

Registered Charity:
England & Wales 1186893
Scotland SC050216

THE SCOPS ARTS TRUST
TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2022

THE SCOPS ARTS TRUST

TRUSTEES ANNUAL REPORT and FINANCIAL STATEMENTS

For the year ended 31 December 2022

Legal and administrative information

Trustees

Christopher Arnold (Chair)
Jane Reid (resigned 4 July 2022)
Sarah Cowper
Sophie Fuller
Nicholas Salisbury
Barbara Arnold
Justin Kitson (appointed 4 July 2022)

Trust Administrator

Maureen McKellar

Registered Address

Chiene + Tait LLP
61 Dublin Street
Edinburgh
EH3 6NL

Auditors

Chiene + Tait LLP
Chartered Accountants
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Investment Managers

Quilter Cheviot
4th Floor
The Pinnacle
73 King Street
Manchester
M2 4NG

Evelyn Partners
45 Gresham Street
London
EC2V 7BG

THE SCOPS ARTS TRUST

TRUSTEES REPORT

For the year ended 31 December 2022

Introduction

I have recently been listening to the BBC Radio 4 series 'Rethinking Music'. This highlights the serious reduction in music education opportunities in the UK today and the resultant detrimental effect on people's well-being and quality of life.

This is just one of the gaps which Scops Arts Trust tries to fill.

Scops Arts Trust has this past year invited, considered and awarded over £676,000 to new and existing grantees across a wide spectrum of the arts.

It is fair to say that the average level of individual grants has dropped compared to previous years but this enables us to reach a wider audience with lots of interesting projects throughout the UK. We are pleased to note an increasing number of applications for projects working with adults and also regional arts festivals, as these were areas of interest in 2022.

Reports and photos from grant recipients continue to provide heart-warming and uplifting evidence of the real-life stories behind the statistics – please keep them coming!

My continuing thanks go to my co-trustees who work tirelessly in assessing grant applications, contacting the applicants and, most importantly, building up a relationship with them throughout the lifetime of their grant.

In particular, I would like to pay tribute to founding Trustee Jane Reid who retired this year from the Board. Jane was a good friend of our benefactor Tony Wingate and provided invaluable insight into the type of projects which would have appealed to Tony. I would also like to welcome to the Board Justin Kitson, a talented musician and lawyer based in Yorkshire.

Thanks again to our Administrator Maureen who continues to guide us and develop a comprehensive database which helps us to track our grant giving as we move forward.



Chris Arnold
Chair of Trustees

THE SCOPS ARTS TRUST

TRUSTEES REPORT

For the year ended 31 December 2022

The Trustees hereby submit their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019.

Objectives and Activities

The objects of the Scops Arts Trust (the **Trust**) are:

- (i) to enhance public access to, education about, and appreciation of the arts, in particular the performing arts; and
- (ii) such other charitable purposes as the Trustees in their absolute discretion from time to time think fit.

The Trust furthers its charitable purposes for the public benefit through its grant-making policy which aims to give people of all ages a better quality of life by enabling them to understand, participate in and enjoy the arts, particularly music, drama, opera and dance. For example, the Trust makes grants to charities and other appropriate organisations which are dedicated to improving the provision and quality of music education in schools, increasing access to the arts, and supporting arts events in areas of the country where they are not usually to be found.

- Grants will be made to a wide range of organisations across the UK, and potentially in Switzerland.
- The Trustees are particularly keen to help small-to-medium-sized organisations, although large UK-wide charities are not excluded from applying.
- The Trust can only make grants to support charitable activity.
- Applications for funding must ordinarily come from charities operating in the UK and registered with a UK charity regulator; in exceptional cases non-registered organisations, such as social enterprises and other established community groups will be considered, but they must have a charitable purpose.
- Applications must present a strong case for support, clearly explaining what they will do with the grant, who will benefit and how they know that the work they are proposing will make a difference to the beneficiaries.
- To ensure the Trust's resources are used solely to further its charitable objectives, and it can report on the impact of grants, the Trustees normally expect that all grants will have one to three measurable objectives agreed at the beginning of the funding period as part of the grant offer.
- Awards may be made as one-off grants or as annual grants for up to 3 years.
- There is no upper limit, but applicants are asked to be mindful of the Trust's average grant size.

