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**DEWAR ARTS AWARDS**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Trustees**

A J Arnold  
N J Catterall  
R W Chester MBE (resigned 5 June 2020)  
R Doyle  
Dr J Fagan (appointed 13 August 2020)  
R J McEwan-Brown OBE  
Sir B J McMaster  
J Miller OBE  
Dr P T Rewt  
J Sangster  
R Stapleton (appointed 12 August 2020)  
L A Thomson  
R Wishart (Chairperson)

**Company registered number**

SC233774

**Charity registered number**

SC033216

**Registered office**

56 Palmerston Place  
Edinburgh  
EH12 5AY

**Principal operating address**

P.O. Box 8927  
Coatbridge  
ML5 9AP

**Independent auditor**

French Duncan LLP  
Chartered Accountants & Statutory Auditors  
56 Palmerston Place  
Edinburgh  
EH12 5AY

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND  
ADVISERS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Bankers**

Bank of Scotland Plc  
20-22 Shandwick Place  
Edinburgh  
EH2 4RN

**Investment Advisers**

Brewin Dolphin  
Sixth Floor  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

**Investment Advisers**

Cazenove Capital Management Limited  
133 Fountainbridge  
Edinburgh  
EH3 9QC

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees (who are also directors of the charity for the purposes of company law) present their annual report together with the audited financial statements of the Dewar Art Awards for the year ended 31 March 2021. The report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) 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), is not required.

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations.

### **Structure, governance and management**

#### **Legal status**

Dewar Art Awards is a charitable company limited by guarantee, not having a share capital and is governed by its Memorandum and Articles of Association set up on 27 June 2002. The company is registered in Scotland with OSCR as a charity and having no taxable activities is not liable to corporation tax. The members have agreed to contribute £1 in the event of the charity being wound up.

#### **Methods of appointment or election of Trustees**

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The minimum number of Trustees is three. The Trustees may appoint a person who is willing to act as a Trustee provided that such person has been admitted as a member. The Trustees shall all retire at each annual general meeting of the company but shall be eligible for re-election.

#### **Organisation**

The Trustees met four times during the year. On a day to day basis the charitable company was administered by Patricia Rossi. The administrator receives all applications and provides full details of these to Trustees at each meeting. They also deal with all trust payments. The Trustees also consider urgent applications between meetings. The charitable company has an IT consultant who manages their website. The investment portfolio was administered by Brewin Dolphin. The investment manager produces quarterly reports for the Trustees.

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Structure, governance and management (continued)**

**Risk assessment and management**

The Trustees have assessed the major risk to which the charity is exposed in particular those relates to operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to them. These risks are assessed through the risk register that the charity maintains and will continue to update periodically.

The key risks considered by the Trustees and the mitigation of these risks is as follows:

**Propriety of investment of funds in line with the Charities and Trustees Investment (Scotland) Act 2005**

The Trustees have set and regularly review an investment policy and have appointed an independent professional fund manager and charity specialist, Brewin Dolphin, to actively manage the charitable company's investment portfolio.

**Mismatch between income available and demand for funding, particularly in times of economic recession when the need is greatest**

The investment fund is managed to generate both income and capital growth over the long term and the Trustees have flexibility to expend capital as well as income. The level of grants awarded and cumulative commitments are reviewed at every Trustees meeting along with the value of remaining funds reported by Brewin Dolphin.

**Improper payment or misuse of grants awarded**

Grants awarded are paid based on documented Trustees' decisions and there is segregation between the persons initiating and authorising payment. Recipient details are verified prior to payment and wherever possible grants are paid directly to the educational institution and not the awardee. All awardees are required to fully account for grant expenditure, multiple awards are subject to re-approval each year and grants are recovered or withheld in the rare cases that they are not used for the intended purpose.

