

THE FRIEDA SCOTT CHARITABLE TRUST
(Dated 15th September 1962)

**TRUSTEES' ANNUAL REPORT
and
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31st MARCH 2022**

THE FRIEDA SCOTT CHARITABLE TRUST

Dated 15th September 1962 – Registered Charity No. 221593

Reference and administrative information

Trustees

Alison Alger

Richard D L Brownson – retired March 17th 2022

Stuart Fairclough

Simon Kirby

Vanda J Lambton

Hugo D Pring

Samuel A M Rayner

Samantha Scott (Chair)

Laura J Southern

Officers

Celia Forsyth – Trust Secretary

Helen Carter – Director

Craig Pennington – Finance Manager

Address

Stricklandgate House

92 Stricklandgate

Kendal

Cumbria LA9 4PU

Auditors

Dodd & Co Limited

FIFTEEN Rosehill

Montgomery Way

Rosehill Estate

CARLISLE CA1 2RW

Bankers

Barclays Bank plc

9 Highgate

Kendal

Cumbria LA9 4DF

Handelsbanken

Bridge Mills First Floor East

Stramongate

Kendal LA9 4BD

The Charities Official Investment Fund (COIF)

80 Cheapside

London EC2V 6DZ

Investment Advisers

Cazenove Capital (part of the Schroder Group)

1 London Wall Place

London EC2Y 5AU

Solicitors

Currey & Co.

33 Queen Anne Street

London W1G 9HY

THE FRIEDA SCOTT CHARITABLE TRUST

Dated 15th September 1962 – Registered Charity No. 221593

Trustees' Annual Report (for the year ended 31st March 2022)

The Trustees present their annual report and audited financial statements for the year ended 31st March 2022. Reference and administrative information set out on page 2 forms part of this report.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, the Charities Act 2011 and 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 the Republic of Ireland.

STRUCTURE, GOVERNANCE & MANAGEMENT

Overview

The Board of Trustees met three times during the year.

The Investment Committee of Trustees – comprising Stuart Fairclough (Chair), Hugo Pring, Sam Rayner and Simon Kirby – met three times during the year in order to monitor investment performance and discuss strategy. The meetings were attended virtually by representatives of the Trust's Investment Managers.

The Small Grants Committee met three times during the year to consider funding requests of £3,500 or less. The committee comprises four members: Richard Brownson (Chair), Vanda Lambton, Laura Southern and Alison Alger.

Samantha Scott and Alison Alger represented the interests of the Frieda Scott Charitable Trust on a Personnel Committee comprising Trustees from two other Trusts with whom the Trust shares personnel and office resources. This committee met three times during the year. From February 2022, Alison Alger Chaired this Committee.

The joint Finance & Risk Committee is comprised of Trustees from the Frieda and Francis Scott Trusts in recognition of the shared personnel and office resource which manage this on a day-to-day basis. The Frieda Scott Trust is represented on this Committee by Sam Rayner and Laura Southern. The committee meets jointly in the year to review internal controls, risk management and other elements of oversight relevant to both Trusts. Frieda Scott representatives also meet the Trust's Auditors twice during the year to plan for the Audit and to review findings and recommendations.

During the year, Stuart Fairclough and Hugo Pring were the FSCT's nominated representatives on the Brewery Arts Centre Endowment Trust (BACET) which was founded in 1997 with a significant grant of FSCT endowed funds.

As allowed by the Trust Deed (15.9.62), the Trust is a self-perpetuating body with Trustees alone being responsible for the appointment and retirement of Trustees. No Trustees were appointed during the year. Richard Brownson retired after 18 years on the Board. All at the Trust expressed their thanks for Richard's long standing and enthusiastic contribution.

The Chair of Trustees is responsible for the induction and, with the assistance of the Director, the training of new Trustees. An induction package is prepared for any new Trustee and includes the following: Copy of the Trust Deed, Grant Distribution framework, Investment Policy, Organisational Chart, Risk Assessment Report, most recent Annual Review of Grants Paid, Minutes from the last three Trustee meetings, most recent Accounts, Application Form and Guidelines. New Trustees are also referred to the Trust's website (www.friedascott.org.uk) and relevant guidance for Trustees published by the Charity Commission.

The Trust does not employ any staff directly; however, it does use the services of two part-time and one full time employees of another Trust (the Francis C Scott Charitable Trust). The Director's role in relation to the Trust is to line manage the Trust Secretary and provide advice and information to Trustees in relation to the Trust's strategy, Charity Commission guidelines and developments in the grant-making field and the voluntary/community sector.

