

The Thistle Foundation

Financial statements For the year ended 31 March 2002

Registered Number: SC24409



SCT
COMPANIES HOUSE

S0522C0D

0734
27/06/02

The Thistle Foundation

Financial statements

For the year ended 31 March 2002

<u>Contents</u>	<u>Page</u>
Report by the Committee	1-4
Office Bearers, Officials and Advisers	5
Statement of Responsibilities of Members of the Committee	6
Report of the Auditors	7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Financial Statements	11-21

REPORT by the COMMITTEE to the FIFTY SEVENTH
ANNUAL GENERAL MEETING of MEMBERS to be held within Hopetoun Hall,
The Thistle Foundation, Craigmillar, Edinburgh
on Thursday 12 September 2002 at 10.30 a.m.

Constitution and Objects

The Thistle Foundation is a charity which promotes independence for physically disabled adults through the provision of accommodation and support. It was established by Memorandum and Articles of Association dated 7th June 1944 as a company limited by guarantee not having a share capital whose objectives are wholly charitable. New Articles of Association were adopted by Special Resolution passed on 27th April 1999, and a Special Resolution to revise the original Memorandum of Association was passed on 5th September 2000. The Thistle Foundation is recognised by the Inland Revenue as a Scottish Charity (reference number SC016816).

The management of the Foundation is vested in the Committee who are responsible to the membership for all the aspects of the Foundation's operations. The Committee meets four times per annum, and these meetings are attended by members of the Directorate team, to whom the day to day running of the organisation is delegated. In addition an Audit and Finance Committee, which is a sub-group of the main Committee meets periodically to approve the annual accounts, consider other financial matters and to discuss investment performance with the Foundation's brokers. The Committee is elected by the membership and Committee members retire by rotation and are re-elected at the Foundation's Annual General Meeting. In addition the Committee has the power to co-opt members and such members are subject to re-election at the next Annual General Meeting.

The members who retire at the Annual General Meeting and who are eligible for re-election are:

R Bruce M Graham	co-opted 13/6/02
Donald M Henderson	

Mrs Brenda F Holmes, who was the Chair of the Committee, resigned from the Committee on 13th June 2002 due to ill health. The Committee elected Mr James Watt as Chairman from that date.

A list of all members of the Committee is included at page 5.

Review of Activities

Operations

The Foundation continued the change in emphasis of its work away from residential care and towards the provision of services to enable individuals to live in their own homes. The Foundation provides 3,000 hours of such services per week to 60 clients and the growth of this work has resulted in an increase in staff employed from an average of 78 full time equivalent employees in the year ending 31st March 2001, to 117 in the year ending 31st March 2002. Its remaining residential home, Wighton House, closed at the end of March. Operations staff put a great deal of effort into ensuring that the residents of Wighton House were re-housed in accommodation that met their needs and wishes. The Foundation continues to support 26 of the former Wighton House residents in their own homes, 17 of these having taken up tenancies on the Thistle Foundation site in Craigmillar. A further Wighton House resident has been re-housed in Dalkeith renting a house which was purchased by the Thistle Foundation during the year.

The closure of Wighton House and the move of residents to their own tenancies has seen a significant increase in the amount of support being provided by the Thistle Foundation. While three employees opted for redundancy on the closure of Wighton House, most of the staff who worked there have been re-deployed to provide support to tenants in their own homes.

In Renfrew, the project which the Foundation undertook with two Housing Associations is now fully operational. All fourteen houses for disabled people situated within this integrated housing development are now occupied, and the Thistle Foundation provides a range of support packages to the tenants of these houses according to individual needs.

The Foundation continues to consider plans for the future of its site at Craigmillar and consultation is under way with tenants to produce a re-development plan which will meet the aspirations of those currently living there while sustaining the Foundation's vision of a development which incorporates the best aspects of modern barrier free housing.

Fundraising

The Foundation has identified a need to expand its existing donor base to significantly increase the amount of unrestricted income it raises. The major initiative which has been undertaken to achieve this is the Foundation's participation in a door to door committed giving scheme. During the year to 31st March 2002 in excess of 8,500 new donors have been recruited. While the recruitment of donors by this method requires a significant initial investment, the returns in future years in the form of regular monthly donations will greatly increase the flow of unrestricted funds into the Foundation.

Results for the year

During the year ended 31st March 2002 the Foundation made a deficit of £747,753 before investment disposals. After taking account of realised and unrealised losses on investment assets, the value of net assets fell by £1,277,641 to £13,359,258.

