

Registered number: SC233774
Charity number: SC033216

DEWAR ARTS AWARDS
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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 CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees

A J Arnold
A Neilson (Deceased 2 May 2019)
Sir B J McMaster
Dr R Wishart
Dr P T Rewt
L A Thomson
R W Chester MBE
J Miller OBE
N J Catterall
J Sangster
R J McEwan-Brown OBE
R Doyle

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 auditors

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

DEWAR ARTS AWARDS
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019

Advisers (continued)

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

DEWAR ARTS AWARDS
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Trustees (who are also directors of the charity for the purposes of the Company Law) present their annual report together with the audited financial statements of the charity Dewar Arts Awards (the charity) for the year ended 31 March 2019.

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the 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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Dewar Arts Awards, which is a recognised charity in Scotland is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 27 June 2002.

Trustees

The trustees were shocked and deeply saddened by the sudden death of Anne Neilson in May 2019.

She was a much valued and compassionate colleague on whom we could always rely for a common sense approach to our deliberations. She will be much missed.

Method of appointment or election of Trustees

The management of the charity 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 charity 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 charity 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.

DEWAR ARTS AWARDS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Risk assessment and management

The Trustees do not have a formal process for risk assessment and do not maintain a risk register however, the risks impacting the charity are discussed regularly at trustees meetings and decisions taken to mitigate the risks impacting the charity and its activities.

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

1. 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 charity's investment portfolio.

2. 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 Board meeting along with the value of remaining funds reported by Brewin Dolphin.

3. Improper payment or misuse of grants awarded

Grants awarded are paid based on documented Board 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.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity 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.

DEWAR ARTS AWARDS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Mindful of the commitment we made in our 15 year report, the trustees have kept the criteria for awards under constant review.

They do this by scheduling specific agenda items devoted to various aspects of our work including the changing status of those institutions favoured by applicants, and whether or not those who facilitate art and performances should be eligible in addition to individual practitioners.

This arose after decisions to fund a museum curator and a theatre director.

Amongst the consensual conclusions reached over the last year was the determination that each application should be regarded on its own merits, and that in order to maintain our flexibility we should continue to impose the minimum of bureaucracy compatible with good governance and fiscal accountability.

As part of our determination to cement and grow partnerships, we have strengthened our relationships with the Royal Conservatoire, and the Robertson Trust to whom we are able to refer exceptional candidates whose financial situation makes them ineligible for a Dewar award.

We are aware we have to endeavour to spread a wider net with regard to attracting more applications from areas where there may not have been much emphasis on arts education. We are also anxious to boost the development of young Scottish artists, whilst erecting no barrier to those who have made a commitment to study and work in Scotland.

On the business side of Dewar Arts, our administrator has introduced and refined our GDPR policy and procedures amending our website to reflect new arrangements and guidance on personal data management.

She has also – after no little effort – introduced an upgraded and secure commercial banking system, which has been of great benefit to those trustees tasked with signing off awards and expenses.

Our portfolio continues to be managed by Brewin Dolphin who have been assiduous in keeping trustees informed of new risks and challenges in a volatile financial climate.

FINANCIAL REVIEW

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity 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.

Reserves policy

The charity 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 charity'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 2019, the total reserves of the charity were £4,254,258 (2018 - £4,399,605) and all are unrestricted funds.

DEWAR ARTS AWARDS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Results

The total income for the year was £139,834 (2018 - £144,023).

The total expenditure for the year was £433,416 (2018 - £347,459). Included within expenditure on charitable activities are grants to individuals totalling £366,400 (2018 - £276,800). Further details of grants provided are included within note 7 to the accounts.

The net decrease in funds for the year was £145,347 (2018 - £317,398) which includes net gains on investments of £148,235 (2018 - losses of £113,962). Net gains on investments represents £77,299 (2018 - loss of £130,518) of unrealised gains/losses on revaluation of investments at the year end and £70,936 (2018 - £16,556) of realised gains on disposals of investments in the year.