Grant requests which the Trustees will not normally support are:

- Projects with the primary purpose of health, therapy or social welfare
- Contributions to general appeals
- Religious activity which is not for wider public benefit
- Public bodies to carry out their statutory obligations
- Activities which have already taken place
- Grant-making by other organisations
- Privately owned and profit-distributing companies
- Individuals

THE SCOPS ARTS TRUST

TRUSTEES REPORT (continued)

For the year ended 31 December 2022

Objectives and Activities (continued)

The Trust's interests over the period to December 2022 have been in supporting organisations run by committed and passionate individuals to deliver projects that:

- Widen access to the performing arts and have a lasting cultural impact on the community
- Enhance the provision and quality of music education in schools and/or engage children and young people in music outside of school
- Encourage local arts festivals in remoter areas of the country.

Grant-making processes

Full grant guidelines are contained on the Trust's website [Grant Guidelines - Scops Arts Trust](#) but they can be summarised as follows.

All eligible grant requests will go through a five-stage process as follows:

1. A Stage 1 application should be submitted following an eligibility check on the Trust's website. Alternatively, a Trustee can propose an organisation and invite them to apply.
2. Completion of an application form by the applicant.
3. Assessment of application form and where necessary, further enquiries made.
4. Discussion and approval/rejection by the Trustees at one of their 3 Board meetings each year.
5. Due diligence checks on the organisation's governance and finance.

Achievements and Performance

Background

The Trust was founded with an endowment from the late Tony Wingate (d.2017) who was a teacher and Justice of the Peace with a great love of the arts. During his lifetime he supported many organisations in various sectors and he left the majority of his estate to charity or charities which enhance public access to, education about, and appreciation of the arts, in particular the performing arts.

Establishment of charity

Scops Arts Trust achieved charitable status in England & Wales in December 2019 and in Scotland in June 2020.

Grants awarded 2022

During the period the Trust received around 300 Stage 1 applications. Of these, 83 were invited to submit a Stage 2 application form. The Trust awarded new grants to 53 organisations, ranging from £1,000 to £15,000 per year. Of these 53 new grantees, 32 received a one-off grant award and 21 received a pledge of a two-year or three-year grant award.

Monetary amounts (per annum)

38 grants were £10,000 and under

5 grants were between £10,001 and £15,654

The above grant awards were in addition to the payment of existing multi-year grants.

Some examples of these grants are contained on the website [Current Grants - Scops Arts Trust](#).

THE SCOPS ARTS TRUST

TRUSTEES REPORT (continued)

For the year ended 31 December 2022

Financial Review

The Trust funds at 31 December 2022 amounted to £10,974,799 (2021: £13,051,808) as detailed in the attached financial statements.

During the financial period a further £263,716 of investment income was received. Grants totalling £676,081 were awarded, as detailed in the statement of financial activities, with a further £109,732 of investment management and support costs incurred. This distribution is in line with the expected absolute annual return on the Trust's invested assets (now £10.8m approx.)

Total expenditure amounted to £785,813 (2021: £718,948) for the period, and after investment losses of £1,554,912 (2021: £980,695 gain), there was a deficit of £2,077,009 (2021: £989,145 surplus) for the year to 31 December 2022. It is worth pointing out however that the investment losses were due to the general downturn in the stock market and that the majority are 'unrealised'. Since the year end the market has recovered somewhat and hopefully 2023 will generally see a better performance.

Asset Policy

The intention of the Trustees is to maintain the capital assets at approximately the same level for the foreseeable future and therefore to distribute the income and capital gain which has arisen during the quarter preceding the current funding round. Now that funds are fully invested (apart from cash reserves) the Trust's assets are expected to grow (barring a stock market crash) and therefore payments can ordinarily be made out of actual rather than anticipated income.

This reduces the overall risk to the sustainability of the Trust and the Trustees have not identified any material risks to the viability of the Trust at this time.

Investment Policy

The Trustees agreed an Investment Policy in June 2020 extracts of which are set out below. The Trust appointed two sets of Investment Managers, namely Quilter Cheviot in June 2020 and Smith & Williamson (now Evelyn Partners) in September 2020. Each of these firms has been entrusted with £5.5million to invest on behalf of the Trust.