The deficit of £747,753 includes the sum of £464,708, which was invested in the recruitment of new donors as described above. Income from new donors increased to £185,816 but did not reflect a full year's income from those who signed up during the year. The Foundation intends to continue with the recruitment of further new donors in the coming year at a level which is likely to mean that the recruitment costs will exceed the income generated for that year. It is anticipated however that donor income will grow substantially in subsequent years. A further part of the deficit in the current year arose from the gradual run down and closure of Wighton House.

The Committee regularly reviews a five year financial projection for the Foundation and is satisfied that the level of deficit experienced will be substantially reduced over that period.

Reserves Policy

As shown in the balance sheet on page 9, the Foundation's total reserves amount to £13,359,258 (2001: £14,636,899).

The Committee aims to maintain a level of free reserves, which will act as a buffer in the short to medium term against the loss of any source of funding or unexpected expenditure which may arise.

In calculating the amount of free reserves held by the Foundation, the Committee excludes that portion which is invested in assets required to deliver its charitable objectives.

The Committee does not regard as necessarily free reserves that portion held as investment assets. These reserves provide an income contributing to the annual operating surplus or deficit, and provide a solid financial base from which to plan and develop the long term strategy of the Foundation, including the re-development of the existing Craigmillar estate referred to above.

The Committee continually reviews income and expenditure forecasts, the projected level of legacies and donations, and possible capital and maintenance projects. On the best evidence available the Committee considers that the level of our reserves will enable us to continue to operate as a going concern for the foreseeable future, and are required to develop our business and meet new challenges as they arise.

Investment Policy

No prescriptive restrictions are placed on the types of investments which the Foundation may hold. However an Audit and Finance Committee reviews the investment recommendations made by the Foundation's investment managers. The Foundation's investment aim is to maximise overall rate of return while investing in low to medium risk stocks. The Audit and Finance Committee meets annually with the investment managers to review the performance, content and investment aim of the portfolio taking account of such factors as income requirements, long term funding requirements and ethical considerations. Although the value of investments fell in line with generally difficult stock market conditions, the Committee is satisfied with the underlying investment performance during the year ended 31st March 2002.

Risk Management

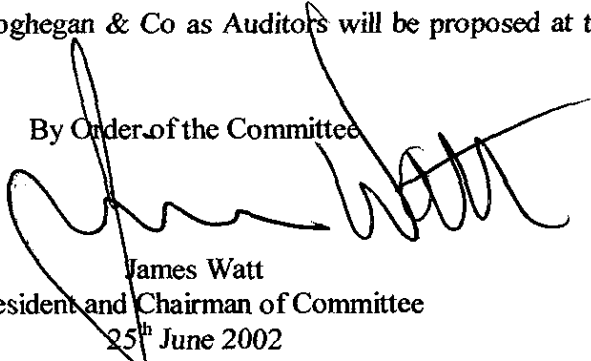
The Committee conducts an annual review of the major risks to which the Foundation is exposed, in particular those related to its operations and finances. Detailed considerations of risk are delegated to the Directorate, who are assisted by the Senior Management Team. Risks are identified, assessed and controls established throughout the year. Through the risk management processes established for the Foundation, the Committee is satisfied that the major risks identified have been adequately mitigated where necessary.

Connected Charity

The Thistle Trust, established in terms of a Deed of Trust dated 20th March 1952, owns and is responsible for the Robin Chapel situated within the grounds of the Thistle Foundation, Craigmillar, Edinburgh. The Trust is an independent body governed by a separate board of Trustees. Further information on the Thistle Trust is provided in note 17 to the financial statements.

Auditors

The re-appointment of Geoghegan & Co as Auditors will be proposed at the Annual General Meeting.

