

The McKittrick Bird Song Charitable Trust

Annual Report and Financial Statements

For the year ended 30 September 2022

Charity no: 1185094

The McKittrick Bird Song Charitable Trust

Financial Statements

For the Year Ended 30th September 2022

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The McKittrick Bird Song Charitable Trust

Trustees Annual Report

For the Year Ended 30th September 2022

The trustees present their third annual report and financial statements of the charity for the year ended 30th September 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 and 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 (FRS102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The objects of the Trust are as follows:

- the advancement by education for the benefit of the wider general public in the United Kingdom and where applicable Nepal, Brazil and Zimbabwe;
- the promotion of the preservation of the song bird;
- the promotion of classical music and arts to people under the age of 25 years or those suffering financial hardship;
- the promotion of education to people who are in need and disadvantaged;
- the promotion of the welfare of ex-military personnel;
- provide financial assistance by way of grants to the following charitable organisations: The Salvation Army (21477), Loretto Foundation (SC033035), Songbird Survival (1085281), ABF The Soldiers Charity (1146420), Ghurka Welfare Trust (1103669), The Julia Thomson Memorial Trust (SC039096), Zane Trust (05604011).

How our activities deliver public benefit

In this, its third period, the main activity has been the purchase of additional shares in the unquoted investment. The purchase was funded by restricted donations from the Settlor amounting to £841,300. The trustees are hopeful that the investment will generate significant funds within the next three to five years allowing the objects of the trust to be addressed.

Grant making policy

The trustees will have responsibility for grant-making decisions and will ensure that any such grants made will support and/or facilitate the objects of the organisation. The organisation may make a grant to any other organisation (which for the avoidance of doubt includes but is not limited to another registered charity; or a qualifying charity which is not required to register with the Charities Commission: or any other non-charitable organisation) or individual where such grant would in the reasonable opinion of the Trustees further the objects of the organisation. Any decision to make a grant will:

- be in accordance with the objects;
- be subject to the terms of and powers within the constitution of the organisation;
- comply with any funding or grant making policy which is or may be in force for the organisation from time to time; and be made in accordance with the principles identified in the Charities Commission guidance on public benefit.

The McKittrick Bird Song Charitable Trust

Trustees Annual Report

For the Year Ended 30th September 2022

ACHIEVEMENTS AND PERFORMANCE

During the current period the Trust has successfully invested further restricted funds in the unquoted company.

FINANCIAL REVIEW

During the year, the charity has received restricted funds to the value of £ 845,550 (2021: £107,000), with total expenses at £2,690 (2021: £1,800).

As for the period ended 30th September 2022, no unrestricted funds were received during this year and no expenses incurred.

During the year, the Trustees have purchased additional shares in the unquoted company. During the current and prior year, the charity has received no unrestricted funds, which would enable the commencement of grant making activities.

Principal sources of funding

The Trustees expect the majority of the charity's funding to be generated from the Brownlie family, strategic investment income and realised gains on investment disposals. It is recognised that funds will grow slowly and that annually there will be fluctuations.

Reserves Policy

The Reserve fund represents accumulated restricted and unrestricted funds to date that will be managed to meet on-going commitments and flexibility to achieve the objects of the charity. The unrestricted funds represent the free reserves of the charity. The Trustees have examined the requirement to maintain free reserves and are aware that they are holding no unrestricted funds but as the charity was only established in August 2019, they are looking to address this over a three year period.

Investment policy

The Trustees will engage with professional investment managers to hold a balanced fund in quoted and unquoted companies together with an element of cash.

Risk Management

The principal risks identified by the Trust relate to the performance of investments, the support of the Brownlie family in the short term and ineffective promotion of the objects.

Investment performance will be protected, in the future to an extent, by the holding of a professionally managed portfolio in the medium risk category for quoted companies spread across Europe, Asia and the USA. The unquoted investment is categorised as a high-risk investment, which has been operating for several years, has the backing of both public institutions and high-worth individuals and is recognised as the market leader in its field. The Trustees will monitor the performance of the investment on a regular basis.

The McKittrick Bird Song Charitable Trust

Trustees Annual Report

For the Year Ended 30th September 2022

Risk Management (continued)

The Brownlie family are well represented as Trustees of the Charity and are the source of all funding to date. Their continued presence, in an active role, is considered to be a significant mitigator of the risk of lack of financial support.

Ineffective promotion of the objects will be reduced by a policy of support for existing registered charities, personally known charities such as The Julia Thompson Memorial Trust that operates in Brazil and careful scrutiny of individual applications relating to the relief of poverty.

PLANS FOR FUTURE PERIODS

The Trust aims to spend the next year completing its set up so that grants can start to be awarded.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The McKittrick Bird Song Charitable Trust is a Charitable Incorporated Organisation (CIO) registered as a charity on 29 August 2019. The charity was established under a Constitution which established the objects and powers of the charity.

Recruitment and Appointment of Trustees

The Trustees are initially appointed by the existing Board of Trustees. Nominations to be a Trustee are requested and have to be submitted in writing to the board for consideration at their next meeting.

