

REGISTERED COMPANY NUMBER: CS003823 (Scotland)
REGISTERED CHARITY NUMBER: SC049035

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2024
for
The Shannel Trust

The Grant Considine Partnership
Chartered Accountants
46 High Street
Banchory
Aberdeenshire
AB31 5SR

The Shannel Trust

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for the Year Ended 31 December 2024

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The Shannel Trust

Reference and Administrative Details
for the Year Ended 31 December 2024

TRUSTEES

REGISTERED OFFICE

**REGISTERED COMPANY
NUMBER**

CS003823 (Scotland)

**REGISTERED CHARITY
NUMBER**

SC049035

INDEPENDENT EXAMINER

The Grant Considine Partnership
Chartered Accountants
46 High Street
Banchory
Aberdeenshire
AB31 5SR

INVESTMENT MANAGERS

Rathbone Investment Management
George House
50 George Square
Glasgow
G2 1EH

M & G Group
PO Box 9039
Chelmsford

The Shannel Trust

Report of the Trustees **for the Year Ended 31 December 2024**

The trustees are pleased to present their annual report and financial statements for the year to 31st December 2024.

Establishment of trust

The SCIO was established as a Scottish Charitable Incorporated Organisation (SCIO) on 8 February 2019. It is a Scottish registered charity, numbered SC049035 and it is also registered for tax relief with HM Revenue & Customs.

OBJECTIVES AND ACTIVITIES

Objectives and aims

In operating as a "grant-giving" charity the SCIO has an intentionally wide set of charitable purposes to keep open opportunities for funding charities, community groups and others in furtherance of section 7 of the Charities and Trustees (Scotland) Act 2005. The purpose of the SCIO is to promote, advance and operate as a charity which (1) maintains the land at Shannel and Tillenteach, Aboyne as a traditional and accessible farm and nature reserve in order to conserve and support the wildlife in the area and safeguard the natural resources and environment (across the entire flora, fauna, insect life, biodiversity and beyond); (2) support and fund research and educational activities into wildlife in the area and in doing so involve local groups, schools and charities with a view to that research and those educational activities seeking to promote the conservation, appreciation and protection of wildlife and safeguard the natural history, resources and environment; and; (3) the SCIO also makes grants to some groups, charities and institutions which promote the objectives the SCIO wants to achieve.

Grant making

Grants are awarded in accordance with the objectives set out in the SCIO's purposes above. The trustees' policy is to consider applications for grants annually. £5,000 was donated to Deeside CAN, and £2,500 was donated to [REDACTED]

ACHIEVEMENT AND PERFORMANCE

Investment performance

The investment income under the management of Rathbones amounted to £36,505.29, with deposit account interest received of £1,939.82. Rental income amounted to £17,000.00, royalty income amounted to £208.60, with exceptional items totalling £1,242.10.

FINANCIAL REVIEW

Financial position

As at 31 December 2024 the mid-price market value of the SCIO's portfolio was £1,652,774. The SCIO does not raise any income from the public.

Investment policy and objectives

The SCIO uses the services of Rathbones and M&G as investment advisers. The policy is to look for a balance of income and capital growth with a medium risk profile and medium priority for income generation.

Reserves policy

It is the policy of the SCIO to maintain unrestricted funds at a level sufficient to cover management, administration and donations. Reserves at 31 December 2024 were £3,009,435.

FUTURE PLANS

The Shannel Trust will aim to support predominantly, but not exclusively, the following activities: the study of the local wildlife, flora and fauna in such areas as designated; the promotion of art, particularly relating to wildlife and the environment; the provision of short-term accommodation to students or artists; scholarships and bursaries to students in related activities. The SCIO trustees propose using the SCIO funds to fund research into wildlife in the area (including flora, fauna and insect life). In doing so, the SCIO would envisage supporting smaller, local charitable wildlife organisations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Shannel Trust is a Scottish Charitable Incorporated Organisation (SCIO), which is a legal form for registered Scottish Charities. It is governed by its constitution which was adopted in 2019.

The Shannel Trust

Report of the Trustees **for the Year Ended 31 December 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

New trustees are unanimously appointed by the existing trustees, and are briefed on the SCIO's aims, objectives, grant making policy and purposes.

Organisational structure

The day-to-day management of the SCIO is by [REDACTED] Trust Administrator.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have assessed the risks to which the SCIO is exposed, in particular those related to the operations and finances of the SCIO and are satisfied that systems are in place to mitigate exposure to major risks. The trustees consider variability of investment returns as one of the major risks, and therefore the SCIO uses the services of Rathbones and M&G as investment advisers.

Approved by order of the board of trustees on 28 March 2025 and signed on its behalf by:

[REDACTED]

Trustee

[REDACTED]

**Independent Examiner's Report to the Trustees of
The Shannel Trust**

I report on the accounts for the year ended 31 December 2024 set out on pages five to thirteen.