**Plans for future periods**

The Trustees have taken the advice of the consultant commissioned to examine our 15 years of work in the field and put in place succession planning. Jill Miller, Director of Cultural Services at Glasgow Life has agreed to serve as vice chair, whilst Lesley Thomson, managing director at Spreng Thomson will become Jill's vice chair when Ruth Wishart retires from her post.

**Policies and objectives**

The charitable company is empowered to facilitate personal progress in the arts, including music, opera, ballet, dance, drama, the visual arts and other art forms for young persons ordinarily resident in Scotland. These individuals can be those at school or who have left school who:

- (a) demonstrate exceptional artistic ability and;
- (b) lack the means to fulfil their potential.

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**DEWAR ARTS AWARDS**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Achievements and performance**

**Review of activities**

As with the rest of the world in coping with the covid pandemic, the Dewar Awards have had to make several adjustments to the way they met and agreed decisions regarding applicants.

The hybrid solution to being unable to meet in person, was zoom trustees meetings allied to email rounds for comments on award extensions which, for ease of decision making, were then collated for us by our administrator, giving us a snapshot of how people wished to respond.

Obviously, in addition to Covid considerations, we have been dealing with the fiscal fallout from Brexit which has caused Brewin Dolphin, who manage our portfolio, to take some strategic decisions as to which sectors might best maintain the returns we need to fulfil our obligations to those who apply.

Another casualty of the pandemic has been our having to pause the disbursement of the very generous funds given to us for a three year period from the William Grant foundation. As these awards were to be targeted on sectors from which we had received relatively few applications, we sought the assistance of some of Scotland's colleges. This was agreed, but, of course, there has been little activity on campus since then and they have kindly agreed to let us pursue this initiative as soon as students return to their courses in areas like applied arts.

We recognised that our website needed attention and a sub committee including our website administrator have worked to put our material on a more stable platform, and completed phase one of its redevelopment with particular attention to social media activity and updating and revising our application material.

The sad loss of two of our valued trustees, Richard Chester and Anne Neilson has resulted in the appointment of two new members of our board. As Anne was our mainstay in terms of traditional music and performers we enlisted the help of Jean Sangster, a colleague of Anne's for many years, to identify a possible successor. We have been delighted to be able to appoint Robyn Stapleton, who, as both performer and tutor has a wide ranging knowledge of the same field.

We are also extremely pleased to have been able to appoint a woman who was one of our early awardees and is now an extremely fine and award winning author. Jenni Fagan fills a long standing gap in our knowledge base, since we have not had a trustee in the literary field since the retiral of Catherine Lockerbie. It has long been our ambition to attempt this virtuous circle of involving our alumnae and Jenni will be a valuable asset in our deliberations.

As we are privileged to have both Sir Brian McMaster and Roy McEwan Brown as trustees we determined that, whilst there was only one Richard Chester, we already had significant and invaluable input on the music side from two men with national and international experience of both orchestral and solo performance and of the reputations of conservatoires.

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**DEWAR ARTS AWARDS**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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### **Financial review**

#### **Going concern**

At the year end the charitable company had total reserves of £4,235,056. The Covid-19 pandemic has had a significant impact on our normal way of life. During the year the charitable company saw a decrease in its investment income, however the capital value of investments recovered from the significant decrease at the prior year end which coincided with the beginning of the pandemic. The potential effect on the level of future dividends and interest from investments as well as capital value have been taken into account by the Trustees in their assessment of the going concern basis.

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

#### **Reserves policy**

The charitable company received an initial donation of £5m from the then Scottish Executive in 2003.

Dewar Arts Awards do not carry out any fundraising activities and therefore the charitable company's reserve policy is to try and maintain reserves at a level as close to the initial donation as possible in order to ensure the future availability of resources to fund charitable activities.

At 31 March 2021, the total reserves of the charitable company were £4,235,056 (2020 - £3,517,624) and all are unrestricted funds.

At 31 March 2021, the total designation funds of the charity were £30,000 (2020 - £nil) this relates to funds received from the William Grant Foundation not yet utilised.

#### **Results**

The total income for the year was £148,982 (2019 - £141,354).