At the year end the balance of unrestricted funds was £4,254,258 (2018 - £4,399,605).

Investments

The administration of the charity'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 charity whilst supporting the grant award decisions of the Trustees.

The charity's investment objectives are continually kept under review.

During the year, income of £139,834 (2018 - £144,023) was earned from the portfolio. The income yield on the portfolio at the year-end was 3.1%, compared to a yield on the performance benchmark of 2.7%.

At the year end the carrying value of the investment portfolio was £4,355,805 (2018 - £4,503,726). The movement in the year represents net disposals from the portfolio in the year totalling £225,220 (2018 - £212,809) and a unrealised gain of £77,299 (2018 - unrealised loss of £130,518).

Over the 12 months ending 31 March 2019 the portfolio was up 6.48% against the benchmark return of 6.92%, 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:

5% cash	7 day Libor
40% UK Equities	FTSE All Share (Total Return)
27.5% Overseas equities	FTSE All World ex UK (Total Return)
4% UK gilts	FTSE Govt. All Stocks (Total Return)
8.5% UK Corporate Bonds	iBoxx UK Sterling Corporates (Total Return)
4.5% property	IA Property TR
6.5% absolute return	IA Targeted Absolute Return (Total Return)

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Investments (continued)

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.

PLANS FOR FUTURE PERIODS

Future plans

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.

Further plans include the upgrading of our website, and the exploration of peer to peer mentoring by some of our alumnae.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Dewar Arts Awards 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

DISCLOSURE OF INFORMATION TO AUDITORS

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

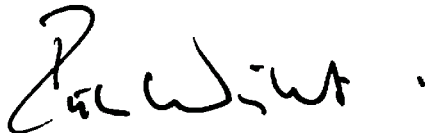
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

AUDITORS

French Duncan LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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

This report was approved by the Trustees, on 15th August 2019 and signed on their behalf by:



Dr R Wishart, Chairperson

DEWAR ARTS AWARDS
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF DEWAR ARTS AWARDS

OPINION

We have audited the financial statements of Dewar Arts Awards (the 'charity') for the year ended 31 March 2019 set out on pages 12 to 24. 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 2019 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 Auditors' 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

DEWAR ARTS AWARDS
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF DEWAR ARTS AWARDS

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 Auditors' 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 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) requires 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' remunerations specified by law 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
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF DEWAR ARTS AWARDS

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charity 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.

AUDITORS' 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 Auditors' 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.

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 Auditors' report.

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 Auditors' 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: 03/09/2019.

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

DEWAR ARTS AWARDS
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:				
Investments	2	139,834	139,834	144,023
TOTAL INCOME		<u>139,834</u>	<u>139,834</u>	<u>144,023</u>
EXPENDITURE ON:				
Raising funds	3	26,581	26,581	29,570
Charitable activities	4	406,835	406,835	317,889
TOTAL EXPENDITURE		<u>433,416</u>	<u>433,416</u>	<u>347,459</u>
NET EXPENDITURE BEFORE INVESTMENT GAINS/(LOSSES)				
Net gains/(losses) on investments		(293,582)	(293,582)	(203,436)
		<u>148,235</u>	<u>148,235</u>	<u>(113,962)</u>
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES				
		(145,347)	(145,347)	(317,398)
NET (EXPENDITURE) / INCOME AND MOVEMENT IN FUNDS				
		(145,347)	(145,347)	(317,398)
RECONCILIATION OF FUNDS:				
Total funds brought forward		4,399,605	4,399,605	4,717,003
TOTAL FUNDS CARRIED FORWARD		<u><u>4,254,258</u></u>	<u><u>4,254,258</u></u>	<u><u>4,399,605</u></u>

The notes on pages 14 to 24 form part of these financial statements.

There were no recognised gains and losses for 2019 or 2018 other than those included in the Statement of Financial Activities.

