

Scottish Charity No.SC040949

Company Number: SC362320

The Bonar Trust

(A Company Limited By Guarantee)

Report of the Directors and Unaudited Financial Statements

For the year ending 31 March 2017

The Bonar Trust

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The Bonar Trust

Report of the Directors for the year ending 31 March 2017

The Directors are pleased to present their report together with the financial statements of The Bonar Trust for the year ending 31 March 2017.

Principal Activities and Charitable Objectives

The Trust was formed to advance the Christian religion throughout Scotland and elsewhere in the world. In particular, the Trust encourages, provides support and promotes:

- Christian ministries
- The teaching of the Bible and Christian evangelism
- The training, education and development of the Christian Faith.

The Directors' focus is to invest in the next generation of leaders for the church in Scotland.

Grant Making Policy

The Directors' partially fulfil this vision by awarding grants to promote and support ministry apprentice and church leader in training programmes.

Grants for individuals participating in ministry associate programmes are awarded for one year. The Trust will normally support an individual for a maximum of two years.

Grants for individuals participating in a church leader in training programme are awarded for one year. The Trust will normally support an individual for a maximum of four years. These individuals will have completed a recognised church-based apprenticeship (or equivalent) and will be engaged in further training (being a combination of church based experience and theological study) towards church leadership in Scotland.

Main Achievements

The Directors are pleased to report an increase in the number of individuals supported by the Trust. In 2017, fifteen apprentices and eleven leaders in training were supported in a wide variety of churches right across Scotland. This funding is critical for these individuals, giving them financial space for rigorous training.

It is particularly pleasing to note that another four of those we have supported will be taking up significant leadership roles next year in churches across Scotland. These individuals are all committed to replicating the training model promoted by the Trust, resulting in a multiplication of the vision to train leaders for the church in Scotland.

The Trust continues to run preaching workshops for leaders in training. This complements the training received from individual churches and seminaries, and gives the individuals focused time to work together on their preaching gifts. The workshops are in cohorts allowing a group of leaders to grow together in maturity and fellowship, encouraging and praying for one another.

The Trust also supports the UCCF Words for Life conference which encourages those serving with UCCF in Scotland to consider vocational ministry. This conference has been significant for many of our apprentices.

The Directors have also begun to consider how to strategically develop partnerships for training. This will involve developing a network of training churches as well as encouraging partnerships between local churches and study centres like Cornhill and Edinburgh Theological Seminary. This work will continue into next year.

The Bonar Trust

Report of the Directors for the year ending 31 March 2017

Financial Review

The Directors are pleased to note that donors are continuing to support the vision of the Trust, with income of £94,931 for the year ending 31 March 2017. The Directors are actively seeking additional financial support for its activities.

Results for the Year

The financial statements for the year are set out in pages 7 to 15. The Statement of Financial Activities on page 7 reflects a net deficit of £27,790 (2016: surplus of £33,243). This partly reflects the Directors desire to using existing reserves to further the purposes of the Trust.

Reserves Policy

The balance of £49,926 held as unrestricted funds as at 31 March 2017 represent the free reserves of the Trust. Reserves will be accumulated and used for the Trust's objectives as required. The Directors aspire to hold a low level of reserves and will therefore seek further opportunities to realise the Trust's objectives.

Statement on Risk

The Directors have considered the major risks to which the charity is exposed and have reviewed those risks and established procedures to manage those risks. A risk register is maintained by the Directors and is reviewed annually.

Plans for Future Periods

The Trust plans to continue to promote and support ministry associate and church leader in training programmes, provide training in preaching, and to develop other activities in line with the objects of the charity as opportunities arise.

It is anticipated that there will be increased financial support in the coming year as well as an increase in grants made.

Structure Governance and Management

The Bonar Trust was established as a company limited by guarantee and incorporated on 8 July 2009. The Trust is a recognised Scottish charity, number SC040949. The Trust is governed by their Articles of Associated, dated 9 September 2009.

The Directors are responsible for the overall administration and the day to day operations of the Trust.

Directors

The directors who served during the year and to the date of this report were as follows:

P Clarke	R Sloan	
N Macdonald	R Sydserff	
A MacKenzie	D Jackman	<i>(Resigned 6 October 2016)</i>
N Martin	D Vardy	<i>(Appointed 21 March 2017)</i>

No director had any interest in the share capital of the company at any time during the year as the company is limited by guarantee and does not have share capital.

The Bonar Trust

Report of the Directors *for the year ending 31 March 2017*

Recruitment and Appointment of Directors

The Directors consider on a regular basis the need to supplement their number or, in the event of death or resignation, to seek a replacement.

All Directors must believe in and accept the fundamental truths of Christianity as set out in the Doctrinal Basis within the Trust's Articles of Association.

Appointment of independent examiners

The Directors appointed Scott-Moncrieff as independent examiners during the period.

A proposal to reappoint Scott-Moncrieff will be put to members at the annual general meeting.