The total expenditure for the year was £354,886 (2020 - £413,531). Included within expenditure on charitable activities are grants to individuals totalling £285,963 (2020 - £343,300). Further details of grants provided are included within note 8 to the accounts.

The net increase in funds for the year was £717,432 (2020 - decrease of £736,634) which includes net gains on investments of £923,336 (2020 - loss of £464,457). Net gain on investments represents £836,325 (2020 - loss of £463,747) of unrealised gain on revaluation of investments at the year end and £87,011 (2020 - loss of £710) of realised gains on disposals of investments in the year.

At the year end the balance of unrestricted funds was £4,235,056 (2020 - £3,517,624).



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Investments**

The administration of the charitable company's investments is undertaken by Brewin Dolphin.

The portfolio is managed at a medium risk level. In practice, this means a spread of equity and pooled funds covering various markets, sectors and asset classes.

The investment objective is to generate both income and capital growth, balancing the long-term future of the charitable company whilst supporting the grant award decisions of the Trustees.

The charitable company's investment objectives are continually kept under review.

During the year, income of £118,982 (2020 - £141,354) was earned from the portfolio. The income yield on the portfolio at the year-end was 2.7%, compared to a yield on the performance benchmark of 2.3%.

At the year end the carrying value of the investment portfolio was £4,369,108 (2020 - £3,653,327). The movement in the year represents net disposals from the portfolio in the year totalling £120,544 (2020 - £238,732) and a unrealised gain of £836,325 (2020 - unrealised loss of £463,747).

Over the 12 months ending 31 March 2021 the portfolio was up 29.3% against the benchmark return of 23.5%, taking into account the generation of income as well as the change in the value of the capital.

The benchmark is a composite benchmark comprising a mix of underlying indices reflective of the client's acceptance of and attitude to risk. The risk scale goes from 1-10 and Risk Category 6 has been selected by the Trustees. The current underlying composition of the portfolio is noted below along with details of the comparable investments against which their performance is measured:

1.0% cash	7 day Libor
26.5% UK Equities	FTSE All Share (Total Return)
43.7% Overseas equities	FTSE All World ex UK ( Total Return)
3.5% Overseas bonds	ICE BofA Global Government Bond Index
10.1% UK Corporate Bonds	iBoxx UK Sterling Corporates (Total Return)
3.3% property	IA Property TR
4.4% Global investments	FTSE All World ex UK ( Total Return)
5.4% absolute return	IA Targeted Absolute Return (Total Return)
2.1% other investments	

The equity funds within the investment portfolio have a bias to high quality stocks that are paying a good level of dividend income as it is believed that such an approach will add value over the long-term. This focus detracted from relative performance over this 12 month period as such stocks lagged the broader market during the rally in December, which was driven primarily by commodities and technology related stocks. The portfolio is well diversified and the investment manager has upheld the ethical restriction to avoid direct investment in companies involved in the manufacture or sale of tobacco. We remain comfortable with the long-term returns achieved and with the current structure of the portfolio to meet the long term investment objectives agreed.

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**DEWAR ARTS AWARDS**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

**Disclosure of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all reasonable steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**Auditor**

The auditor, French Duncan LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustee.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

*R Wishart*

**R Wishart**  
(Chairperson)

Date: 21 August 2021

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEWAR ARTS AWARDS**

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**Opinion**

We have audited the financial statements of Dewar Arts Awards (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEWAR ARTS AWARDS (CONTINUED)**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEWAR ARTS AWARDS (CONTINUED)**

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**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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**DEWAR ARTS AWARDS**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEWAR ARTS AWARDS (CONTINUED)**

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We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed high level analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

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**DEWAR ARTS AWARDS**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEWAR ARTS AWARDS (CONTINUED)**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members, as a body, and its trustees, as a body for our audit work, for this report, or for the opinions we have formed.