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

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Investments	13		4,355,805		4,503,726
CURRENT ASSETS					
Debtors	14	364		289	
Cash at bank and in hand		138,834		94,408	
		<u>139,198</u>		<u>94,697</u>	
CREDITORS: amounts falling due within one year	15	<u>(240,745)</u>		<u>(198,818)</u>	
NET CURRENT LIABILITIES			<u>(101,547)</u>		<u>(104,121)</u>
NET ASSETS			<u>4,254,258</u>		<u>4,399,605</u>
CHARITY FUNDS					
Unrestricted funds	16		<u>4,254,258</u>		<u>4,399,605</u>
TOTAL FUNDS			<u>4,254,258</u>		<u>4,399,605</u>

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and constitute the annual financial statements required by the Companies Act 2006 and for circulation to the members.

The financial statements were approved and authorised for issue by the Trustees on 15th August 2019 and signed on their behalf, by:



Dr R Wishart, Chairperson

The notes on pages 14 to 24 form part of these financial statements.

DEWAR ARTS AWARDS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

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

1.1 Company status

The charity is a company limited by guarantee and the registered office is 56 Palmerston Place, Edinburgh, EH12 5AY.

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

1.2 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 2015) - (Charities SORP (FRS 102)) as amended by Bulletin 1, the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

1.3 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 charity 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.

DEWAR ARTS AWARDS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income, including dividends received, is recognised once the charity 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 charity 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 charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity 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 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 company of the item is probable and that economic benefit can be measured 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 company which is the amount the 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.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.6 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 charity.

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

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

DEWAR ARTS AWARDS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (continued)

1.7 Grants

Grants payable are charged in the year when the offer is made except in those cases where 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.

1.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance sheet date, unless fair 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 shown in the heading 'Gains/(losses on investments' in the Statement of financial activities.

1.9 Debtors

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

1.10 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.

1.11 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.

1.12 Financial instruments

The charity 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.

DEWAR ARTS AWARDS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income - UK listed investments	99,080	99,080	110,162
Investment income - non-UK listed investments	40,754	40,754	33,861
	<u>139,834</u>	<u>139,834</u>	<u>144,023</u>
<i>Total 2018</i>	<u>144,023</u>	<u>144,023</u>	

3. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment management fees	26,581	26,581	29,570
<i>Total 2018</i>	<u>29,570</u>	<u>29,570</u>	

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2018 £
Resources directly expended on charitable activities (note 6)	400,987	311,542
Governance costs (note 9)	5,848	6,347
Total	<u>406,835</u>	<u>317,889</u>

DEWAR ARTS AWARDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Grant making	400,987	400,987	311,542
<i>Total 2018</i>	<u>311,542</u>	<u>311,542</u>	

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities 2019 £	Support costs 2019 £	Total 2019 £	<i>Total 2018 £</i>
Grant making	366,400	34,587	400,987	311,542
<i>Total 2018</i>	<u>276,800</u>	<u>34,742</u>	<u>311,542</u>	

7. GRANTS TO INDIVIDUALS

	Number	Total 2019 £	Number	<i>Total 2018 £</i>
Awards made	48	366,400	45	276,800

DEWAR ARTS AWARDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Analysis of awards

	2019 £	2018 £
Music	207,900	167,600
Theatre	20,000	(2,000)
Craft	54,000	37,500
Dance	76,500	43,400
Film	3,000	19,000
Literature	5,000	11,300
Total	366,400	276,800

The charity awarded 20 (2018 - 25) single year awards ranging between £1,000 and £11,700 (2018 - £300 and £5,000) and 28 (2018 - 20) multi-year awards ranging between £1,300 and £9,500 (2018 -£400 and £9,500) during the year.

The above grants are stated net of credits totalling £32,900 (2018- £22,500) 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 2019/20 year totalling £187,900 (2018 - £126,400).

The amount owed in respect of grants at 31 March 2019 is detailed in note 15 and represents the grants committed for 2019/20 year and the grants approved during the year which remain unpaid at the year end.