Closing Reserves Levels

The Trustees have reviewed the cash reserves in place at the year-end and the forward-funding commitments and are satisfied that there are no material uncertainties with respect to going concern.

Investment Policy

Purpose

The main objectives for the charity's investment portfolio are to:

- *preserve the charity's reserves in real terms*
- *deliver a reasonable overall total return*
- *provide sufficient liquidity to fund cash flow shortfalls and any unfunded commitments*

Cash Reserves policy

Free cash reserves will be held in Scops' Bank Account to cover 12 months running costs of Scops and grant commitments from time to time. Grants are generally committed to on a three-year basis and held as designated funds.

Investment objective

Longer-term assets (reserves) will be invested with the aim of at least maintaining the value or purchasing power in real terms (i.e. against inflation).

Total return target

The total return target for the investment portfolio has been set at inflation (from time to time) plus 2.5% p.a. net of fees. This implies a nominal target of 8.7 %p.a. assuming the Bank of England's official 6.2 % target for CPI inflation (as at March 2022).

Income requirement

There is no specific income requirement. However, the Trustees expect the investments to generate a reasonable level of income, as income forms an important component part of the overall total return.

THE SCOPS ARTS TRUST

TRUSTEES REPORT (continued)

For the year ended 31 December 2022

Time horizon

The time horizon for the investment portfolio is considered to be long term (i.e. more than five years). The longer-term investment portfolio should be invested in assets that are easily realisable in normal market conditions.

Ethical and other constraints

In principle the Board wish to be responsible investors. Environmental, social and governance (ESG) criteria are a set of standards for a company's operations which socially conscious investors, such as Scops, consider when reviewing their investments.

- *Environmental criteria consider how a company performs as a steward of nature.*
- *Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates.*
- *Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.*

Therefore the Investment Manager is expected to take account of ESG issues in its investment analysis and decision-making processes and engage with the Board when appropriate.

As a guide the Board wish to avoid investments which generate more than 10% of their revenue from tobacco, arms, gambling and/or pornography. The Trustees accept that some collective investment schemes may have exposure to these stocks and the Investment Manager will monitor the position of these collective investment schemes to ensure this is kept to a minimum. In any event the Investment Manager should identify in their its reporting any investments which fall into the above sectors.

Where possible, without substantially harming investment performance, investment should be made in companies seeking to provide solutions for a cleaner and more sustainable future.

Risk tolerance

A reasonable level of capital volatility within the investment portfolio is considered by the Trustees to be acceptable given the charity's risk and return objectives but the portfolio should be well diversified across asset classes and individual investments should be in line with a standard medium risk profile.

Ability to bear loss

The charity has a 'moderate' ability to bear investment losses. In extreme circumstances, falls in the value of the portfolio of up to 35% would not have a material impact on the charity's overall financial position and commitments.

Currency

Scops' liabilities are primarily in sterling therefore the Investment Manager is expected to be mindful of this fact when investing the charity's assets.

Approach to investment

The Trustees have a preference for direct investment where possible. However, it is understood that collective investment schemes will be used to provide the most efficient means to access a particular markets or asset classes and for reasons of diversification.

Monitoring

The Trustees will arrange regular meetings at least annually with its Investment Manager to monitor performance of the fund and to consider any other regulatory changes.

Risk Management

The principal risks faced by the Trust lie in (i) the performance of investments and (ii) operational risks from ineffective grant-making.

- (i) *The financial risk is mitigated by retaining expert investment managers and having a diversified investment portfolio. The Trustees manage the permanent endowment on a total return basis. The Trustees consider that the use of a total return approach helps stabilise the resources available for grant-making, thereby facilitating multi- year grants.*

THE SCOPS ARTS TRUST

TRUSTEES REPORT (continued)

For the year ended 31 December 2022

Risk Management (continued)

- (ii) The operational risk from grant awards that are ineffective in enhancing public access to, education about, and appreciation of the arts, is managed by retaining trustees of sufficient skill and expertise and also through the charitable/public benefit nature of the organisations which we support. The process of reporting and ongoing review assists us, and those we support, in keeping track of how the grants are spent and the benefit which they produce.