**Antony J Sinclair CA (Senior statutory auditor)**

for and on behalf of

**French Duncan LLP**

Chartered Accountants & Statutory Auditors

56 Palmerston Place

Edinburgh

EH12 5AY

Date: 24 August 2021

French Duncan LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**DEWAR ARTS AWARDS**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	3	30,000	30,000	-
Investments	4	118,982	118,982	141,354
<b>Total income</b>		<b>148,982</b>	<b>148,982</b>	<b>141,354</b>
<b>Expenditure on:</b>				
Raising funds	5	25,273	25,273	28,181
Charitable activities	6	329,613	329,613	385,350
<b>Total expenditure</b>		<b>354,886</b>	<b>354,886</b>	<b>413,531</b>
<b>Net expenditure before net gains/(losses) on investments</b>		<b>(205,904)</b>	<b>(205,904)</b>	<b>(272,177)</b>
Net gains/(losses) on investments	9	923,336	923,336	(464,457)
<b>Net expenditure and net movement in funds</b>		<b>717,432</b>	<b>717,432</b>	<b>(736,634)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		3,517,624	3,517,624	4,254,258
Net movement in funds		717,432	717,432	(736,634)
<b>Total funds carried forward</b>		<b>4,235,056</b>	<b>4,235,056</b>	<b>3,517,624</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 28 form part of these financial statements.



**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: SC233774**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	13	4,369,108	3,653,327
<b>Current assets</b>			
Debtors	14	304	299
Cash at bank and in hand		115,928	129,280
		<u>116,232</u>	<u>129,579</u>
Creditors: amounts falling due within one year	15	(250,284)	(265,282)
<b>Net current liabilities</b>		<b>(134,052)</b>	<b>(135,703)</b>
<b>Total net assets</b>		<b><u>4,235,056</u></b>	<b><u>3,517,624</u></b>
<b>Charity funds</b>			
Unrestricted funds	17	4,235,056	3,517,624
<b>Total funds</b>		<b><u>4,235,056</u></b>	<b><u>3,517,624</u></b>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*R Wishart*

**R Wishart**  
(Chairperson)

Date: 21 August 2021

The notes on pages 16 to 28 form part of these financial statements.

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**DEWAR ARTS AWARDS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. General information**

The charitable company is a company limited by guarantee (registered number SC233774) and also a registered Scottish charity (charity number SC 033216). Its registered office is 56 Palmerston Place, Edinburgh, EH12 5AY.

The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Charities Accounts Scotland Regulations 2006 (as amended) and the Companies Act 2006.

Dewar Arts Awards meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements were prepared in Sterling and rounded to the nearest £.

**2.2 Going concern**

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The charitable company has a strong balance sheet with sufficient current assets to meet its liabilities as and when they fall due. In common with other charitable organisations, Dewar Arts Awards is dependent on income from investments to ensure its objectives continue to be achieved for the longer term. The impact of the Covid-19 pandemic initially led to the charities investments decreasing in value, although these have since recovered, and has resulted in a decrease in investment income in the reporting period. The Trustees have taken these factors into account in consideration of the charitable company's going concern assumption.

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**2. Accounting policies (continued)**

**2.3 Income**

All income, including dividends received, is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charitable company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charitable company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charitable company, or the charitable company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charitable company of the item is probable and that economic benefit can be measure reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**2.4 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company.

Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

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**2. Accounting policies (continued)**

**2.6 Grants**

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

A creditor is recognised in the financial statements to the extent that commitments made in respect of approved grant applications remain unpaid at the year end.

Where applicants fail to meet the specified criteria of their grant award, the unpaid amount of their grant held within creditors is credited back to the income and expenditure account.

**2.7 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

**2.8 Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.9 Cash at bank and in hand**

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

**2.10 Liabilities and provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities and provisions are recognised at their settlement amount.