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's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was 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 seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

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 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 to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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



The Institute of Chartered Accountants of Scotland

The Grant Considine Partnership
Chartered Accountants
46 High Street
Banchory
Aberdeenshire
AB31 5SR

Date: 28 March 2025

The Shannel Trust**Statement of Receipts and Payments**
for the Year Ended 31 December 2024

		Unrestricted Fund		2024	2023
	Note	Expendable Endowment Fund	Revenue Fund	Total	Total
		£	£	£	£
Receipts					
Investment income			38,445	38,445	39,160
Rental income			17,000	17,000	16,000
Other income – royalties			209	209	221
Other income - wayleaves			492	492	469
Other income – ex gratia			750	750	
Total receipts	3		56,896	56,896	55,850
Payments					
Rental expenses			25,133	25,133	39,613
Investment management costs	4	11,542		11,542	13,113
Charitable Grants			7,500	7,500	
Administration expenses	5	3,630	3,630	7,260	16,480
Miscellaneous expenses		6,276		6,276	7,968
		21,448	36,263	57,711	77,174
Investments purchased	9	279,470		279,470	523,871
Investments realised		(295,257)		(295,257)	(172,098)
Improve to Prop Additions		2,005		2,005	32,294
Total payments		7,666	36,263	43,929	461,241
Surplus/(deficit) for period		(7,666)	20,633	12,967	(405,391)

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Shannel Trust**Statement of Balances**
31 December 2024

	Note	Expendable Endowment Fund £	Revenue Fund £	2024 Total £	2023 Total £
Cash Funds					
Opening cash at bank		80,657	63,438	144,095	549,486
Add:					
Receipts and Payments surplus/(deficit)		(7,666)	20,633	12,967	(405,391)
Closing cash at bank		72,991	84,071	157,062	144,095
Bank and cash balances					
Brodie's LLP – cash					1,962
Rathbone Investment Managers		78,324	112	78,436	40,742
Current Account		10,145		10,145	14,850
Savings Account		7,099	61,382	68,481	86,541
		95,568	61,494	157,062	144,095
Transfers between funds					
		22,577	(22,577)	-	-
Investments					
Land and property at Shannel, Ballogie, Aboyne at book value	8	1,150,000		1,150,000	1,150,000
Improvements to above	8	34,299		34,299	32,294
Various paintings	8	15,300		15,300	15,300
Investments at market value	9	1,652,774		1,652,774	1,576,895
		2,852,373		2,852,373	2,774,489
Total Reserves					
		2,947,941	61,494	3,009,435	2,918,584

The financial statements were approved by the Board of Trustees and authorised for issue on 28 March 2025 and were signed on its behalf by:

- Trustee

The Shannel Trust

Notes to the Financial Statements **for the Year Ended 31 December 2024**

1. STATUTORY INFORMATION

The Shannel Trust, is a charitable company that is limited by guarantee, registered in Scotland. The company's registered number and registered office can be found in the Reference and Administration Details section of the Report of the Trustees.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity, have been prepared on a cash basis. This means only income received and expenditure incurred during the financial year is included in the accounts.

Nature and purpose of funds

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objectives of the charity. The SCIO's unrestricted funds comprise of an Expendable Endowment fund and a Revenue fund. The Expendable Endowment fund represents capital funds received and subsequent transactions for investment to generate the income (revenue) less any relevant expenses incurred. Revenue is the income received from the capital investments also subject to expenses. Donations are usually paid from the available Revenue balance. However, the trustees are free to use either fund for any purpose in furtherance of the charitable purposes if they so determine.

Administration costs have been allocated between capital and revenue on a 50:50 basis.

VAT

The SCIO is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Impairment of fixed assets

At each reporting period end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value of use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of the recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

The Shannel Trust

Notes to the Financial Statements **for the Year Ended 31 December 2024**

Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, was initially recognised at the value on the date of the death of [REDACTED] which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Going concern

The trustees consider that the charity has adequate resources to continue in existence for at least the next 12 months. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

The Shannel Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

3. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	17,000	16,000
Other Income - royalties	209	221
Other fixed asset invest - FII	36,505	36,618
Deposit account interest	1,940	2,542
Exceptional items	<u>1,242</u>	<u>469</u>
	<u>56,896</u>	<u>55,850</u>

4. RAISING FUNDS

Investment management costs

	2024	2023
	£	£
Portfolio management	<u>11,542</u>	<u>13,113</u>

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Independent Examiner's remuneration	7,260	6,600
Other assurance services	<u> </u>	<u>9,880</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

The Shannel Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2024	2023
Trustees	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

8. TANGIBLE FIXED ASSETS

Heritable Property

All and whole the subjects known as and forming Shannel, Ballogie, Aboyne. The property was revalued at the date of death of [REDACTED] and formed part of the residue of his estate which was made over to the SCIO. The value included in the accounts is the book value.