By Order of the Committee

James Watt
President and Chairman of Committee
25th June 2002

The Thistle Foundation

Office Bearers, Officials and Advisers

Honorary Presidents

Bryce K McCosh
The Rt Hon The Earl of Wemyss and March

Members of the Committee

James Watt Dip. TP (President and Chairman of Committee)
Donald M Henderson BA, CA
Michael B Paul FRICS, MRAC
Professor Cherry Rowlings BA, Dip.SAS
Colin D Browning BSc FRICS
W B Gray
Squadron Leader A S Nussey
R Bruce M Graham CA

Director

Jayne Fisher

Operations Director

Diana Paton

Finance and Administration Director

James Anderson

Secretaries and Registered Office

PricewaterhouseCoopers
Erskine House
68-73 Queen Street
Edinburgh
EH2 4NH

Solicitors

McGrigor Donald
Pacific House
70 Wellington St
Glasgow
G2 6SB

Bankers

Royal Bank of Scotland plc
36 St Andrew Square
Edinburgh
EH2 2YB

Auditors

Geoghegan & Co
6 St Colme Street
Edinburgh
EH3 6AD

Investment Advisers

Bell Lawrie White
7 Drumsheugh Gardens
Edinburgh
EH3 7QH

The Thistle Foundation

Statement of Responsibilities of Members of the Committee For the year ended 31 March 2002

Members of the Committee are required by law to prepare financial statements for each accounting period which give a true and fair view of the financial activities of the Foundation and of its financial position at the end of that period. In preparing those financial statements Members of the Committee are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, 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 Foundation will continue in business.

Members of the Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of The Thistle Foundation

We have audited the financial statements of The Thistle Foundation on pages 8 to 21 for the year ended 31st March 2002. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 11 and 12.

Respective responsibilities of Members of the Committee and Auditors

As described in the Statement of Responsibilities of Members of the Committee on page 6 the *Members of the Committee are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.*

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you, if, in our opinion, the Report of the Committee is not consistent with the financial statements, if the Foundation has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Committee Members' remuneration and transactions with the Foundation is not disclosed.

We read other information contained in the Report of the Committee and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

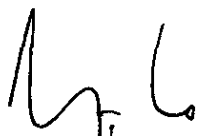
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Audit Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by Members of the Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Foundation's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Foundation's affairs as at 31 March 2002 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Geoghegan & Co

Chartered Accountants and Registered Auditors

Edinburgh

25th June 2002

The Thistle Foundation

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 March 2002

		Restricted Funds Year to 31 March 2002 £	Unrestricted Funds Year to 31 March 2002 £	Total Year to 31 March 2002 £	Total Year to 31 March 2001 £
Incoming resources	Note				
Charitable activities					
- Charges for accommodation		-	602,031	602,031	840,460
- Support services		-	1,339,252	1,339,252	401,520
Investment income	2	-	451,057	451,057	444,127
Donations and fundraising		16,269	370,721	386,990	117,166
Legacies		-	184,406	184,406	289,749
Provision of out-patient services		-	49,225	49,225	49,419
Other incoming resources		152	28,287	28,439	44,214
Total incoming resources		<u>16,421</u>	<u>3,024,979</u>	<u>3,041,400</u>	<u>2,186,655</u>
Resources expended					
Cost of generating funds	3	-	664,002	664,002	122,370
Net incoming resources available for charitable application		<u>16,421</u>	<u>2,360,977</u>	<u>2,377,398</u>	<u>2,064,285</u>
Direct charitable expenditure:					
- Operations	4	11,595	2,551,897	2,563,492	1,953,656
- Support	4	-	315,277	315,277	278,645
- Grants payable and other assistance	5	-	19,606	19,606	362,154
Management and administration	6	-	226,776	226,776	204,874
Total resources expended		<u>11,595</u>	<u>3,113,556</u>	<u>3,125,151</u>	<u>2,799,329</u>
Net incoming/(outgoing) resources		4,826	(752,579)	(747,753)	(735,044)
Realised gain on disposal of fixed assets		-	-	-	198,527
Realised (loss)/gain on investment assets		-	(132,276)	(132,276)	37,919
Statement of total recognised gains and losses					
Net income/(expenditure) for year		<u>4,826</u>	<u>(884,855)</u>	<u>(880,029)</u>	<u>(498,598)</u>
Unrealised loss on investment assets		-	(397,612)	(397,612)	(616,753)
Net movement in funds		<u>4,826</u>	<u>(1,282,467)</u>	<u>(1,277,641)</u>	<u>(1,115,351)</u>
Balances brought forward at 1st April		6,871	14,630,028	14,636,899	15,752,250
Balances carried forward at 31st March		<u>11,697</u>	<u>13,347,561</u>	<u>13,359,258</u>	<u>14,636,899</u>

The historical cost net expenditure for the year was £850,178 (2001: £468,747) representing the deficit for the year as adjusted for depreciation calculated on the historical cost of fixed assets.

