
DEWAR ARTS AWARDS
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

DEWAR ARTS AWARDS
(A company limited by guarantee)

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DEWAR ARTS AWARDS
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees

A J Arnold (Resigned June 2022)
N J Catterall
R Doyle
Dr J Fagan
R J McEwan-Brown OBE
Sir B J McMaster (Resigned November 2021)
J Miller OBE (Chairperson)
Dr P T Rewt
J Sangster
R Stapleton
L A Thomson (Vice-Chair)
R Wishart (Resigned November 2021)

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

Bankers

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

DEWAR ARTS AWARDS
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2022

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

DEWAR ARTS AWARDS
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

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 2022. 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).

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 is not required.

Objectives and activities

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.

Achievements and performance

Review of activities

The Dewar Arts Awards have continued to adjust, operationally and strategically, in response to Covid restrictions, financial instability and the depth of the challenges that young people are experiencing in achieving their goal.

While most meetings were on Zoom this year, we were able to meet in Glasgow for our 30th November meeting and AGM. This took place in the Tron Theatre which proved a fitting venue to bid farewell to Ruth Wishart as she stepped down as Chair. Ruth has Chaired the Dewar Awards since its inception in 2002 and had overseen total awards of £5,780,650 to 1033 awardees. Ruth has pursued with a fierce passion the aim of dispersing the income from the trust fund to support talented young artists who do not have the financial means to pursue their ambitions and we are grateful for the contribution this has made and will continue to make to the Arts and Culture in Scotland. Sir Brian McMaster, a long-standing trustee, also resigned at the AGM and again we thank him for his knowledge and contribution to the work of the Dewar Awards. Jill Miller as Vice Chair is now installed as the Chair and Lesley Thomson has taken on the position of Vice Chair.

The Dewar Arts investment portfolio experienced a strong recovery from the depths of the coronavirus pandemic until late 2021, followed by a significant fall in value in early 2022. The Trustees remain committed to a long-term growth-focused investment strategy but are expecting more volatility in the coming year, given the pressures on inflation and supply chain issues due to the war in Ukraine. Nevertheless, we aim to continue to respond to applicants' needs when offering awards, rather than limiting the level of funds available. We employ a professional fund manager to invest our portfolio and manage the risks and opportunities of attractive long-term investments, cognisant of the importance of environmental, social and governance, as well as financial, assessment criteria.

Marketing and Communications remain an essential aspect of our work, not just to highlight success but to

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

ensure that the opportunity to apply reaches as many young people across Scotland as possible. A Subgroup of the Board has led the development of a new website making it more secure and user friendly. We continue to review the application form to make it easier to complete with a save and return facility. Rebecca Goldsmith, the Dewar Award Communication officer is currently on maternity leave and the role is being fulfilled by Clare Gunn, Website and Social Media Consultant.

In January the Chair had individual meetings with all trustees as part of a review of the work of the Dewar Awards. These meetings were extremely valuable and will shape the operational and development discussions going forward.

Financial review

Going concern

At the year end the charitable company had total reserves of £4,021,069. 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 manage reserves so as to balance current demands for grants with the need for capital growth in order to ensure the future availability of resources to fund charitable activities.

At 31 March 2022, the total reserves of the charitable company were £4,021,069 (2021 - £4,235,056) and all are unrestricted funds.

At 31 March 2022, the total designation funds of the charity were £30,000 (2021 - £30,000) this relates to funds received from the William Grant Foundation not yet utilised.

Results

The total income for the year was £93,084 (2021 -148,982).

The total expenditure for the year was £452,404 (2021 - £354,886). Included within expenditure on charitable activities are grants to individuals totalling £378,850 (2021 - £285,963). Further details of grants provided are included within note 8 to the accounts.

The net decrease in funds for the year was £213,987 (2021 - increase of £717,432) which includes net gains on investments of £145,333 (2021 - gain of £923,336). Net gain on investments represents £72,768 (2021 - gain of £836,325) of unrealised gain on revaluation of investments at the year end and £72,565 (2021 - gain of £87,011)

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Financial review (continued)

of realised gains on disposals of investments in the year.

At the year end the balance of unrestricted funds was £4,021,069 (2021 - £4,235,056).

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 £93,084 (2021 - £118,982) was earned from the portfolio. The income yield on the portfolio at the year-end was 2.2%, compared to a yield on the performance benchmark of 9.6%.

At the year end the carrying value of the investment portfolio was £4,212,630 (2021 - £4,417,282). The movement in the year represents net disposals from the portfolio in the year totalling £288,558 (2021 - £120,544) and a unrealised gain of £72,768 (2021 - unrealised gain of £836,325).