The Bonar Trust

Report of the Directors for the year ending 31 March 2017

Directors

P Clarke
N Macdonald
A MacKenzie
N Martin
R Sloan
R Sydserff
D Jackman *(Resigned 6 October 2016)*
D Vardy *(Appointed 21 March 2017)*

Company Secretary

A MacKenzie

Registered Office

2 Galachlawside
Edinburgh
EH10 7JG

Company Number

SC362320

Charity Number

SC040949

Bankers

Royal Bank of Scotland
Ayton Branch
High Street
Ayton
TD14 5QJ

Independent Examiner

Scott-Moncrieff
25 Bothwell Street
Glasgow
G2 6NL

The Bonar Trust

Report of the Directors for the year ending 31 March 2017

Disclosure of information to independent examiner

To the knowledge and belief of each of the persons who are directors at the time the report is approved:

- So far as the directors are aware, there is no relevant information of which the charitable company's independent examiner is unaware, and
- The directors have taken all the steps that they ought to have taken in order to make themselves aware of any relevant information, and to establish that the charitable company's independent examiner is aware of the information.

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.

Statement of Directors' Responsibilities

The trustees (who are also directors of The Bonar Trust for the purposes of company law) are responsible for preparing the Directors' annual 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 (FRS102);
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper and adequate 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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved for issue by the Directors and signed on their behalf by:



Robin Sydserrff

Dated: 28 November 2017

The Bonar Trust

Report of the Independent Examiner's to the Directors for the year ending 31 March 2017

I report on the accounts of The Bonar Trust for the year ended 31 March 2017, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the related notes.

This report is made solely to the charity's Directors, as a body, in accordance with section 44 of the Charities and Trustee Investment (Scotland) Act 2005. My examination has been undertaken so that I might state to the charity's Directors those matters I am required to state to them in an independent examiner's 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 charity and the charity's Directors as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of Directors and examiner

The charity's Directors 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 Directors consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 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 Independent Examiner's Report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 Directors 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 the course of 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 comply with Regulation 8 of the 2006 Accounts Regulationshave 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.



Jennifer Alexander CA
Chartered Accountant
Scott-Moncrieff
Chartered Accountants
25 Bothwell Street
Glasgow
G2 6NL

28 November 2017

The Bonar Trust

Statement of Financial Activities for the year ending 31 March 2017

	<i>Notes</i>	Unrestricted Funds 2017 Total £	Unrestricted Funds 2016 Total £
Income from:			
Donations and legacies	4	94,931	122,102
<i>Investments</i>			
Bank interest receivable		37	21
Total		94,968	122,123
Expenditure on:			
Charitable activities	5	122,758	88,880
Total		122,758	88,880
Net income for year and net movement in funds		(27,790)	33,243
Balance as at 1 April 2016		77,716	44,473
Balance as at 31 March 2017	11	49,926	77,716

All of the results relate to continuing activities.

There were no recognised gains or losses other than those included above.

The notes on pages 10 to 15 form part of these financial statements.

The Bonar Trust

Balance Sheet as at 31 March 2017

		2017		2016	
	Notes	£	£	£	£
Current Assets					
Cash at bank and in hand		78,684		89,979	
Debtors	8	6,336		14,317	
		<u>85,020</u>		<u>104,296</u>	
Creditors					
Amounts due within one year	9	35,094		26,580	
		<u>35,094</u>		<u>26,580</u>	
Net Current Assets			49,926		77,716
Total Assets less Current Liabilities			<u>49,926</u>		<u>77,716</u>
Represented by:					
Unrestricted Funds					
General Fund	11		49,926		77,716
			<u>49,926</u>		<u>77,716</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the financial year ended 31 March 2017. The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for:

- ensuring that the charitable company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006, and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for the financial period in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were authorised for issue by the directors on 28 November 2017 and signed on their behalf by:



R Sydserrff

The notes on pages 10 to 15 form part of these financial statements.

The Bonar Trust

Statement of Cash Flows as at 31 March 2017

	<i>Notes</i>	2017 £	2016 £
Net cash (used in)/provided by operating activities	14	(11,332)	32,883
Cash flows from investing activities			
Interest received		37	21
Cash provided by investing activities		37	21
Change in cash in the reporting period		(11,295)	32,904
Cash at the beginning of the period		89,979	57,075
Cash at the end of the reporting period		78,684	89,979

The notes on pages 10 to 15 form part of these financial statements.

The Bonar Trust

Notes to the Financial Statements for the year ending 31 March 2017

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the charitable company's transactions are denominated. They comprise the financial statements of the charitable company drawn up for the year ended 31 March 2017.

The continuing activity of the charitable company is to advance the Christian religion throughout Scotland and elsewhere in the world.

The Bonar Trust is a charitable company registered in Scotland, registration number SC040949.

The address of the charitable company's registered office is 2 Galachwside, Edinburgh, EH10 7JG.