The Thistle Foundation

Balance Sheet

As at 31 March 2002

	Note	31 March 2002 £	31 March 2001 £
Fixed Assets:			
Tangible fixed assets	7	2,106,838	2,053,224
Investment assets	8	11,125,666	12,193,732
		<u>13,232,504</u>	<u>14,246,956</u>
Current Assets:			
Stocks		10,640	10,463
Debtors	9	503,228	409,802
Cash at bank and on hand		21,986	351,621
		<u>535,854</u>	<u>771,886</u>
Creditors: Amounts falling due within one year	10	409,100	381,943
Net Current Assets		<u>126,754</u>	<u>389,943</u>
Total Assets less Current Liabilities		<u>13,359,258</u>	<u>14,636,899</u>
Represented by:			
Restricted Funds	11	11,697	6,871
Unrestricted Funds:			
Designated reserves	11	106,325	107,330
General reserves	11	7,327,352	7,322,069
Revaluation reserve	11	5,913,884	7,200,629
		<u>13,359,258</u>	<u>14,636,899</u>

The financial statements were approved on 25th June 2002 and signed on behalf of the Committee by:

President and Chairman of Committee

Committee Member

Secretaries

The Thistle Foundation

Cash Flow Statement

For the year ended 31 March 2002

		Year to 31 March 2002 £	Year to 31 March 2001 £
Reconciliation of net (outgoing) resources to net cash (outflow) from operating activities	Note		
Net (outgoing) resources for the year		(747,753)	(735,044)
Adjustment for items not involving the flow of funds:			
Depreciation		113,989	113,461
Non-operating cash flows eliminated:			
Investment income		(451,057)	(444,127)
(Increase)/decrease in stocks		(177)	(138)
(Increase) in debtors		(93,426)	(291,682)
Increase in creditors		27,157	293,254
Net cash (outflow) from operating activities		<u>(1,151,267)</u>	<u>(1,064,276)</u>

Cash Flow Statement

Net cash (outflow) from operating activities		(1,151,267)	(1,064,276)
Returns on investment			
Investment income		451,057	444,127
Capital Expenditure and Financial Investment			
Purchase of tangible fixed assets		(167,603)	(105,064)
Proceeds from sale of tangible fixed assets		-	881,527
Purchase of investment assets		(1,087,268)	(1,512,372)
Proceeds from sale of investment assets		1,625,446	1,420,142
		<u>370,575</u>	<u>684,233</u>
(Decrease)/increase in cash	13	<u>(329,635)</u>	<u>64,084</u>

The Thistle Foundation

Notes to the financial statements

For the year ended 31 March 2002

1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, and comply with the requirements of Statement of Recommended Practice; Accounting and Reporting by Charities (October 2000). A summary of the more important policies is set out below.

Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Income and expenditure

Incoming resources and resources expended are accounted for under the accruals basis, with the exception of donations which are accounted for when received. Resources expended are classified under the main headings of;

- Cost of generating funds
- Direct charitable expenditure – operations
- *Direct charitable expenditure – support*
- Direct charitable expenditure – grants payable and other assistance
- Management and administration

Central office expenses include both management and administration costs and support costs. In the Statement of Financial Activities these costs have been apportioned accordingly, applying a consistent formula.

Tangible Fixed Assets

The Foundation's buildings were valued on the basis of open market value in 1982, with subsequent additions at cost. On adoption of FRS15, the Foundation has followed the transitional provisions to retain the book value of land and buildings on this basis and not to adopt a policy of revaluation in the future. These values are retained subject to the requirement to test assets for impairment in accordance with FRS11.

Investments

Shares listed on the London Stock Exchange are included in the balance sheet at middle market value at 31 March 2002. The historical cost of these investments is shown in a note to the financial statements.

Stock

Stocks are valued at the lower of cost or net realisable value.

The Thistle Foundation

Notes to the financial statements For the year ended 31 March 2002

1 Accounting policies (continued)

Depreciation

Depreciation is provided on a straight line basis using the following annual rates;

Buildings	2% on cost or valuation
Furniture, fittings and equipment	10% on cost
Computer and office equipment	25% on cost
Motor vehicles	25% on cost

Gain or loss on investments

Realised gains and losses on investment assets are transferred to general reserves. Unrealised gains and losses on investment assets and on tangible fixed assets are transferred to the revaluation reserve.

Restricted funds

Restricted funds are funds received for a specific purpose as declared by the donors and are accounted for separately from the other funds of the Foundation.