The nominations for election are put to the AGM and the full board is thereby elected. At their first meeting after the AGM the Trustees elect their office bearers for the coming year.

Trustees' Induction and Training

The present Trustees are familiar with the practical work of the charity, having been actively involved in its establishment and evolution. They have fully considered the induction and training requirements of new Trustees.

In addition, new Trustees' induction and training would also involve a briefing session with a Board member to further familiarise new Trustees with the charity and the context within which the charity operates. This briefing session would encompass:

- Obligations of Trustees.
- The main documents which set out the operational framework for the charity including the Constitution.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

All new Trustees would receive a copy of the Constitution, minutes of previous trustee meetings and the latest financial statements and report.

The McKittrick Bird Song Charitable Trust

Trustees Annual Report

For the Year Ended 30th September 2022

Organisational Structure

The McKittrick Bird Song Charitable Trust has a Board of Trustees that meet regularly to discuss the Charity. Due to the geographical spread of the trustees, the meetings are held via online or tele-conferencing facilities.

LEGAL AND ADMINISTRATIVE INFORMATION

Charity name	The McKittrick Bird Song Charitable trust
Charity registration number	1185094
The Trustees	J McK Brownlie V M I Brownlie G J H Pollock
Principal office & operational	1 One Hood Street Newcastle Upon Tyne NE1 6JQ
Independent examiner	Mark Macefield CA Whitelaw Wells Chartered Accountants 9 Ainslie Place Edinburgh EH3 6AT
Bankers	Royal Bank of Scotland plc 32 Court Street Haddington EH41 3NS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts 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 accounts, 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 applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The McKittrick Bird Song Charitable Trust

Trustees Annual Report

For the Year Ended 30th September 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (and reports) Regulations and the provisions of the 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.

The Trustees 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 Trustees on 25 July 2023 and signed on their behalf by:



.....
J McK Brownlie
Trustee

INDEPENDENT EXAMINERS REPORT
To the Trustees of The McKittrick Bird Song Charitable Trust

I report on the financial statements of the charity for the year ended 30 September 2022 which are set out on pages 9 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and
- 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. 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 the trustees 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 statement below.

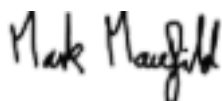
Independent examiner's statement

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 Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act .

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.



Mark Macefield CA
Whitelaw Wells
Chartered Accountants
9 Ainslie Place
Edinburgh EH3 6AT

Date: 25 July 2023

McKittrick Bird Song Charitable Trust**Financial Statements****For the Year Ended 30th September 2022****Statement of Financial Activities**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income					
Donations and legacies	3	-	845,550	845,550	107,000
Investment income		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total Income		-	845,550	845,550	107,000
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:					
Other charitable activities	4	-	(2,690)	(2,690)	(1,800)
Grant payable		-	-	-	-
Other		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditure		-	(2,690)	(2,690)	(1,800)
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		-	842,860	842,860	105,200
		<hr/>	<hr/>	<hr/>	<hr/>
Reconciliation of funds					
Total funds brought forward		-	655,869	655,869	550,669
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		-	1,498,729	1,498,729	655,869
		<hr/>	<hr/>	<hr/>	<hr/>

The Trust has no recognised gains or losses other than the results for the period as set out above.

All activities relate to continuing operations.

The notes on pages 12 to 16 form part of these financial statements.

McKittrick Bird Song Charitable Trust

Financial Statements

For the Year Ended 30th September 2022

BALANCE SHEET

	Note	2022 £	2021 £
Fixed assets			
Investments	5	1,500,540	659,200
Current assets			
Cash at bank		829	969
Creditors: amounts due within one year	6	(2,640)	(4,300)
Net current (liabilities)/assets		(1,811)	(3,331)
Total assets less current liabilities	7	1,498,729	655,869
Funds	7		
Unrestricted		-	-
Restricted		1,498,729	655,869
		1,498,729	655,869

The notes on pages 12 to 16 form part of these financial statements.

These accounts were approved by the Trustees on 25 July 2023 and were signed on their behalf by:



J McK Brownlie
Trustee

McKittrick Bird Song Charitable Trust

Financial Statements

For the Year Ended 30th September 2022

Statement of Cash Flows

	2022	2021
	£	£
Cash flows from operating activities		
Net cash provided/(used) by operating activities (below)	841,200	(99,031)
Cash flows used by investing activities		
Purchase of investments	(841,340)	-
	_____	_____
Net cash (used) by investing activities	(841,340)	-
	_____	_____
Change in cash and cash equivalents in the year	(140)	(99,031)
Cash and cash equivalents brought forward	969	100,000
Cash and cash equivalents carried forward	829	969
	_____	_____
Reconciliation of net movement in funds		
To net cash flow from operating activities		
Net movement in funds for the year	842,860	105,200
(Decrease) in creditors	(1,660)	(204,231)
	_____	_____
Net cash provided/(used) by operating activities	841,200	(99,031)
	_____	_____
Cash and cash equivalents		
Instant access bank deposits	829	969
Cash at hand	-	-
	_____	_____
Net cash provided by operating activities	829	969
	_____	_____

McKittrick Bird Song Charitable Trust

Notes to the Financial Statements

For the Year Ended 30th September 2022

1. Accounting policies

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 note(s) 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Monetary amounts in these financial statements are rounded to the nearest whole £1.