2. Accounting Policies

Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 102, as issued by the Financial Reporting Council (effective 1 January 2016), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Statement of Recommended Practice (FRS 102) - Accounting and Reporting by Charities.

The Bonar Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transition value unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgements in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Basis of financial statements

The financial statements have been prepared on an accruals basis.

Going concern

The Directors are of the opinion that the charitable company can continue to meet its obligations as they fall due for the foreseeable future. As a consequence, the Directors have prepared the financial statements under the going concern basis.

Recognition and allocation of income

Income is recognised when the charitable company has legal entitlement to the funds, receipt is probable and the amount can be measured reliably.

Fundraising, donations and bank interest income is credited in the year it is receivable.

The Bonar Trust

Notes to the Financial Statements for the year ending 31 March 2017

2. Accounting Policies (continued)

Resources expended

Resources expended are recognised when a legal or constructive obligation arises. Where possible, expenditure has been charged direct to charitable expenditure or governance costs. Where this is not possible, the expenditure has been allocated on the basis of time spent by staff on each activity:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting of the constitutional and statutory requirements of the charitable company and include costs linked to the strategic management of the charitable company.

Debtors

Debtors are recognised at the undiscounted amount of cash receivable, less any allowances for doubtful debts.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than 12 months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

The company did not hold any cash equivalents in the current or prior year.

Financial assets and liabilities

Financial instruments are recognised when the charitable company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are accounted for as set out below.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102. At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest rate method.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Creditors

Creditors are recognised where the charitable company 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 after allowing for any trade discounts due.

The Bonar Trust

Notes to the Financial Statements *for the year ending 31 March 2017*

2. Accounting Policies (continued)

Funds

Funds are defined as follows:

- **Unrestricted** funds comprise gifts and other income received for the objects of the charitable company without further specified purpose and which are available as general funds.

VAT

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

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors do not consider there to be any critical accounting judgements or estimates required in preparing these accounts. The directors are satisfied that accounting policies are appropriate and applied consistently.

The Bonar Trust

Notes to the Financial Statements for the year ending 31 March 2017

4. Donations and legacies

	2017	2016
	£	£
Donations and legacies	88,595	107,785
Income tax reclaimable	6,336	14,317
	<u>94,931</u>	<u>122,102</u>

5. Charitable Activities

	2017	2016
	£	£
Grants to individuals	120,500	85,900
Grants to institutions	1,500	2,000
Support costs	68	500
Independent examiner's fees	690	480
	<u>122,758</u>	<u>88,880</u>

Grants to institutions can be broken down as follows:

Grants to institutions		
UCCF Words for Life Conference	1,500	1,000
Pathways Scotland Conference	-	1,000
	<u>1,500</u>	<u>2,000</u>

All costs relate to one charitable activity of the Trust, providing grants to advance the Christian religion throughout Scotland and elsewhere in the world.

6. Directors' remuneration and transactions

No Directors, who are the charitable company's key management personnel, received remuneration or reimbursement of expenses during the year (2016: £nil). The charitable company has no employees.

7. Taxation

There is no charge to corporation tax as the Company is regarded as being established for charitable purposes in terms of sections 466 to 493 of the Corporation Tax Act 2010 and so is exempt from corporation tax.

The Bonar Trust

Notes to the Financial Statements for the year ending 31 March 2017

8. Debtors

	2017	2016
	£	£
Gift Aid due		
To 31 March 2016	-	14,317
To 31 March 2017	6,336	-
	<u>6,336</u>	<u>14,317</u>

9. Creditors Due Within One Year

	2017	2016
	£	£
Ministry grants	34,500	26,100
Accrued expenses	594	480
	<u>35,094</u>	<u>26,580</u>

10. Financial assets and liabilities

	2017	2016
	£	£
Financial assets measured at amortised cost	78,684	89,979
Financial liabilities measure at amortised cost	(35,094)	(26,580)
	<u>43,590</u>	<u>63,399</u>

Financial assets measured at amortised cost comprise cash held in hand and at bank.
Financial liabilities measured at amortised cost comprise accruals and grants outstanding.

11. Funds

The various funds are held for the following purposes:

Unrestricted

General Fund - to support the general activities of the charity. The balance held in the General Fund at 31 March 2017 is £49,926 (2016: £77,716).

12. Related party transactions

There were no related party transactions during the year that require to be disclosed.

13. Liability of members

The charitable company is limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1. At 31 March 2017, there were 7 members.

The Bonar Trust

Notes to the Financial Statements for the year ending 31 March 2017

14. Reconciliation of net income to net cash flow from operating activities

	2017	2016
	£	£
Net (expenditure)/income for the reporting period	(27,790)	33,243
Adjustments for:		
Interest received	(37)	(21)
Decrease/(increase) in debtors	7,981	(45)
Increase/(decrease) in creditors	8,514	(294)
Net cash (used in)/provided by operating activities	<u>(11,332)</u>	<u>32,883</u>