THE FRIEDA SCOTT CHARITABLE TRUST

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Trustees' Annual Report (continued)

The total number of staff working for the Frieda Scott Charitable Trust, calculated on a full-time equivalent basis, was 0.85 during the year.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 2019 (FRS102);
- make judgements 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 charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity 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.

OBJECTIVES & ACTIVITIES

Constitution & History

The Trust was established by Deed of Trust dated 15.9.62 with the widest powers to distribute for charitable purposes. The Trust was registered as the Second Matson Ground Trust and was endowed with assets and property by Francis C Scott and his wife Frieda Scott. Between 1963 and 1976, further cash and investments were settled upon the Trust by the Francis C Scott Charitable Trust, by Francis C Scott himself and by his daughter Dr Joan Trevelyan.

Soon after Frieda Scott passed away in 1973, the Trust gained Charity Commission approval to change its name to the Frieda Scott Charitable Trust in recognition of her many years of support for charities addressing the most pressing needs and the arts in Westmorland. Successive generations of Trustees have honoured this legacy with a focus on funding a wide number of local community initiatives and charities supporting disadvantaged and vulnerable people.

Reflecting its legacy, the Trust's geographical focus has always been the former county of Westmorland, with the area covered by South Lakeland District being added to the beneficial area following the changes to the county boundaries implemented in 1974. The Trust's office is based in Kendal which served as the headquarters for the Scott family business (Provincial Insurance Company plc) for 76 years, the source of the endowed funds.

THE FRIEDA SCOTT CHARITABLE TRUST

Dated 15th September 1962 – Registered Charity No. 221593

Trustees' Annual Report (continued)

Grant making policy

The Trust is a long-standing supporter of local community groups and Trustees continue to welcome applications from organisations working on the ground to meet the most urgent needs in their area. Particular consideration is given to projects supporting the most disadvantaged and vulnerable in our society.

During a strategic review in December 2020, Trustees reaffirmed this policy and confirmed the following priority areas of support: Older people (particularly the vulnerable and isolated), people with disabilities, mental health needs and/or learning disabilities, children and young people (particularly the most disadvantaged), family support work, victims/survivors of domestic/sexual abuse, and substance misuse, prevention and rehabilitation of offenders, carers, village halls and community centres, improving access to services for rural communities, voluntary sector infrastructure and support, arts and sports projects where the primary objective is community benefit or the support of vulnerable groups, young people's uniformed groups.

Trustees will not usually support applications involving: retrospective funding, statutory bodies (including health and education), places of worship, the promotion of religion, individuals, expeditions, animal charities, wildlife/heritage/ environmental causes, museums, art galleries or national charities unless they have active local branches.

Details of the grant commitments made during FY2021/22 are listed in note 19 (p23-24).

Grant requests of up to £3,500 are considered separately, with a sub-committee of Trustees providing scrutiny and decision making, which is subsequently ratified by the Board. To provide a more equitable distribution of funds available, given the high number of villages in the beneficial area, refurbishments to village halls and communal play areas are restricted to an upper request limit of £3,500. All other priorities are in line with the main grants programme.

Activities

The Trustees are aware that any activity aimed at achieving the above policy must be proportionate to the annual distributable income of the Trust. More specifically:

- a) The Trust Secretary initially reviews all eligible applications for funding (made using the Trust's Application Form) and relevant financial information before corresponding with applicants to answer any questions and then submitting them to Trustees for their consideration.
- b) Where it is deemed necessary and appropriate, the Trust Secretary will arrange for one or more Trustees to visit applicants' projects to better understand the nature of their work/services.
- c) The Trust Secretary encourages appropriate organisations to apply to the Trust by:
 - attending funding fairs and funding advice workshops held at locations in the Trust's beneficial area
 - liaising with local advice bodies such as Cumbria CVS
 - encouraging enquiries and directing applicants to the Trust's website.

ACHIEVEMENTS & PERFORMANCE

Review of the Year

The Trust's investment portfolio is managed on a total return basis. The Trust received total investment income of £174,657 (2020/21: £152,702) during the year.

During 2021 the UK population, like many globally were required to limit public and social contact in order to contain the spread of Coronavirus, a global pandemic present throughout the reporting period.

THE FRIEDA SCOTT CHARITABLE TRUST

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Trustees' Annual Report (continued)

Whilst some grant holders were forced to pause their activity during these periods, many continued to deliver much needed support, adapting services to work digitally and expanding provision to meet additional needs, exacerbated by the pandemic.

Though Covid specific restrictions eased towards the end of the reporting period, charities and community organisations continued to raise concerns about knock on effects for the most vulnerable in society, in particular in relation to poor mental health and financial resilience.