Designated reserves

It is the Foundation's policy to set aside certain unrestricted funds for specific projects or purposes. Such funds are classified as designated reserves and are accounted for separately from the other funds of the Foundation.

Revaluation reserve

The revaluation reserve consists of unrealised gains and losses on the revaluation of tangible fixed assets and investment assets.

Pension scheme

The Foundation contributes to a multi-employer pension scheme for employees (Federated Flexiplan No.1), which is administered by FPS Group Ltd. In accordance with FRS 17, the scheme is accounted for as a defined contribution scheme. Further information about the scheme is contained in note 15 to the financial statements.

The Thistle Foundation

Notes to the financial statements For the year ended 31 March 2002

2 Investment income

	Year to 31 March 2002 £	Year to 31 March 2001 £
Dividends from listed investments	438,531	424,502
Interest on deposits	12,526	19,625
	<u>451,057</u>	<u>444,127</u>

3 Cost of generating funds

	Year to 31 March 2002 £	Year to 31 March 2001 £
Staff costs	78,840	74,398
Purchase of goods for resale	6,171	-
Advertising and event expenses	21,758	13,006
Recruitment of donors	464,708	6,346
Other fundraising expenses	58,022	9,923
Office supplies and services	31,140	15,201
Depreciation	1,412	1,609
Other expenses	1,951	1,887
	<u>664,002</u>	<u>122,370</u>

4 Direct Charitable Expenditure

	Year to 31 March 2002 £	Year to 31 March 2001 £
<u>Operations</u>		
Staff costs	2,208,082	1,387,804
Resource centre activities	15,520	10,679
Maintenance	97,694	322,966
Other property costs	75,226	67,224
Catering	21,231	32,349
Office supplies and services	30,660	21,022
Other professional fees	384	576
Depreciation	84,612	82,448
Other expenses	30,083	28,588
	<u>2,563,492</u>	<u>1,953,656</u>

The Thistle Foundation

Notes to the financial statements

For the year ended 31 March 2002

4 Direct Charitable Expenditure (continued)

	Year to 31 March 2002 £	Year to 31 March 2001 £
<u>Support</u>		
Staff costs	292,293	259,267
Office supplies and services	11,089	9,757
Other expenses	11,895	9,621
	<u>315,277</u>	<u>278,645</u>

5 Grants payable and other assistance

	Year to 31 March 2002 £	Year to 31 March 2001 £
Construction grant	-	350,000
Other grants and assistance	19,606	12,154
	<u>19,606</u>	<u>362,154</u>

The Foundation works with other organisations involved in helping disabled people to secure housing suitable to their particular needs. Cases referred by such organisations are dealt with on an individual basis and assistance provided where it is considered appropriate.

6 Management and Administration

	Year to 31 March 2002 £	Year to 31 March 2001 £
Staff costs	86,920	83,392
Maintenance	511	3,554
Other property costs	2,029	2,303
Office supplies and services	44,357	39,554
Audit fees	3,650	3,643
Other professional fees	55,777	38,240
Members expenses	455	546
Depreciation	27,965	29,024
Other expenses	5,112	4,618
	<u>226,776</u>	<u>204,874</u>

The Thistle Foundation

Notes to the financial statements

For the year ended 31 March 2002

7 Tangible Fixed Assets

	Land & Buildings	Furniture Fittings & Equipment	Computer & Office Equipment	Motor Vehicles	Total
<u>Cost or valuation</u>	£	£	£	£	£
At 1 April 2001	2,845,604	203,952	184,707	93,612	3,327,875
Additions	142,360	1,792	5,152	18,299	167,603
Disposals	-	-	-	(28,186)	(28,186)
At 31 March 2002	2,987,964	205,744	189,859	83,725	3,467,292
Being: Valuation	2,353,000				
Cost	634,964				
	<u>2,987,964</u>				
<u>Depreciation</u>					
At 1 April 2001	943,620	144,968	111,592	74,471	1,274,651
Charge for period	59,759	10,258	31,070	12,902	113,989
On disposals	-	-	-	(28,186)	(28,186)
At 31 March 2002	1,003,379	155,226	142,662	59,187	1,360,454
<u>Net book value</u>					
At 31 March 2002	1,984,585	50,518	47,197	24,538	2,106,838
At 31 March 2001	1,901,984	58,984	73,115	19,141	2,053,224

The buildings on the Foundation's site in Craigmillar, Edinburgh were valued in 1982 by D M Hall and Son, Chartered Surveyors on the basis of open market value. No estimate was included of the development value of unused land on the site. The historical cost value less depreciation of the assets was £817,078. The current value of the land and buildings is very much dependent on their future use. However, the Committee is satisfied that, in the event of the Foundation's winding up, the assets would realise at least the value at which they are carried in the accounts.