Over the 12 months ending 31 March 2022 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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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.

Risk assessment and management

The Trustees have assessed the major risk to which the charity is exposed in particular those relating 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 the 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 the 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

The Board will continue with the governance and assessment scheduled meetings throughout the year, however in addition there will be an Away Day for all Trustees to discuss the strategy and plan action for the future. Further changes to the application form will be developed to attract more diverse applicants and to explore further what support young people may need to ensure success.

The Marketing and Communications subgroup will review the marketing and communication plan and will implement a website and social media campaign for the dispersal of the William Grant funding. This will include wider communication with other funders such as The Robertson Trust and Institutions and organisations associated with creative learning and training. The Dewar Arts Awards will establish an Associates Network to grow the knowledge of the range of creative activity we are assessing and to provide the range of support young people may need to succeed.

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 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Auditor

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

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:

Jill Miller
(Chairperson)
Date:

DocuSigned by:
Jill Miller
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19 December 2022

DEWAR ARTS AWARDS
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of Dewar Arts Awards (the 'charitable company') for the year ended 31 March 2022 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 2022 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.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

DEWAR ARTS AWARDS
(A company limited by guarantee)

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

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:

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 charitable company through discussions with trustees and other management, and from our charity sector 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 charitable company, including the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, 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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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEWAR ARTS AWARDS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charitable 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;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- 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; and
- 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. This description forms part of our Auditor's report.

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

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.

DocuSigned by:

92CBED4C8C0F442...

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: 19 December 2022

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

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	3	-	-	30,000
Investments	4	93,084	93,084	118,982
Total income		93,084	93,084	148,982
Expenditure on:				
Raising funds	5	27,873	27,873	25,273
Charitable activities	6	424,531	424,531	329,613
Total expenditure		452,404	452,404	354,886
Net expenditure before net gains on investments		(359,320)	(359,320)	(205,904)
Net gains on investments		145,333	145,333	923,336
Net (expenditure)/income and net movement in funds		(213,987)	(213,987)	717,432
Reconciliation of funds:				
Total funds brought forward		4,235,056	4,235,056	3,517,624
Net movement in funds		(213,987)	(213,987)	717,432
Total funds carried forward		4,021,069	4,021,069	4,235,056

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
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REGISTERED NUMBER: SC233774

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Investments	13	4,212,630	4,417,282
Current assets			
Debtors	14	508	304
Cash at bank and in hand		70,242	67,754
		<u>70,750</u>	<u>68,058</u>
Creditors: amounts falling due within one year	15	(262,311)	(250,284)
Net current liabilities		(191,561)	(182,226)
Total net assets		<u>4,021,069</u>	<u>4,235,056</u>
Charity funds			
Unrestricted funds	16	4,021,069	4,235,056
Total funds		<u>4,021,069</u>	<u>4,235,056</u>

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:

DocuSigned by:

Jill Miller

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Jill Miller
(Chairperson)

Date: 19 December 2022

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

DEWAR ARTS AWARDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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. External factors such as the Covid-19 pandemic and war in Ukraine have impacted on the value of the charities investments and have 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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NOTES TO THE FINANCIAL STATEMENTS
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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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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 2022

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

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
William Grant Foundation	-	-	30,000
<i>Total 2021</i>	<u>30,000</u>	<u>30,000</u>	

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income - UK listed investments	62,443	62,443	81,809
Investment income - non-UK listed investments	30,641	30,641	37,173
	<u>93,084</u>	<u>93,084</u>	<u>118,982</u>
<i>Total 2021</i>	<u>118,982</u>	<u>118,982</u>	

DEWAR ARTS AWARDS
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NOTES TO THE FINANCIAL STATEMENTS
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5. Expenditure on raising funds

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment management fees	27,873	27,873	25,273
<i>Total 2021</i>	25,273	25,273	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grant making	424,531	424,531	329,613
<i>Total 2021</i>	329,613	329,613	

7. Analysis of expenditure by activities

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grant making	378,850	45,681	424,531	329,613
<i>Total 2021</i>	285,963	43,650	329,613	

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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Wages and salaries	22,000	22,000	20,885
Office and administration expenses	2,275	2,275	4,137
Website costs	8,752	8,752	6,816
Accountancy fees	6,464	6,464	6,599
Bank charges	30	30	30
Governance costs	6,160	6,160	5,183
	<u>45,681</u>	<u>45,681</u>	<u>43,650</u>
<i>Total 2021</i>	<u>43,650</u>	<u>43,650</u>	