**2.11 Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2. Accounting policies (continued)**

**2.12 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Income from donations and legacies**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
William Grant Foundation	30,000	<b>30,000</b>	-

**4. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Investment income - UK listed investments	81,809	<b>81,809</b>	99,867
Investment income - non-UK listed investments	37,173	<b>37,173</b>	41,487
	<u>118,982</u>	<u><b>118,982</b></u>	<u>141,354</u>
<i>Total 2020</i>	<u>141,354</u>	<u>141,354</u>	

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. Expenditure on raising funds**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Investment management fees	25,273	<b>25,273</b>	28,181
<i>Total 2020</i>	<u>28,181</u>	<u><b>28,181</b></u>	

**6. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Grant making	329,613	<b>329,613</b>	385,350
<i>Total 2020</i>	<u>385,350</u>	<u><b>385,350</b></u>	

**7. Analysis of expenditure by activities**

	<b>Grant funding of activities 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Grant making	285,963	43,650	<b>329,613</b>	385,350
<i>Total 2020</i>	<u>343,300</u>	<u>42,050</u>	<u><b>385,350</b></u>	

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**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Activities 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Wages and salaries	20,885	<b>20,885</b>	21,424
Office and administration expenses	4,137	<b>4,137</b>	2,287
Website costs	6,816	<b>6,816</b>	6,035
Accountancy fees	6,599	<b>6,599</b>	6,350
Bank charges	30	<b>30</b>	30
Governance costs	5,183	<b>5,183</b>	5,924
	<u>43,650</u>	<u><b>43,650</b></u>	<u>42,050</u>
<i>Total 2020</i>	<u>42,050</u>	<u>42,050</u>	

**8. Analysis of grants**

	<b>Grants to Individuals 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Awards made	285,963	<b>285,963</b>	343,300
<i>Total 2020</i>	<u>343,300</u>	<u>343,300</u>	

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**Analysis of awards**

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Music	<b>143,814</b>	<i>185,300</i>
Dance	<b>54,600</b>	<i>121,600</i>
Craft	<b>63,000</b>	<i>27,500</i>
Film	<b>5,549</b>	<i>8,000</i>
Theatre	<b>14,000</b>	<i>900</i>
Literature	<b>5,000</b>	<i>-</i>
	<b>285,963</b>	<i>343,300</i>

The charitable company awarded 23 (2020 - 10) single year awards ranging between £154 and £9,600 (2020 - £600 and £5,000) and 15 (2020 - 23) multi-year awards ranging between £1,300 and £9,250 (2020 - £1,000 and £10,000) during the year.

The above grants are stated net of credits totalling £56,700 (2020 - £33,700) which have arisen as a result of grants committed in earlier years which are no longer going to be paid.

Included within the above figures are grants committed for 2021/22 year totalling £182,800 (2020 - £223,200).

The amount owed in respect of grants at 31 March 2021 is detailed in note 15 and represents the grants committed for 2020/21 year and the grants approved during the year which remain unpaid at the year end.

**9. Gains and losses on investments**

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Unrealised gains/(losses) on investments	<b>836,325</b>	<i>(463,747)</i>
Realised gains/(losses) on disposals of investments	<b>87,011</b>	<i>(710)</i>
	<b>923,336</b>	<i>(464,457)</i>



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**10. Auditor's remuneration**

	<b>2021</b>	<i>2020</i>
	£	£
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	<b>4,980</b>	<i>4,800</i>
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	<b>6,599</b>	<i>6,350</i>
	<u><u>        </u></u>	<u><u>        </u></u>

**11. Staff costs**

	<b>2021</b>	<i>2020</i>
	£	£
Wages and salaries	<b>20,885</b>	<i>21,424</i>
	<u><u>        </u></u>	<u><u>        </u></u>

The average number of persons employed by the charitable company during the year was as follows:

	<b>2021</b>	<i>2020</i>
	No.	No.
	<b>1</b>	<i>1</i>
	<u><u>        </u></u>	<u><u>        </u></u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel comprises the Trustees only. During the year no remuneration was paid to key management personnel (2020 £nil).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