Despite the limitations to normal life, the Trust continued its operations with little disruption, awarding 35 grants, totalling £381,880 (2020/21: £264,702). The total number of grants requested was higher than in the previous year but remained below pre Covid levels. Funds awarded were at their highest level, with the average grant size increasing by 19.5%. A small number of these include commitments for grants to be paid in future years.

Grants to Charitable Organisations	FY2021/22	FY 2020/21	FY 2019/20	FY2018/19	FY2017/18
Number of applications considered	37	34	48	47	50
Total value of funds requested	£408,448	£293,137	£451,502	£342,956	£398,575
Number of grants awarded	35	29	38	39	34 (including extraordinary grant)
Value of ordinary grants awarded	£381,880*	£264,702	£242,637	£224,326	£190,000
Extraordinary grant	-	-	-	-	£75,000
Percentage of applications awarded grants	95%	85%	79%	83%	68%
Average grant size (excluding extraordinary grants)	£10,910	£9,127	£6,385	£5,900	£5,760

*£45,000 of this figure was distributed on behalf of the Goodacre Benevolent Fund. Total funds awarded from Frieda Scott Trust funds were £336,880.

Public Benefit

The Trustees have given consideration to and confirm that the Trust's policy, activities and beneficial outcomes described in this Report ensure that the Trust meets both the spirit and the letter of the Public Benefit requirement as specified in Charity Commission guidance.

THE FRIEDA SCOTT CHARITABLE TRUST

Dated 15th September 1962 – Registered Charity No. 221593

Trustees' Annual Report (continued)

Risk Management

A Risk Assessment Report is tabled every year for consideration by Trustees that includes 28 items with corresponding comments as to how best to address, ameliorate and/or monitor the identified risks. The most significant risk identified by Trustees is a major downturn in the value of the Trust's investments which, if it were to continue over the longer term, would impact on its ability to provide grants to its priority areas of charitable work as outlined on pages 5 & 6.

FINANCIAL REVIEW

The FSCT Trust Deed allows Trustees absolute discretion over the investment of the Trust's capital and income and gives Trustees the power to distribute both income and capital as they think fit.

Investment Objective

FSCT Trustees aim to achieve both capital and income growth and at least to preserve the real value (as defined by RPI) of the Trust's assets over the long term to balance the needs of current and future beneficiaries.

Investment Strategy

FSCT Trustees have adopted a total return policy to achieve the investment objective and have retained Cazenove Capital as the Trust's Investment Advisors/ Fund Managers.

Distribution Strategy

In order to sustain current levels of giving over the long term, FSCT Trustees have decided to spend from income and capital growth on a total return basis representing an agreed % of the total value of the portfolio (calculated on a trailing 12 quarter average) on grant-making and operations in any one year. During the year Trustees returned to the 3.25% rate from the amended 2.25% which had been implemented during Covid to reflect the impact of the pandemic on the portfolio at that time and to ensure prudent management of the Trust's assets.

Investment Performance

Total return on the portfolio for the year was 7.6% (2020/21: 24%). This compares to an agreed benchmark, the ARC Sterling Steady Growth Charity Index of 7.1% (2020/21: 24.0%). Trustees reviewed this performance, as well as comparative returns over 3 and 5 years.

Reserves

As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment, which is managed on a total return basis to generate funds for the charity's grant-making programme. In order to preserve the real value of the endowment, the Income Fund is accounted for as a percentage of the total Cazenove portfolio, rather than being invested in specific stocks, so that it is more appropriately diversified, and its value protected.

The unspent income reserve, designated the Contingency Fund, provides flexibility for the FSCT Board in awarding significant grants or to supplement regular giving. This reserve is retained by COIF for in-house management. The balance on this fund at 31st March 2022 was £46,296 (2020/21: £80,606). COIF is the Charities Official Investment Fund, managed by CCLA.

As at 31st March 2022 there was a positive balance on unrestricted funds (free reserves) of £8,799 (2020/21: £-74,492). This small balance arises because of the inclusion in the financial statements of grant commitments of £237,844 (2020/21: £85,673) over the next 2 years that are not due to be paid until after future investment returns are received. Forward commitments are made within a calculation that protects Trustees capacity to commit grants in future years within the distribution strategy. The Trustees are satisfied that this is a sensible approach in relation to annual investment income and that their investment strategy is sufficiently robust to obviate the need for a designated reserve fund.

THE FRIEDA SCOTT CHARITABLE TRUST

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Trustee's Annual Report (continued)

PLANS FOR FUTURE PERIODS

Trustees annually review the way in which the Trust is administered to ensure it is both efficient and cost effective in distributing its income, making effective use of sub committees to achieve this. Trustees intend to continue this process in the year ahead.