	2024	2023
	£	£
Opening book value	<u>1,150,000</u>	<u>1,150,000</u>
Closing book value	<u>1,150,000</u>	<u>1,150,000</u>

Improvements to Property

Work was undertaken to convert the art studio into a one-bedroom studio during 2023. The value included in the accounts is the cost value.

	2024	2023
	£	£
Opening book value	32,294	-
Additions	<u>2,005</u>	<u>32,294</u>
Closing book value	<u>34,299</u>	<u>32,294</u>

Moveable Property

Various paintings valued at the date of death of [REDACTED] and formed party of the residue of his estate which was made over to the SCIO. The value included in the accounts is the book value.

	2024	2023
	£	£
Opening book value	<u>15,300</u>	<u>15,300</u>
Closing book value	<u>15,300</u>	<u>15,300</u>

9. INVESTMENTS

FAIR VALUE

	£
At 1 January 2024	1,576,895
Additions	279,470
Disposals	(279,701)
Revaluation	<u>76,110</u>
At 31 December 2024	<u>1,652,774</u>
NET BOOK VALUE	
At 31 December 2024	<u>1,652,774</u>
At 31 December 2023	<u>1,576,895</u>

The Shannel Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

Investments are quoted on International Stock Exchanges and stated at market value.

Investments are reviewed at least yearly by the investment managers and changes in the portfolio are made on their recommendation within their discretionary mandate.

Fixed asset investments were valued on an open market basis on 31 December 2024 by Rathbone Investment Management.

Fair value at 31 December 2024 is represented by:

	£
Valuation in 2024	<u><u>1,652,774</u></u>

10. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
Expendable Endowment Fund	2,855,146	70,218	22,577	2,947,941
Revenue Fund	<u>63,438</u>	<u>20,633</u>	<u>(22,577)</u>	<u>61,494</u>
	<u>2,918,584</u>	<u>90,851</u>	<u>-</u>	<u>3,009,435</u>
TOTAL FUNDS	<u><u>2,918,584</u></u>	<u><u>90,851</u></u>	<u><u>-</u></u>	<u><u>3,009,435</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Expendable Endowment Fund	-	(21,448)	91,666	70,218
Revenue Fund	<u>56,896</u>	<u>(36,263)</u>	<u>-</u>	<u>20,633</u>
	<u>56,896</u>	<u>(57,711)</u>	<u>91,666</u>	<u>90,851</u>
TOTAL FUNDS	<u><u>56,896</u></u>	<u><u>(57,711)</u></u>	<u><u>91,666</u></u>	<u><u>90,851</u></u>

The Shannel Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
Expendable Endowment Fund	2,801,798	53,348	2,855,146
Revenue Fund	<u>55,441</u>	<u>7,997</u>	<u>63,438</u>
	<u>2,857,239</u>	<u>61,345</u>	<u>2,918,584</u>
TOTAL FUNDS	<u><u>2,857,239</u></u>	<u><u>61,345</u></u>	<u><u>2,918,584</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Expendable Endowment Fund	-	(29,321)	82,669	53,348
Revenue Fund	<u>55,850</u>	<u>(47,853)</u>	<u>-</u>	<u>7,997</u>
	<u>55,850</u>	<u>(77,174)</u>	<u>82,669</u>	<u>61,345</u>
TOTAL FUNDS	<u><u>55,850</u></u>	<u><u>(77,174)</u></u>	<u><u>82,669</u></u>	<u><u>61,345</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
Expendable Endowment Fund	2,801,798	123,566	22,577	2,947,941
Revenue Fund	<u>55,441</u>	<u>28,630</u>	<u>(22,577)</u>	<u>61,494</u>
	<u>2,857,239</u>	<u>152,196</u>	<u>-</u>	<u>3,009,435</u>
TOTAL FUNDS	<u><u>2,857,239</u></u>	<u><u>152,196</u></u>	<u><u>-</u></u>	<u><u>3,009,435</u></u>

The Shannel Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2024

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Expendable Endowment Fund	-	(50,769)	174,335	123,566
Revenue Fund	<u>112,746</u>	<u>(84,116)</u>	<u>-</u>	<u>28,630</u>
	<u>112,746</u>	<u>(134,885)</u>	<u>174,335</u>	<u>152,196</u>
TOTAL FUNDS	<u><u>112,746</u></u>	<u><u>(134,885)</u></u>	<u><u>174,335</u></u>	<u><u>152,196</u></u>

11. RELATED PARTY DISCLOSURES

Finzean Estate Partnership, support providers, is associated with the trust due to trustees [REDACTED] and [REDACTED] being partners in the partnership. During the year £750 (2023, £600) was paid to Finzean Estate Partnership for the provision of services.