Covid-19

Thankfully the worst effects of the Covid-19 pandemic appear to be behind us. However some grantees have had to adapt their way of operating. On a positive note, in many cases the use of online technology has meant that organisations now have access to a wider audience.

Plans for Future Periods

The Trustees have resolved to hold 3 funding rounds per calendar year, and as mentioned above to distribute a sum equivalent to the income/capital gain received in the quarter preceding the round in question. The focus for grant-giving from time to time is stated on the Trust's website. At present it states:

*"We are especially interested in supporting performing arts projects aimed at adults and projects which will benefit **all** ages across the generations, not only children. We would also be interested to hear from organisations planning smaller regional festivals in areas where there is little arts provision, due to socio-economic circumstances or geographically remote locations."*

This focus is kept continually under review and it does not prevent the Trustees from deciding to award grants to a worthy cause in an alternative sector.

Structure, governance and management

Constitution and Governing Document

The Trust was created by a Trust Deed dated 20 March 2019 as amended by Deed of Amendment dated 26 May 2020. The Trust Deed is the governing document. The Trust was registered as a charity with the Charity Commission in England and Wales from 11 December 2019, and with the Office of the Scottish Charity Regulator from 11 June 2020.

Recruitment and Appointment of New Trustees

The Trustees of the charity are selected from those people with an interest in the activities of the charity who have the appropriate skills and abilities. New Trustees are appointed by the existing Trustees.

The Trustees during the year and up until the approval of the financial statements are listed on page 1.

Induction and Training of New Trustees

New Trustees will be given information relating to the work of the charity and its governance and will be asked to read the guidance and good practice documents provided by the Charity Commission and Office of the Scottish Charity Regulator.

THE SCOPS ARTS TRUST**TRUSTEES REPORT (continued)****For the year ended 31 December 2022****Organisational Structure**

The charity has an active Board of Trustees (see page 1 above) who meet approximately once a quarter to consider relevant matters and financial reports. The day- to-day operational management of the charity has been delegated to an administrator Maureen McKellar who works an average equivalent of 7 days a month. Maureen has many years' experience in the charity sector and as well as processing applications and reporting to the Board, she has innovated with setting up the Trust's website and with a grantee database.

The key management personnel are the Trustees and also the Trust Administrator. The Trustees receive no remuneration, whilst the Administrator is appointed under a contract for services which contains daily rates appropriate to the work required for an organisation of this type.

Trustees' Responsibilities Statement

The Trustees 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).

The laws applicable to charities in England and Wales and Scotland require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust 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 Statement of Recommended Practice SORP 2019;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 Trust will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the Trust's Founding Deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON BEHALF OF THE TRUSTEES

Chris Arnold

Chris Arnold
Trustee

25 May 2023

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SCOPS ARTS TRUST



Opinion

We have audited the financial statements of The Scops Arts Trust for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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 charity's affairs as at 31 December 2022, and of its incoming resources and application of resources, for the period 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 Charities Act 2011, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charity'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.

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF**THE SCOPS ARTS TRUST (continued)****Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records or returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 8, the Trustees 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 charity'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 charity 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 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect.

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:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF**THE SCOPS ARTS TRUST (continued)****Auditor's responsibilities for the audit of the financial statements (continued)**

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the charitable company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the Trust Administrator and the Trustees;
- review of minutes of board meetings throughout the period;
- review of legal correspondence or invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

CHIENE + TAIT LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

25 May 2023

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Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE SCOPS ARTS TRUST**STATEMENT OF FINANCIAL ACTIVITIES****For the year ended 31 December 2022**

	Notes	2022 £	2021 £
Income and endowments from:			
Donations and legacies	2	-	500,000
Investments	3	263,716	227,398
		-----	-----
Total income		263,716	727,398
		-----	-----
Expenditure on:			
Raising funds	4	77,996	87,280
Charitable activities	5	707,817	631,668
		-----	-----
Total expenditure		785,813	718,948
		-----	-----
Net (expenditure)/income before (losses)/gains on investments		(522,097)	8,450
Net (losses)/gains on investments	9	(1,554,912)	980,695
		-----	-----
Net (expenditure)/income and net movement in funds		(2,077,009)	989,145
Reconciliation of funds			
Total funds brought forward	13	13,051,808	12,062,663
		-----	-----
Total funds carried forward	13	10,974,799	13,051,808
		=====	=====

The Charity has no recognised gains or losses other than those included in the Statement of Financial Activities.