Trustees will invite and welcome applications for funding from those charities that, in their opinion, are able to demonstrate an ability to meet the needs of local communities, the vulnerable and the disadvantaged within the old County of Westmorland and the area covered by the South Lakeland District Council. The Trustees plans in relation to the Trust's investments and reserves are outlined above.

Going concern

The Trustees have considered the effect of the Covid-19 crisis on the Trust's financial position. The fund value of £11,301,092 at March 31st 2022 has continued to recover from the lows seen in Q2 2020. Trustees are mindful that the income from the fund may fluctuate in future financial years. The level of distribution made available remains at Trustees' discretion, as does the use of capital to meet agreed distribution levels. Based on these assessments and given the measures that could be undertaken to mitigate any adverse conditions, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

This report was approved by Trustees and signed on their behalf on NOVEMBER 24th 2022.



By
Samantha Scott
Chair of Trustees

THE FRIEDA SCOTT CHARITABLE TRUST

Dated 15th September 1962 – Registered Charity No. 221593

Independent Auditors' report to the Trustees of The Frieda Scott Charitable Trust

Opinion

We have audited the financial statements of The Frieda Scott Charitable Trust (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet 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 March 2022, and of its incoming resources and application of resources, 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 Charities Act 2011.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

THE FRIEDA SCOTT CHARITABLE TRUST

Dated 15th September 1962 – Registered Charity No. 221593

Independent Auditors' report to the Trustees of The Frieda Scott Charitable Trust

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity 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 the Charities (Accounts and Reports) Regulations 2008 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' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 4, the Trustees are responsible for the preparation of financial statements which 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 report in accordance with regulations made under section 154 of that Act.

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they are aware of any instances of non-compliance;
 - detecting and responding to risks of fraud and whether they have any knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

THE FRIEDA SCOTT CHARITABLE TRUST

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Independent Auditors' report to the Trustees of The Frieda Scott Charitable Trust

- the matters discussed among the audit team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act and Charities (Accounts and Reports) Regulations 2008.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. In addition to the above, our procedures to respond to risks identified the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's work.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

THE FRIEDA SCOTT CHARITABLE TRUST

Dated 15th September 1962 - Registered Charity No. 221593

Independent Auditors' report to the Trustees of The Frieda Scott Charitable Trust

Use of audit 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. 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.



Dodd & Co Limited, Statutory Auditor

Date 29/11/2022

FIFTEEN Rosehill, Montgomery Way, Rosehill Estate, Carlisle, Cumbria, CA1 2RW

Dodd & Co Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE FRIEDA SCOTT CHARITABLE TRUST

Statement of financial activities For the year ended 31 March 2022

	Notes	Expendable endowment £	Restricted Fund £	General unrestricted £	Total 2022 £	Total 2021 £
Income						
Investment income	2	-	-	174,657	174,657	152,702
Donation		-	-	-	-	45,000
Transfer	3	(139,528)	-	139,528	-	-
Total Income		<u>(139,528)</u>	<u>-</u>	<u>314,185</u>	<u>174,657</u>	<u>197,702</u>
Expenditure						
<i>Costs of raising funds</i>						
Investment management costs	4	(46,834)	-	(39)	(46,873)	(42,024)
<i>Expenditure on charitable activities</i>						
Grant making						
Grants committed	5/19	-	(45,000)	(331,880)	(376,880)	(261,202)
Grant related support/governance costs	5	-	-	(40,667)	(40,667)	(46,203)
Total expenditure		<u>-</u>	<u>(45,000)</u>	<u>(372,547)</u>	<u>(417,547)</u>	<u>(307,405)</u>
Net (expenditure)/income before gains/(losses) on Investments		<u>(186,362)</u>	<u>(45,000)</u>	<u>(58,401)</u>	<u>(289,763)</u>	<u>(151,727)</u>
Net gains/(losses) on investments	11	675,253	-	566	675,819	2,020,897
Net movement in funds		<u>488,891</u>	<u>(45,000)</u>	<u>(57,835)</u>	<u>386,056</u>	<u>1,869,170</u>
<i>Reconciliation of funds</i>						
Total funds brought forward		10,786,743	45,000	122,352	10,954,095	9,084,925
Total funds carried forward	17/18	<u>11,275,634</u>	<u>-</u>	<u>64,517</u>	<u>11,340,151</u>	<u>10,954,095</u>

The notes on pages 15 to 24 form part of these financial statements. The trust has no recognised gains and losses other than those stated above. All incoming resources and resources expended derive from continuing activities.