8. Analysis of grants

	Grants to Individuals 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Awards made	378,850	378,850	285,963
<i>Total 2021</i>	<u>285,963</u>	<u>285,963</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. Analysis of grants (continued)

Analysis of awards

	2022 £	2021 £
Music	193,600	143,814
Theatre	82,500	54,600
Craft	27,600	63,000
Dance	75,150	5,549
Film	-	14,000
Literature	-	5,000
	<u>378,850</u>	<u>285,963</u>

The charitable company awarded 12 (2021 - 23) single year awards ranging between £200 and £10,000 (2021 - £154 and £9,600) and 23 (2021 - 15) multi-year awards ranging between £2,000 and £12,000 (2021 - £1,300 and £9,250) during the year.

The above grants are stated net of credits totalling £nil (2021 - £56,700) 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 2022/23 year totalling £193,600 (2021/22 - £182,800).

The amount owed in respect of grants at 31 March 2022 is detailed in note 15 and represents the grants committed for 2021/22 year and the grants approved during the year which remain unpaid at the year end.

9. Gains and losses on investments

	2022 £	2021 £
Unrealised gains/(losses) on investments	72,768	836,325
Realised gains/(losses) on disposals of investments	72,565	87,011
	<u>145,333</u>	<u>923,336</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Auditor's remuneration

	2022	<i>2021</i>
	£	£
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	5,236	<i>4,980</i>
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	6,464	<i>6,599</i>
	<u><u> </u></u>	<u><u> </u></u>

11. Staff costs

	2022	<i>2021</i>
	£	£
Wages and salaries	22,000	<i>20,885</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:

	2022	<i>2021</i>
	No.	No.
	1	<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 (2021 £nil).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

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FOR THE YEAR ENDED 31 MARCH 2022

13. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2021 (as previously stated)	4,369,108
Prior year adjustment (see note below)	48,174
	4,417,282
At 1 April 2021 (as restated)	4,417,282
Additions	1,128,976
Disposals	(1,406,396)
Revaluations	72,768
	4,212,630
At 31 March 2022	4,212,630
 Net book value	
At 31 March 2022	4,212,630
<i>At 31 March 2021 (as restated)</i>	4,417,282

Investments at market value comprise:

	2022 £	<i>As restated 2021 £</i>
UK listed investments	2,208,304	2,360,234
Overseas listed investments	1,945,014	2,008,874
Cash held within the investment portfolio	59,312	48,174
	4,212,630	4,417,282

The historic cost of listed investments is £3,549,929 (2021 [as restated] - £3,623,714).

The prior year comparative figure has been restated to include cash held within the investment portfolio as part of fixed asset investments rather than as part of cash at bank and in hand. The restatement has no impact on the funds of the charity.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. Debtors

	2022 £	2021 £
Prepayments and accrued income	508	304

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Grants payable	248,550	236,450
Accruals	13,761	13,834
	262,311	250,284

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
William Grant Foundation	30,000	-	-	-	-	30,000
General funds						
General Funds	3,411,488	93,084	(452,404)	203,635	72,565	3,328,368
Revaluation reserve	793,568	-	-	(203,635)	72,768	662,701
	4,205,056	93,084	(452,404)	-	145,333	3,991,069
Total Unrestricted funds	4,235,056	93,084	(452,404)	-	145,333	4,021,069

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£	£
Unrestricted funds						
William Grant Foundation	-	30,000	-	-	-	30,000
General funds						
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>
Total Unrestricted funds	<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>

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17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	30,000	-	-	-	-	30,000
General funds	4,205,056	93,084	(452,404)	-	145,333	3,991,069
	<u>4,235,056</u>	<u>93,084</u>	<u>(452,404)</u>	<u>-</u>	<u>145,333</u>	<u>4,021,069</u>

Summary of funds - prior 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>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	4,153,318	4,153,318
Current assets	130,062	130,062
Creditors due within one year	(262,311)	(262,311)
Total	<u>4,021,069</u>	<u>4,021,069</u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>As restated</i> <i>Unrestricted</i> <i>funds</i> <i>2021</i> £	<i>Total</i> <i>funds</i> <i>2021</i> £
Fixed asset investments	4,417,282	4,417,282
Current assets	68,058	68,058
Creditors due within one year	(250,284)	(250,284)
Total	<u>4,235,056</u>	<u>4,235,056</u>

19. 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:

	2022 £	<i>As restated</i> <i>2021</i> £
Payment possible in more than one year	<u>69,800</u>	<u>79,350</u>

20. Controlling party

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