All incoming resources and resources expended derive from continuing activities.

All funds are unrestricted.

The notes on pages 15 to 23 form part of these financial statements.

THE SCOPS ARTS TRUST**BALANCE SHEET****As at 31 December 2022**

	Notes	2022 £	2021 £
Fixed assets			
Investments	9	10,827,692	12,438,552
Current assets			
Debtors	10	39,440	31,681
Cash at bank and in hand		596,749	1,077,844
		-----	-----
Total Current assets		636,189	1,109,525
Liabilities			
Creditors falling due within one year	11	380,752	383,947
		-----	-----
Net Current assets		255,437	725,578
		-----	-----
Total assets less current liabilities		11,083,129	13,164,130
Creditors: amounts falling due after more than one year	12	(108,330)	(112,322)
		-----	-----
Net assets		10,974,799	13,051,808
		=====	=====
The funds of the charity:			
Unrestricted funds	13	10,974,799	13,051,808
		-----	-----
Total Charity funds	13	10,974,799	13,051,808
		=====	=====

25 May 2023

The financial statements were approved by the Trustees onand are signed on their behalf by:



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Chris Arnold
Trustee

The notes on pages 15 to 23 form part of these financial statements.

THE SCOPS ARTS TRUST**STATEMENT OF CASH FLOWS****For the year ended 31 December 2022**

	Notes	2022 £	2021 £
Cash used in operating activities	15	(800,759)	(132,821)
Cash flows from investing activities			
Interest and dividends		263,716	227,398
Proceeds from sales of investments		4,088,295	1,591,069
Equalisation		131	-
Movement in cash held as part of investment portfolio		(112,458)	85,096
Cost of investment acquisitions		(3,920,020)	(3,839,460)
Net cash provided by/(used in) investing activities		319,664	(1,935,897)
(Decrease)/increase in cash and cash equivalents in the period		(481,095)	(2,068,718)
Cash and cash equivalents at the beginning of the period		1,077,844	3,146,562
Cash and cash equivalents at the end of the period		596,749	1,077,844

Analysis of Changes in Net Debt:

	At 31 December 2021 £	Cash flows £	At 31 December 2022 £
Cash	1,077,844	(481,095)	596,749

The notes on pages 15 to 23 form part of these financial statements.

THE SCOPS ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1. Accounting Policies

Basis of preparation and assessment of going concern

The Trust is recognised as a Charity (No. 1186893) under the Charities Act 2011 in England and Wales and (No. SC050216) under the Charities and Trustee Investment (Scotland) Act 2005 in Scotland. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trust constitutes a public benefit entity as defined by FRS 102.

Going Concern

The financial statements have been prepared on a going concern basis. The Trust has faced challenges in relation to the impact of the war in the Ukraine, namely increased volatility in investment prices. The Trustees have considered the related risk therefrom and have assessed the Trust's ability to continue as a going concern and have reasonable expectation that there are adequate resources and reserves to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income is recognised once the Trust has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank. Dividends are recognised once received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is included on an accruals basis and is inclusive of irrecoverable VAT. Costs of raising funds consist of investment management fees. Support costs include governance costs which are costs of a constitutional, strategic or statutory nature with respect to the general running of the charity.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Financial instruments

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

THE SCOPS ARTS TRUST**NOTES TO THE FINANCIAL STATEMENTS (cont'd)****For the year ended 31 December 2022****1. Accounting Policies (contd.)****Financial assets classified as basic financial instruments**

Cash and cash equivalents include cash in hand, deposits held with banks, and other short term highly liquid investments with maturities of three months or less.

Trade and other debtors are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount expected to be receivable net of any impairment. Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments discounted at a market rate of interest.

