 7,842	£ 7,995
	=====	=====

4. TRUSTEE REMUNERATION

None of the trustees were paid any remuneration or expenses by the trust during the year (2023 – None).

5. INDEPENDENT EXAMINER'S REMUNERATION

The independent examiner's remuneration constituted an independent exam fee of £2,400 (2023 - £1,170).

6. INVESTMENTS

	Investments	Cash	Total
Cost at 9 November 2023	£ 1,340,065	£ 27,059	£ 1,367,124
Additions	84,187	-	84,187
Disposals	(81,870)	-	(81,870)
Revaluation	131,664	-	131,664
Net movement in cash held for investments	-	(14,769)	(14,769)
Value at 8 November 2024	£1,474,046	£ 12,290	£1,486,336
	========	=======	========
Held for:			
Capital Fund (Note 7)			£1,396,456
Restricted Fund (Note 7)			89,880
			£ 1,486,336
			=======
Cost at 8 November 2024	£1,289,144		
	========		
Cost at 8 November 2023	£ 1,287,884		
	========		

7. MOVEMENTS IN FUNDS

	At 09.11.23	Incoming Resources	Outgoing Resources	Investment Gains	Fund Transfers	At 08.11.24
Revenue Fund (Unrestricted)	£2,978	£31,402	£(20,602)	£ -	£ (10,800)	£ 2,978
Capital Fund (Unrestricted)	1,288,044	-	-	131,664	-	1,419,708
	1,291,022	31,402	(20,602)	131,664	-	1,422,686
Restricted Fund	79,080	-	-	-	10,800	89,880
	£1,370,102	£31,402	£(20,602)	£131,664	£ -	£1,512,566
	========	======	======	======	========	========

8. RESTRICTED FUND

Represents the accumulated income distributions that are currently unable to be distributed to provide for the training of Roman Catholic Priests in Scotland, following the closure of Scotus College, as outlined in the Trustees Report.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total
Fund balances at 8 November 2024 are represented by:			
Fixed Assets	£1,396,456	£ 89,880	£1,486,336
Current Assets	43,536	-	43,536
Current Liabilities	(17,306)	-	(17,306)
	£1,422,686	£89,880	£1,512,566
	========	======	========

10. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.