8. SUPPORT COSTS

	Grant making £	Total 2019 £	Total 2018 £
Office and administration expenses	3,088	3,088	2,920
Website costs	5,474	5,474	5,316
Accountancy fees	6,495	6,495	6,262
Bank charges	30	30	61
Wages and salaries	19,500	19,500	20,183
	34,587	34,587	34,742
<i>Total 2018</i>	<i>34,742</i>	<i>34,742</i>	

DEWAR ARTS AWARDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

9. GOVERNANCE COSTS

	Unrestricted funds 2019 £	<i>Total funds 2018 £</i>
Auditors' remuneration	4,800	4,725
Costs of Trustees' meetings	1,048	1,622
	5,848	6,347

10. NET INCOME/(EXPENDITURE)

During the year, no Trustees received any remuneration (2018 - £NIL).
During the year, no Trustees received any benefits in kind (2018 - £NIL).
During the year, no Trustees received reimbursement of expenses of £nil (2018 - £NIL).

11. AUDITORS' REMUNERATION

	2019 £	<i>2018 £</i>
Fees payable to the charity's auditor for the audit of the charity's annual accounts (net)	4,000	3,750
Fees payable to the charity's auditor in respect of:		
Accountancy services (net)	5,191	4,978
Payroll (net)	222	222
	9,413	8,950

12. STAFF COSTS

Staff costs were as follows:

	2019 £	<i>2018 £</i>
Wages and salaries	19,500	20,184

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

	2019 No.	<i>2018 No.</i>
	1	1

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 (2018 - £nil).

DEWAR ARTS AWARDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

13. FIXED ASSET INVESTMENTS

	Listed securities £
Market value	
At 1 April 2018	4,503,726
Additions	963,689
Disposals	(1,188,909)
Revaluations	77,299
	4,355,805
At 31 March 2019	4,355,805
Historical cost	3,926,892

Investments at market value comprise:

	UK	Overseas	2019	2018
	£	£	£	£
Listed investments	2,665,450	1,690,355	4,355,805	4,503,726

14. DEBTORS

	2019	2018
	£	£
Prepayments and accrued income	364	289

15. CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Grants payable (see note 7 for further details)	226,200	185,000
Accruals	14,545	13,818
	240,745	198,818

DEWAR ARTS AWARDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Unrestricted funds						
General Funds	3,814,263	139,834	(433,416)	233,729	70,936	3,825,346
Revaluation reserve	585,342	-	-	(233,729)	77,299	428,912
	<u>4,399,605</u>	<u>139,834</u>	<u>(433,416)</u>	<u>-</u>	<u>148,235</u>	<u>4,254,258</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 £
General funds						
General Funds	4,020,754	144,023	(347,459)	(19,611)	16,556	3,814,263
Revaluation reserve	696,249	-	-	19,611	(130,518)	585,342
	<u>4,717,003</u>	<u>144,023</u>	<u>(347,459)</u>	<u>19,611</u>	<u>(113,962)</u>	<u>4,399,605</u>

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2019 £
Unrestricted funds	<u>4,399,605</u>	<u>139,834</u>	<u>(433,416)</u>	<u>148,235</u>	<u>4,254,258</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2018 £
Unrestricted funds	<u>4,717,003</u>	<u>144,023</u>	<u>(347,459)</u>	<u>(113,962)</u>	<u>4,399,605</u>

DEWAR ARTS AWARDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £
Fixed asset investments	4,355,805
Current assets	139,198
Creditors due within one year	(240,745)
	<hr/> 4,254,258 <hr/>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2018 £</i>
Fixed asset investments	<i>4,503,726</i>
Current assets	<i>94,697</i>
Creditors due within one year	<i>(198,818)</i>
	<hr/> <i>4,399,605</i> <hr/>

DEWAR ARTS AWARDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

18. CONTINGENT LIABILITIES

In addition to the grants accrued in Note 16, 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:

	2019	2018
	£	£
Payment possible in more than one year	<u>143,900</u>	<u>141,900</u>

19. CONTROLLING PARTY

In the opinion of the trustees there is no ultimate controlling party of the charity.