At each reporting date the trust assesses whether there is objective evidence that any financial asset has been impaired. A provision for impairment is established when there is objective evidence that the trust will not be able to collect all amounts due. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities classified as basic financial instruments

Trade and other creditors and loans and borrowings are initially measured at transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount expected to be payable. Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments discounted at a market rate of interest.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the end and their carrying value.

Funds structure

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds have been split between income and capital with the capital funds representing the initial and subsequent capital sums donated together with realised and unrealised gains or losses on investments.

2. Voluntary income	2022	2021
	£	£
Legacies	-	500,000
	=====	=====
3. Investment income	2022	2021
	£	£
Dividends on UK listed investments	219,569	225,960
Foreign exchange gains on investments	3,060	1,438
Bank interest	530	-
Tax refund on investment income deducted at source	40,557	-
	-----	-----
	263,716	227,398
	=====	=====

THE SCOPS ARTS TRUST**NOTES TO THE FINANCIAL STATEMENTS (cont'd)****For the year ended 31 December 2022**

4. Raising funds	2022	2021
	£	£
Investment management fees	77,996	87,280
	-----	-----
	77,996	87,280
	=====	=====
5. Charitable activities	2022	2021
	£	£
Grants (note 6)	676,081	607,574
Support costs (note 7)	21,017	16,685
Governance (note 8)	10,719	7,409
	-----	-----
	707,817	631,668
	=====	=====
6. Direct charitable expenditure	2022	2021
	£	£
Grants awarded and paid during the period (6a)	347,293	357,070
Grants pledged carried forward (6b)	328,788	250,504
	-----	-----
Total grants expended	676,081	607,574
	=====	=====
6a. Grants awarded and paid during the period	2022	2021
	£	£
<u>Regional Arts Festivals</u>		
MIRO	3,000	-
Presteigne Festival	10,000	-
St Magnus Festival	8,000	-
Hidden Door Arts	15,000	-
Peterborough Sings	5,000	-
Buxton Arts Festival	10,000	-
Creative Kernow	3,000	-
42 Degrees Music & Art	-	2,500
Arts Dream Selsey	-	5,000
Baroque in the North	-	2,588
Brockley Max Festival	-	3,200
Northern Opera Group	-	5,000
Friends of Thistleton	3,165	-
The Seagull Lowestoft	12,000	-
<u>Community Arts</u>		
Bare Productions	7,500	7,500
Ignite Imaginations	-	15,000
Rosehill Arts	-	7,500
Third Angel	-	9,740
Dalrymple & Skeldon Hollybush	3,000	-
	-----	-----
Carried over	79,665	58,028
	-----	-----

THE SCOPS ARTS TRUST**NOTES TO THE FINANCIAL STATEMENTS** *(cont'd)***For the year ended 31 December 2022**

6a. Grants awarded and paid during the period	2022	2021
	£	£
Brought forward	79,665	58,028
BOOK Music Lyrics	5,000	-
Lyth Arts Centre	10,000	-
Dumfries & Galloway Festival	5,000	-
An Lanntair	9,000	-
Callington Community Arts	6,000	-
Dundee Rep	5,000	-
Park Theatre	7,500	-
Birmingham Opera	10,000	-
Penicuik Community Arts	8,600	-
London Philharmonic	15,654	-
Span Arts	10,000	-
Music All Scotland	3,000	-
Exeter Phoenix	3,000	-
Dorchester Community Plays	2,000	-
<u>Dance</u>		
Birmingham Royal Ballet	10,000	10,000
Bristol Association of Neighbourhood	-	2,975
Fertile Ground	-	5,000
Pagrav Dance Company	-	5,000
<u>Music Education & Engagement (children)</u>		
Amscordi (IMS Prussia Cove)	-	10,000
Awards for Young Musicians	-	20,000
Ayrshire Fiddle Orchestra	-	3,000
Bristol Ensemble	-	5,000
Bromley Youth Music	-	7,222
Children's Music Foundation (Children's Classic Concerts)	-	10,000
Chiltern Arts	-	10,000
City of Birmingham Symphony	-	10,000
Clod Ensemble	-	5,000
Hatfield House Chamber Music	3,000	3,000
Kent Philharmonic Orchestra	-	8,000
Kids in the Spotlight	-	8,080
Leeds International Pianoforte Comp	-	15,000
Music Masters	-	10,000
Musical Boroughs Trust	-	7,990
Olympias Music Foundation	-	3,900
Open Up Music	-	10,000
Oxford Lieder	6,000	6,000
Royal Liverpool Philharmonic	-	10,000
Royal Northern College of Music	-	15,000
Sound and Music	-	10,000
St Georges Bristol	-	2,500
Ulster Orchestra	-	15,000
Lindow Ensemble	2,500	-
Carried over	200,919	285,695