THE FRIEDA SCOTT CHARITABLE TRUST

Balance sheet As at 31 March 2022

	Notes	Expendable endowment £	Restricted Fund £	General unrestricted £	Total 2022 £	Total 2021 £
Fixed assets						
Investments	12	11,287,049	-	14,043	11,301,092	10,913,663
Current assets						
Debtors	13	-	-	2,682	2,682	3,666
Cash	14	-	45,000	254,042	299,042	168,721
		-	45,000	256,724	301,724	172,387
Creditors: Amounts falling due within one year	15	(11,415)	(45,000)	(156,275)	(212,690)	(108,101)
Net current (liabilities)/assets		(11,415)	-	100,449	89,034	64,286
Creditors: Amounts falling due after more than one year	16	-	-	(49,975)	(49,975)	(23,854)
Total net assets/(liabilities)		11,275,634	-	64,517	11,340,151	10,954,095
Total charity funds	17	11,275,634	-	64,517	11,340,151	10,954,095

Approved by the Trustees on November 24th 2022 and signed on their behalf by:



S Scott
Trustee

The notes on pages 15 to 24 form part of these financial statements.

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements For the year ended 31 March 2022

1 Accounting policies

a) Basis of accounting

The Frieda Scott Charitable Trust is a Trust created by a Deed of Trust dated 15 September 1962. The nature of its activities is disclosed in the Trustees' report. The registered office is Stricklandgate House, 92 Stricklandgate, Kendal, Cumbria, LA9 4PU.

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included on a market value basis. The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

b) Preparation of financial statements on a going concern basis

The Trustees consider that there are no material uncertainties about the trust's ability to continue as a going concern. Trustees are mindful that the income from the fund may fluctuate in the next financial year. The level of distribution made remains at Trustee's discretion, as does the use of capital to meet agreed distribution levels. Based on these assessments and given the measures that could be undertaken to mitigate the adverse conditions, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

c) Investment income

Investment income is accounted for in the period in which the Trust is entitled to receipt.

d) Expenditure

Expenditure is included on an accruals basis, and includes attributable VAT which cannot be recovered.

Costs of generating funds comprise those costs directly attributable to managing the investment portfolio and raising investment income.

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

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled conditions under the control of the Trust that would permit the Trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material.

The discount rate used is the average rate of deposit interest in the year in which the grant award is made.

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

1 Accounting policies

d) Expenditure (cont)

This discount rate is regarded by the Trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Trust.

Costs of charitable activities include grants committed and an apportionment of governance and support costs as shown in notes 5 and 6.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by staff use, staff costs by the time spent and other costs by their usage.

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These include costs related to audit and legal fees together with an apportionment of overhead and support costs.

e) Fixed asset investments

Investments are a form of basic financial instruments and are, with the exception of the small shareholding referred to in note 12, initially recognised at their transaction value and subsequently measured at fair 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.

The Trust does not acquire put options, derivatives or other complex financial instruments.

f) 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 Trust and which have not been designated for other purposes.

The endowment of the charity is expendable endowment. The Trust deed allows this fund to be spent as income or retained as capital at the Trustees' discretion. Income arising on the expendable endowment is unrestricted. Any capital gains or losses arising on the disposal of fund assets form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

2 Investment Income

	2022	2021
General unrestricted	£	£
Stocks and shares	174,576	152,480
Interest receivable	81	222
	<u>174,657</u>	<u>152,702</u>

3 Transfers from expendable endowment to income

A transfer of £139,528 was made in the year (2021: £nil). The total amount of unrestricted income available for spending in the year was £314,185 (2021: £197,702).

4 Investment management costs

	2022	2021
Expendable endowment	£	£
Investment management fee	46,834	41,592
	<u>39</u>	<u>432</u>
General unrestricted		
Investment management fee	<u>46,873</u>	<u>42,024</u>

Total fees charged for the year (including in underlying funds) were £153,152 (2021: £137,441).

The Total Expense Ratio for 2022 was 1.4% (2021: 1.4%).