The Thistle Foundation

Notes to the financial statements

For the year ended 31 March 2002

7 Tangible Fixed Assets (continued)

The net book value at 31 March 2002 represents fixed assets used for:

	Land & Buildings £	Furniture Fittings & Equipment £	Computer & Office Equipment £	Motor Vehicles £	Total £
Direct charitable purposes	1,984,585	19,518	13,831	24,538	2,042,472
Fundraising and publicity	-	1,506	1,918	-	3,424
Management and administration	-	29,494	31,448	-	60,942
	<u>1,984,585</u>	<u>50,518</u>	<u>47,197</u>	<u>24,538</u>	<u>2,106,838</u>

8 Investment Assets

	31 March 2002 Market Value £	31 March 2002 Cost £	31 March 2001 Market Value £	31 March 2001 Cost £
<u>UK Listed Investments</u>				
At 1 April 2001	11,693,590	5,985,508	12,680,336	5,974,532
Additions	1,087,268	1,087,268	1,012,230	1,012,230
Disposals	(1,595,226)	(706,093)	(1,382,223)	(1,001,254)
Net unrealised losses	(397,612)	-	(616,753)	-
At 31 March 2002	<u>10,788,020</u>	<u>6,366,683</u>	<u>11,693,590</u>	<u>5,985,508</u>
Cash deposits	<u>337,646</u>	<u>337,646</u>	<u>500,142</u>	<u>500,142</u>
	<u>11,125,666</u>	<u>6,704,329</u>	<u>12,193,732</u>	<u>6,485,650</u>

The following holdings individually represented in excess of 5% of the market value of the Foundation's portfolio of UK listed investments as at 31 March 2002.

Holding	Market Value £
38,786 Glaxo Smithkline Ordinary 25p shares	641,520
80,000 HBOS Ordinary 25p shares	606,800
50,000 M&G Securities Ltd Charifund Inc	577,245
144,717 Shell Transport & Trading Ordinary 25p shares	756,870

The Thistle Foundation

Notes to the financial statements

For the year ended 31 March 2002

9 Debtors	31 March 2002 £	31 March 2001 £
Due within one year:		
Charges due for accommodation and support	265,015	236,741
Income tax recoverable	28,407	13,764
Legacies receivable	83,461	100,000
Sundry debtors	7,913	15,644
Short term loans	36,460	16,800
Prepayments and accrued income	37,929	820
	<u>459,185</u>	<u>383,769</u>
Due after more than one year:		
Long term loans	44,043	26,033
	<u>503,228</u>	<u>409,802</u>

The Foundation has provided loans to assist disabled people to achieve home ownership. The Foundation works in partnership with another organisation which refers applications for such assistance and these are dealt with on an individual basis taking account of the merits of each case. The loans are free of interest and are repayable on fixed dates up to 28 February 2012.

10 Creditors: amounts falling due within one year	31 March 2002 £	31 March 2001 £
Trade creditors	13,583	3,862
Social security costs and other taxes	54,529	-
Other creditors and provisions	340,988	378,081
	<u>409,100</u>	<u>381,943</u>

11 Funds	Restricted Funds £	Unrestricted Funds £	Total £	Year to 31 March 2001 £
At 1 April 2001	6,871	14,630,028	14,636,899	15,752,250
Net movement in funds for period	4,826	(1,282,467)	(1,277,641)	(1,115,351)
At 31 March 2002	<u>11,697</u>	<u>13,347,561</u>	<u>13,359,258</u>	<u>14,636,899</u>

The Thistle Foundation

Notes to the financial statements

For the year ended 31 March 2002

11 Funds (continued)

Restricted funds	Balance at 1 April 2001 £	Incoming Resources £	Resources Expended £	Transfers between Funds £	Balance at 31 March 2002 £
Community Garden	-	16,269	(7,075)	-	9,194
Other restricted funds	6,871	152	(4,520)	-	2,503
	<u>6,871</u>	<u>16,421</u>	<u>(11,595)</u>	<u>-</u>	<u>11,697</u>
Unrestricted funds					
Designated reserves					
Equipment for Wighton House	883	-	(883)	-	-
Health Services	3,713	1,021	(1,143)	-	3,591
Other future development project	102,734	-	-	-	102,734
	<u>107,330</u>	<u>1,021</u>	<u>(2,026)</u>	<u>-</u>	<u>106,325</u>
General reserves	7,322,069	3,023,958	(3,907,808)	889,133	7,327,352
Revaluation reserve	7,200,629	-	(397,612)	(889,133)	5,913,884
	<u>14,630,028</u>	<u>3,024,979</u>	<u>(4,307,446)</u>	<u>-</u>	<u>13,347,561</u>

Restricted and designated reserves are represented by cash held on deposit.