THE SCOPS ARTS TRUST**NOTES TO THE FINANCIAL STATEMENTS (cont'd)****For the year ended 31 December 2022**

6a. Grants awarded and paid during the period	2022 £	2021 £
Brought forward	200,919	285,695
National Youth Jazz Orchestra	10,000	-
Sinfonia Cymru	2,500	-
The Aloud Charity	10,000	-
Hull Minster	10,000	-
<u>Music Education & teacher training (young adults)</u>		
Berkeley Ensemble		2,395
Liberty Consortium	5,000	-
<u>Community Music</u>		
Amersham Band	-	3,000
Broomhouse Centre	-	780
Glasgow Barons	-	10,000
Scottish Chamber Orchestra	-	10,000
Orchestras Live	15,000	-
Omni Music	4,725	-
The Telling	7,500	-
Royal Academy of Music	10,000	-
Medway Hindu Mandir	1,000	-
The Delphi Trust	1,000	-
Brass Bands England	7,500	-
Lomond & Clyde Community	1,564	-
Mirfield Choral Society	2,000	-
Dads Rock	5,000	-
Rehearsal Orchestra	5,000	-
Wakefield Cathedral	1,300	-
Forfar Instrumental Band	1,500	-
Ryedale Festival	5,000	-
SongEasel	2,500	-
Music & Theatre for All	8,000	-
Absolute Classics	12,000	-
Royal Scottish National Orchestra	5,000	-
Wiltshire Music	5,000	-
Thanet Big Sing	1,500	-
Northern Chamber Orchestra	6,785	-
<u>Other</u>		
2makeit	-	2,000
Brimpsfield Music Society	-	2,200
Deafblind Scotland	-	3,000
JMK Trust	-	14,000
Queen Alexandra College	-	4,000
Take Me Somewhere Festival	-	10,000
Young Peoples Puppet Theatre	-	10,000
	-----	-----
	347,293	357,070
	=====	=====

THE SCOPS ARTS TRUST**NOTES TO THE FINANCIAL STATEMENTS** *(cont'd)***For the year ended 31 December 2022**

6b. Grants pledged for payment in later years	2022	2021
	£	£
Andover Trees	-	5,000
Broomhouse Centre	-	780
Young Peoples Puppet Theatre	-	10,000
Amscordi (IMS Prussia Cove)	-	20,000
Awards for Young Musicians	-	40,000
Ayrshire Fiddle Orchestra	-	3,000
Ulster Orchestra	-	15,000
Brockley Max Festival	-	6,400
Olympias Music Foundation	-	7,800
Royal Northern College of Music	-	15,000
Northern Opera Group	-	10,000
Bromley Youth Music	-	14,444
Glasgow Barons	-	10,000
Scottish Chamber Orchestra	-	20,000
Royal Liverpool Philharmonic	10,000	20,000
Pagrav Dance Company	-	5,000
City of Birmingham Symphony	-	20,000
Kids in the Spotlight	-	8,080
Children's Music Foundation (Children's Classic Concerts)	-	20,000
Hatfield House Chamber Music	3,000	-
An Lanntair	8,000	-
Dundee Rep	10,000	-
Park Theatre	7,500	-
Birmingham Opera	10,000	-
National Youth Jazz Orchestra	20,000	-
Penicuik Community Arts	18,600	-
London Philharmonic	33,084	-
The Telling	7,500	-
Sinfonia Cymru	5,000	-
Span Arts	20,000	-
Royal Academy of Music	20,000	-
St Magnus Festival	12,000	-
Hull Minster	10,000	-
Dads Rock	10,000	-
Northern Chamber Orchestra	14,604	-
RSNO	10,000	-
Orchestras Live continuation	15,000	-
Ryedale Festival	10,000	-
Raw Material Music & Media	10,000	-
BOOK Music Lyrics	5,000	-
The Seagull Lowestoft	12,000	-
Rehearsal Orchestra	10,000	-
English Folk Dance & Song	22,500	-
INK	5,000	-
St Paul's Cathedral	5,000	-
Chiltern Arts	5,000	-
<i>Total grants pledged for payment in later years</i>	328,788	250,504