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

5 Grants committed	2022	2021
The value of grants to institutions committed in the year, including cancelled grants, comprises:	£	£
Grants Committed	381,880	264,702
Returned/withdrawn: 1 grant (2021: 1)	(5,000)	(3,500)
<i>Details of the recipients are shown in note 19.</i>	376,880	261,202
Support costs (note 6)	29,194	37,943
Governance costs (note 6)	11,473	8,260
	40,667	46,203
	<u>417,547</u>	<u>307,405</u>

	2022	2021
	£	£
Reconciliation of grants payable:		
Commitments at beginning of year	85,673	42,746
Commitments made in the year	381,880	264,702
Grants cancelled in the year	(5,000)	(3,500)
	<u>376,880</u>	<u>261,202</u>
Grants committed in the year	376,880	261,202
Grants paid during the year	(224,709)	(218,274)
Net Commitments at 31 March	<u>237,844</u>	<u>85,673</u>
Commitments at 31 March		
are payable as follows:		
Within one year (note 15)	187,869	61,819
After more than one year (note 16)	49,975	23,854
	<u>237,844</u>	<u>85,673</u>

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

6 Allocation of support costs and governance costs

The breakdown of support costs and how these were allocated between Governance and Charitable Activities is shown in the table below:

Cost Type	Total Allocated £	Support Costs £	Governance £	Basis of Apportionment
Staff costs	27,938	23,747	4,191	Staff time
Office rental and costs	5,189	4,670	519	Staff time
Professional fees	282	282	-	Usage
Sundry costs	550	495	55	Usage
	<u>33,959</u>	<u>29,194</u>	<u>4,765</u>	

Governance costs

	2022 £	2021 £
Staff costs	4,191	2,650
Office rental and costs	519	622
Professional fees	-	891
Publications & subscriptions	1,101	-
Auditors' remuneration	4,857	3,420
Trustees' meetings	200	-
Staff training	550	624
Sundry costs	55	53
	<u>11,473</u>	<u>8,260</u>

7 Comparatives for allocation of support costs and governance costs

The breakdown of support costs and how these were allocated between Governance and Charitable Activities is shown in the table below:

Cost Type	Total Allocated £	Support Costs £	Governance £	Basis of Apportionment
Staff costs	26,504	23,854	2,650	Staff time
Office rental and costs	6,224	5,602	622	Staff time
Professional fees	8,906	8,015	891	Usage
Sundry expenses	526	473	53	Usage
	<u>42,160</u>	<u>37,944</u>	<u>4,216</u>	

8 Net income/(expenditure) and net movement in funds before gains/(losses) on investments

Net income/(expenditure) and net movement in funds before gains/(losses) on investments is stated after charging:

	2022 £	2021 £
Auditors' remuneration	<u>4,857</u>	<u>3,420</u>

9 Staff costs

The charity does not directly employ any staff. Instead it uses the part-time services of 3 employees of another charity operating from the same address. The costs re-charged by the other charity are:

	2022 £	2021 £
Salaries	20,413	23,337
Social security costs	5,140	1,057
Pension costs	2,385	2,110
	<u>27,938</u>	<u>26,504</u>

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

10 Trustees' remuneration

No Trustee (2021: 0) received expenses in the year (2021: £nil). Trustees neither received nor waived any emoluments during the year (2021: £nil).

There were no related party transactions in the year.

11 Comparatives for Statement of Financial Activities and Balance Sheet figures

Statement of Financial Activities

	Expendable endowment £	Restricted Fund £	General unrestricted £	Total 2021 £
Income				
Investment income	-	-	152,702	152,702
Donation	-	45,000	-	45,000
Total income	-	45,000	152,702	197,702
Expenditure				
<i>Costs of raising funds</i>				
Investment management costs	(41,592)	-	(432)	(42,024)
<i>Expenditure on charitable activities</i>				
Grant making				
Grants committed	-	-	(261,202)	(261,202)
Grant related support/governance costs	-	-	(46,203)	(46,203)
Total expenditure	-	-	(307,405)	(307,405)
Net expenditure before losses on Investments	(41,592)	45,000	(155,135)	(151,727)
 Net gains on investments	 1,999,649	 -	 21,248	 2,020,897
Net movement in funds	1,958,057	45,000	(133,887)	1,869,170
<i>Reconciliation of funds</i>				
Total funds brought forward	8,828,686	-	256,239	9,084,925
Total funds carried forward	10,786,743	45,000	122,352	10,954,095

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

11 Comparatives for Statement of Financial Activities and Balance Sheet figures (continued)

Balance Sheet

	Expendable endowment £	Restricted Fund £	General unrestricted £	Total 2021 £
Fixed assets				
Investments	10,796,942	-	116,721	10,913,663
Current assets				
Debtors	-	-	3,666	3,666
Cash	-	45,000	123,721	168,721
	-	45,000	127,387	172,387
Creditors: Amounts falling due within one year	(10,199)	-	(97,902)	(108,101)
Net current (liabilities)/assets	(10,199)	45,000	29,485	64,286
Creditors: Amounts falling due after more than one year	-	-	(23,854)	(23,854)
Total net assets/(liabilities)	10,786,743	45,000	122,352	10,954,095
Total charity funds	10,786,743	45,000	122,352	10,954,095