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**13. Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2020	3,653,327
Additions	664,549
Disposals	(785,093)
Revaluations	836,325
<b>At 31 March 2021</b>	<b>4,369,108</b>
<b>Net book value</b>	
<b>At 31 March 2021</b>	<b>4,369,108</b>
<i>At 31 March 2020</i>	<u>3,653,327</u>

**Investments at market value comprise:**

	<b>2021 £</b>	<i>2020 £</i>
UK listed investments	2,360,234	2,189,168
Overseas listed investments	2,008,874	1,464,159
	<b>4,369,108</b>	<u>3,653,327</u>

The historical cost of listed investments is £3,575,540 (2020:£3,706,051).

**14. Debtors**

	<b>2021 £</b>	<i>2020 £</i>
Prepayments and accrued income	<b>304</b>	<u>299</u>

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**15. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Grants payable	236,450	251,600
Accruals	13,834	13,682
	<u>250,284</u>	<u>265,282</u>

**16. Financial instruments**

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<u>4,369,108</u>	<u>3,653,327</u>
	2021 £	2020 £
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>250,285</u>	<u>265,282</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments.

Financial liabilities measured at amortised cost comprise grants payable and accruals.

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**17. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
William Grant Foundation	-	30,000	-	-	-	30,000
<b>General funds</b>						
General Funds	3,570,348	118,982	(354,886)	(9,967)	87,011	3,411,488
Revaluation reserve	(52,724)	-	-	9,967	836,325	793,568
	<u>3,517,624</u>	<u>118,982</u>	<u>(354,886)</u>	<u>-</u>	<u>923,336</u>	<u>4,205,056</u>
<b>Total Unrestricted funds</b>	<u><u>3,517,624</u></u>	<u><u>148,982</u></u>	<u><u>(354,886)</u></u>	<u><u>-</u></u>	<u><u>923,336</u></u>	<u><u>4,235,056</u></u>

**Statement of funds - prior year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>						
General Funds	3,825,346	141,354	(413,531)	17,889	(710)	3,570,348
Revaluation reserve	428,912	-	-	(17,889)	(463,747)	(52,724)
	<u>4,254,258</u>	<u>141,354</u>	<u>(413,531)</u>	<u>-</u>	<u>(464,457)</u>	<u>3,517,624</u>

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**18. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	-	30,000	-	-	-	30,000
General funds	3,517,624	118,982	(354,886)	-	923,336	4,205,056
	<u>3,517,624</u>	<u>148,982</u>	<u>(354,886)</u>	<u>-</u>	<u>923,336</u>	<u>4,235,056</u>

**Summary of funds - prior year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	4,254,258	141,354	(413,531)	-	(464,457)	3,517,624

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Total funds 2021 £
Fixed asset investments	4,369,108	4,369,108
Current assets	116,232	116,232
Creditors due within one year	(250,284)	(250,284)
<b>Total</b>	<u>4,235,056</u>	<u>4,235,056</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Fixed asset investments	3,653,327	3,653,327
Current assets	129,579	129,579
Creditors due within one year	(265,282)	(265,282)
<b>Total</b>	<u><u>3,517,624</u></u>	<u><u>3,517,624</u></u>

**20. Contingent liabilities**

In addition to the grants accrued in Note 15, the Trustees have also authorised certain grants (conditional awards) which are subject to the recipients fulfilling certain conditions. These conditional grant awards are as follows:

Payment possible in more than one year	<u><u>262,150</u></u>	<u><u>154,000</u></u>
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**21. Post balance sheet events**

Since the year end the Covid-19 pandemic continues to have a significant impact on every day life. The charitable company has a strong balance sheet and this is represented by a portfolio of listed investments. Although the investment value at 31 March 2021 has increased significantly due to markets recovering from the initial effects of the pandemic, conditions remain volatile and as such the Trustees will continue to monitor this and act accordingly.

**22. Controlling party**

In the opinion of the Trustees there is no ultimate controlling party of the charitable company.