THE SCOPS ARTS TRUST**NOTES TO THE FINANCIAL STATEMENTS** *(cont'd)***For the year ended 31 December 2022**

7. Support costs	2022	2021
	£	£
Website and database costs	3,919	516
Bank charges and other administration fees	81	145
Administration costs	17,017	16,024
	-----	-----
	21,017	16,685
	=====	=====
8. Governance costs	2022	2021
	£	£
Auditors' remuneration		
- Audit fees	4,440	3,540
- Preparation of financial statements	3,480	3,180
Trustee Expenses	2,799	689
	-----	-----
	10,719	7,409
	=====	=====
9. Fixed Asset Investments	2022	2021
	£	£
Market value at 1 January 2022	12,220,715	8,991,629
Additions at cost	3,920,020	3,822,016
Reorganisation	(131)	17,446
Disposal proceeds	(4,088,295)	(1,591,069)
Net gains on revaluation at 31 December 2022	(1,554,912)	980,695
	-----	-----
Market value of Investments at 31 December 2022	10,497,397	12,220,715
	-----	-----
Cash held in investment portfolios at 31 December 2022	330,295	217,837
	-----	-----
Closing market value of investment portfolios at 31 December 2022	10,827,692	12,438,552
	=====	=====
Cost at 31 December 2022	10,754,197	10,758,042
	=====	=====

The investments held have been acquired in accordance with the powers set out in the Trust Deed.

THE SCOPS ARTS TRUST**NOTES TO THE FINANCIAL STATEMENTS** (cont'd)**For the year ended 31 December 2022****9. Fixed Asset Investments (continued)**

Holdings comprising of more than 5% of the market value of the listed investment portfolio at 31 December 2022 were as noted below:

	2022	2021
	£	£
Ishares IV Plc MSCI USA ESG Screened UCITS ETF	-	687,554
	=====	=====

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

10. Debtors and prepayments

	2022	2021
	£	£
Investment income receivable	39,440	31,681
	=====	=====

11. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Accountancy and audit fees	7,920	6,720
Administration charge	787	847
Investment management fees	19,265	20,948
Grants payable	352,780	355,432
	-----	-----
	380,752	383,947
	=====	=====

12. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Grants payable	108,330	112,322
	=====	=====

13. Analysis of net assets between funds

	Investments	Net Current Assets	Non-current Liabilities	2022 Total
	£	£	£	£
Unrestricted reserves	10,827,692	255,437	(108,330)	10,974,799
	=====	=====	=====	=====
	Investments	Net Current Assets	Non-current Liabilities	2021 Total
	£	£	£	£
Unrestricted reserves	12,438,552	725,578	(112,322)	13,051,808
	=====	=====	=====	=====

THE SCOPS ARTS TRUST**NOTES TO THE FINANCIAL STATEMENTS** *(cont'd)***For the year ended 31 December 2022****14. Related party transactions and key management personnel**

There were no related party transactions during the period. Trustees receive no remuneration for their service. Five trustees were reimbursed for travel expenses during the period to 31 December 2022 (3: 31 December 2021) amounting to £2,799 in aggregate (2021: £689).

Key management personnel are considered to be the Trustees, and the Trust Administrator. The remuneration of the Trust Administrator is shown as "Administration costs" in note 7 Support costs". The Trust has no employees.

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

	2022	2021
	£	£
Net movement in funds	(2,077,009)	989,145
Deduct income shown in investing activities	(263,716)	(227,398)
Deduct gains on investments	1,554,912	(980,695)
Increase in debtors	(7,759)	(26,473)
(Decrease)/increase in creditors	(7,187)	112,600
	-----	-----
Net cash (used in)/provided by operating activities	(800,759)	(132,821)
	=====	=====