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the charity's ability to continue as a going concern and have come to the conclusion that they can continue to meet their obligations.

Donations

Donations are included in the year which they are receivable and any goods donated are donated at market value.

Investment and other income

The charity has not received interest or other income in the current or prior year.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

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

Investments

Unquoted Investments are recorded at cost and subsequently carried at fair value. The charity will make appropriate provisions for impairment when there is objective evidence that the recorded value is not supported by the financial status of the entity.

McKittrick Bird Song Charitable Trust

Notes to the Financial Statements

For the Year Ended 30th September 2022

1. Accounting Policies (continued)

Financial Liabilities

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are regularly reviewed with the benefit of previous experience and performance projections that are considered justifiable in the present circumstances.

Restricted Funds

Restricted funds are donations and income generated for specific projects or purposes.

Unrestricted Funds

Unrestricted funds are donations and income generated for the objects of the charity without specified purpose.

2. Staff costs and related party transactions

There are no employees. The charity does not remunerate the trustees nor reimburse their expenses.

The McKittrick Bird Song Charitable Trust is governed by a Board of Trustees with no member having control of the charity.

During the period the charity received donations totalling £Nil (2021: £107,000) from Drygrange Estate Company Limited, a company in which both J Mck Brownlie and V M I Brownlie are directors. At the period end £Nil remained outstanding.

During the prior year, the charity settled the outstanding sum of £206,031 due to Drygrange Investments Limited, a company in which J Mck Brownlie and V M I Brownlie are directors.

During the period the charity received donations totalling £845,550 (2021: £Nil) from J Mck Brownlie.

There were no other transactions with related parties such as are required to be disclosed under Financial Reporting Standard 102.

McKittrick Bird Song Charitable Trust**Notes to the Financial Statements****For the Year Ended 30th September 2022****3. Donations and legacies**

	2022	2022	2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations	-	845,550	845,550	107,000
	<hr/>	<hr/>	<hr/>	<hr/>
	-	845,550	845,550	107,000
	<hr/>	<hr/>	<hr/>	<hr/>

4. Expenditure on charitable activities

	2022	2021
	Total	Total
	£	£
Support costs:		
Accountancy and independent examination	2,690	1,800

Further analysis of the charitable activities is not provided as the Trustees believe the charity only has one main activity.

5. Investments

	2022	2021
	£	£
Value at 1 October 2021	659,200	659,200
Additions at cost	841,340	-
	<hr/>	<hr/>
Value at 30 September 2022	1,500,540	659,200
	<hr/>	<hr/>
Historical cost at 30 September 2022	1,500,540	659,200
	<hr/>	<hr/>
Investments are analysed as follows:-		
Unlisted equity investment	1,500,540	659,200
	<hr/>	<hr/>

McKittrick Bird Song Charitable Trust

Notes to the Financial Statements

For the Year Ended 30th September 2022

5. Investments (continued)

All investments are carried at fair value. The basis of fair value for quoted investments is equivalent to the market value, using bid price. Assets sales and purchases are recognised at the date of trade at cost (that is their transaction value).

During the year, the trustees on behalf of the charity increased the minority holding in an unquoted company using the restricted funds in accordance with the donor's wishes. The charity is represented by a trustee at the company's Board Meetings. This investment is held at historic cost and is reviewed annually for any impairment. As the underlying company invested in is in its infancy the Trustees are of the opinion that although the underlying assets are lower than the investment that the company will make sufficient future profits to consider that no impairment has incurred.

6. Creditors	2022	2021
	£	£
Accruals and other creditors	2,640	4,300

7. Movement in funds

	At 1 October 2021 £	Income £	Expenditure £	Transfers £	At 30 September 2022 £
Restricted Funds					
Investment Fund	655,869	845,550	(2,690)	-	1,498,729
	655,869	845,550	(2,690)	-	1,498,729
Unrestricted Funds					
General Fund	-	-	-	-	-
	-	-	-	-	-
Total Funds	655,869	845,550	(2,690)	-	1,498,729

The Investment Fund represents the donations received from the Settlor and family companies in which he and his daughter, who are both trustees, have financial interests.

McKittrick Bird Song Charitable Trust

Notes to the Financial Statements

For the Year Ended 30th September 2022

7. Movement in funds (continued)

	At 1 October 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
Restricted Funds					
Investment Fund	550,669	107,000	(1,800)	-	655,869
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	550,669	107,000	(1,800)	-	655,869
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted Funds					
General Fund	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	550,669	107,000	(1,800)	-	655,869
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>