	31 March 2002 £	31 March 2001 £
Revaluation reserve		
On revaluation of tangible fixed assets	1,492,548	1,492,548
On revaluation of investment assets	4,421,336	5,708,081
	<u>5,913,884</u>	<u>7,200,629</u>

The Thistle Foundation

Notes to the financial statements For the year ended 31 March 2002

12 Staff Costs

	Year to 31 March 2002 £	Year to 31 March 2001 £
Wages and salaries	2,310,898	1,535,939
Social security costs	179,563	125,516
Pension costs	105,221	87,555
Staff training and recruitment	58,996	55,851
Redundancy costs	11,457	-
	<u>2,666,135</u>	<u>1,804,861</u>

No employees received emoluments in excess of £50,000 during the year.

The average number of staff employed during the period was;

	No	No
Full time	100	61
Part time	28	27
	<u>128</u>	<u>88</u>

Total Full time equivalent staff employed

<u>117</u>	<u>78</u>
------------	-----------

Travel expenses reimbursed to Committee Members

£	£
<u>455</u>	<u>546</u>

Number of Members reimbursed

No	No
<u>2</u>	<u>2</u>

13 Analysis of movement in cash balances

	31 March 2002 £	31 March 2001 £	Change in period £
Cash held on deposit	-	334,926	(334,926)
Cash at bank and in hand	21,986	16,695	5,291
	<u>21,986</u>	<u>351,621</u>	<u>(329,635)</u>

The Thistle Foundation

Notes to the financial statements

For the year ended 31 March 2002

14 Loan Guarantee

In 1998 the Foundation undertook to act as guarantor to the Dunfermline Building Society with regard to a loan made to an individual disabled person for the purpose of purchasing a house. The amount of the loan is £36,337 and it is for a term of 25 years.

The borrower has put into effect a suitable endowment insurance policy to allow for full repayment of the capital element of his loan at the date of maturity or in the event of his death before that date.

15 Pension scheme

The Thistle Foundation participates in a pension scheme for employees (Federated Flexiplan No 1), which is operated by Trustees, FPS Trustee Company Limited and is separate from the activities of the Foundation. The scheme is administered by FPS Group Limited.

The latest actuarial valuation of the scheme was at 31 March 2000. The results disclose an excess of assets which the actuaries recommend should be carried forward as a reserve to support discretionary pension increases in subsequent years and as a precautionary margin against adverse contingencies. The scheme is described as a targeted final salary scheme; that is, a money-purchase scheme, designed but not guaranteed to provide retirement pensions approximating to defined fractions of final salary per year of service. The fractions vary depending on the level of contribution rate being paid by employers and members. Current contribution rates are 10% of salary by the employer and 4% by the employee. It is a centralised scheme in which some 383 employers participated as at 31 March 2001. Accounts for the year to 31 March 2001 show the market value of assets at that date as £61.6 million.

Pension costs disclosed in note 12 above represent actual payments during the year.

16 Contracts and commitments

There was no committed expenditure on tangible fixed assets at 31st March 2002 or 31st March 2001.

The Thistle Foundation

Notes to the financial statements

For the year ended 31 March 2002

17 Connected charity

The Thistle Trust, established in terms of a Deed of Trust dated 20th March 1952, owns and is responsible for the Robin Chapel situated within the grounds of the Thistle Foundation, Craigmillar, Edinburgh. The Trust is an independent body governed by a separate board of trustees. Administration is undertaken by the Thistle Foundation which receives a fee of £8,000 for this service. Information on the Thistle Trust and the Robin Chapel is available from the Finance and Administration Department, Niddrie Mains Road, Edinburgh EH16 4EA.

Subject to certain conditions the Trust Deed allows payments to be made to the Thistle Foundation at the Trustees' discretion. In the year to 31 March 2002 amounts received were £30,000.