12 Investments

	2022 £	2021 £
Market value at beginning of year	10,747,538	8,899,253
Acquisitions at cost	2,281,927	3,309,083
Disposal proceeds	(2,504,559)	(3,481,695)
Net profit/(loss) on revaluation	675,819	2,020,897
Market value at end of year	11,200,725	10,747,538
Uninvested cash and settlements pending	100,367	166,125
	11,301,092	10,913,663
	2022 £	2021 £
Expendable Endowment	11,287,049	10,796,942
Income Invested Fund	14,043	116,721
	11,301,092	10,913,663

As agreed by Trustees, the investment portfolios were combined as at 31 March 2020 and the separate valuations are now accounted for on a percentage basis - Endowment 99.92%: Income Invested Fund 0.08%. (2021: Endowment 98.97%, Income Invested Fund: 1.03%).

	2022 £	2021 £
UK equities	1,468,292	1,432,611
International equities	6,170,737	5,786,015
Multi asset funds	956,270	1,044,747
Bonds	604,923	892,822
Property	852,640	723,572
Other alternatives	1,041,629	504,533
Cash instruments	206,601	363,238
	11,301,092	10,747,538
Historical cost at end of year	8,889,941	8,965,858

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

12 Investments (continued)

Material investments are:

Trojan Investment Funds - Trojan Fund	945,655	1,044,747
Findlay Park American Fund	1,082,354	960,274

The Trustees consider individual investment holdings in excess of 5% of the portfolio value to be material.

The Trust's investments include a small holding of equities £10,615 (2021: £10,615) in Applerigg Limited which is valued by reference to a value advised by the company.

All other 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 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 Annual Report.

13 Debtors

	2022 £	2021 £
General unrestricted		
Accrued income	2,682	3,666
	<u>2,682</u>	<u>3,666</u>

14 Cash

	2022 £	2021 £
General unrestricted		
Handelsbanken	142,513	-
COIF	75,741	123,675
Fund manager	35,788	46
Restricted fund		
COIF	45,000	45,000
	<u>299,042</u>	<u>168,721</u>

15 Creditors: Amounts falling due within one year

	2022 £	2021 £
Expendable endowment		
Accruals	11,415	10,199
Restricted fund		
Grants payable (note 5)	45,000	-
General unrestricted		
Grants payable (note 5)	142,869	61,819
Barclays	-	32,519
Accruals	4,210	2,358
Other creditors	9,196	1,206
	<u>156,275</u>	<u>97,902</u>
	<u>212,690</u>	<u>108,101</u>

16 Creditors: Amounts falling due after more than one year

	2022 £	2021 £
General unrestricted		
Grants payable (note 5)	49,975	23,854

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

17 Analysis of fund movements

	Balance at 31st March 2021 £	Incoming resources £	Resources expended £	Transfers £	Gain on Investments £	Balance at 31st March 2022 £
Expendable endowment						
Held as investments	10,786,743	-	(46,834)	(139,528)	675,253	11,275,634
Restricted fund	45,000	-	(45,000)	-	-	-
General unrestricted fund						
Designated funds						
Income invested fund	116,239	-	(39)	(107,344)	566	9,422
Contingency reserve	80,606	-	-	(34,310)	-	46,296
	196,845	-	(39)	(141,654)	566	55,718
Free reserves						
Income reserves	(74,493)	314,185	(372,547)	141,654	-	8,799
	122,352	314,185	(372,586)	-	566	64,517
	10,954,095	314,185	(464,420)	(139,528)	675,819	11,340,151
	Balance at 31st March 2020 £	Incoming resources £	Resources expended £	Transfers £	Gain on Investments £	Balance at 31st March 2021 £
Expendable endowment						
Held as investments	8,828,686	-	(41,592)	-	1,999,649	10,786,743
Restricted Fund	-	45,000	-	-	-	45,000
General unrestricted fund						
Designated funds						
Income invested fund	116,678	-	(432)	(21,255)	21,248	116,239
Contingency reserve	76,119	-	-	4,487	-	80,606
	192,797	-	(432)	(16,768)	21,248	196,845
Free reserves						
Income reserves	63,442	152,702	(307,405)	16,768	-	(74,493)
	256,239	152,702	(307,837)	-	21,248	122,352
	9,084,925	197,702	(349,429)	-	2,020,897	10,954,095

In order to sustain levels of giving over the longer term, FSCT Trustees can decide to spend up to 3.25% of the total value of the portfolio (calculated on a trailing 12 quarter average) on grant-making and operations in any one year. Trustees have the discretion to then invest any income received beyond this requirement. In line with this policy, a transfer of £107,344 from the Income Invested Fund (2021: £21,255) was made to support expenditure. An additional £139,528 was transferred from the Expendable Endowment Fund (2021: £nil) to support expenditure.

In 2018 Trustees withdrew £105,869 from the Income Invested Fund in the year to establish a Contingency Reserve with the intention of providing flexibility for the Board in awarding significant grants or to supplement regular giving. A transfer of £26,155 was made during the year to support expenditure during the previous financial year (2021: net £4,487). A transfer of £8,155 was made in the year to make-up for the shortfall of income versus spend. As at 31.3.22 the balance on the Contingency Reserve was £46,296 (2021: £80,606).

18 Restricted fund

	2022 £	2021 £
Goodacre Benevolent Fund - donation made on closure of fund for distribution in Kendal.	-	45,000
	-	45,000

At the March 2022 Trustee Board meeting three grant awards totalling £48,100 were made to organisations serving beneficiaries in Kendal and the surrounding area. Trustees decided to use the Restricted fund to pay these. This was established in 2021 as a result of the Goodacre Benevolent Fund donating £45,000 to the Trust on ceasing activity. The amount of £3,100 in excess of the Goodacre Fund was financed from Contingency reserve, part of Designated funds detailed in Note 17.

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

19 Grants

	Commitments made in year ended 31 March 2022 £	Commitments made in year ended 31 March 2021 £
Action with Communities in Cumbria	-	5,000
Age UK South Lakeland	-	20,000
Appleby Eddibles	3,500	-
Asby Village Hall	3,500	-
Barrow Raiders Community Foundation	3,500	-
Be Me Project	17,385	-
Bendrigg Trust	-	15,000
Blackwell Sailing	-	37,500
Carer Support South Lakes	35,932	11,000
Cumbria Alcohol and Drug Advisory Service	35,000	-
Cumbria Deaf Association *	18,600	-
Cumbria Family Support	11,132	-
Diabetes UK	-	1,000
Duddon and Furness Mountain Rescue Team	-	10,000
Firbank Church Hall	-	3,500
Friends of Artspace	-	1,000
Friends of Sandside Lodge	(5,000)	-
Friends of Shap School	1,145	-
Friends of X112	-	3,500
Gateway Church	7,456	3,500
Growing Well	-	40,754
Howgill Village Hall	3,500	-
Kendal Lads and Girls Club	-	1,158
Kent Estuary Youth Project	20,000	-
Kendal Torchlight Procession	3,320	-
Kepplewray Trust	-	7,500
Kirkby Lonsdale Community Cupboard	15,000	-
Kirkby Lonsdale Play Partnership	-	3,500
Lighthouse Community Mental Health Hub	16,200	-
Lower Holker Village Hall	3,500	-
Manna House	20,000	-
Music Links	3,200	-
Natland & Oxenholme Pre-School	-	2,522
Newbiggin-on-Lune Public Hall	-	3,500
Our Place Youth Club	4,000	-
Patterdale King George v Playing Field Foundation	-	3,500
Penrith Pumas Wheelchair Rugby	4,510	-
Queen Katherine School Association	9,000	-
Ragtag Arts	15,000	-
Reagill Village Hall	3,500	-
Shap Community Action Group	-	3,500
South Cumbria Musical Festival	3,500	(3,500)
Space2Create	10,000	-
Springfield	-	15,000
Stainton Institute	-	3,500
St. Mary's Hospice, Ulverston	-	16,768
Temple Sowerby Victory Hall	-	2,000
The Birchall Trust	48,000	20,000
The Bryce Institute	3,500	-
The Samaritans - Lancaster & District	3,500	3,500
The Well Communities CIC	-	19,500
Victoria Hall Support Group	-	2,000

THE FRIEDA SCOTT CHARITABLE TRUST

Notes to financial statements (continued)

19 Grants (continued)

	Commitments made in year ended 31 March 2022 £	Commitments made in year ended 31 March 2021 £
Warcop Parish Council	3,500	-
Waste Into Wellbeing *	19,500	-
Windermere Youth Project	4,000	-
Xenolith Explorer Scout Unit	-	500
Sandgate School Family & Friends	3,500	-
South Cumbria Breastfeeding Support	-	5,000
Youth Engagement Service	11,500	-
Youth Presence *	10,000	-
1st Kendal Scouts	3,500	-
	<u>376,880</u>	<u>261,202</u>

* £45,000 of these grants funded by Restricted fund (Goodacre) and £3,100 from Contingency reserve.