FRANCIS C SCOTT CHARITABLE TRUST

England & Wales · Charity number 232131

Details

Status	Registered
Legal form	Trust
Registered	1964-03-13
Register	View on the Charity Commission register

Contact

Address	Helen Carter Stricklandgate House 92 Stricklandgate Kendal Cumbria LA9 4PU
Phone	01539742608
Email	helen@francis-scott.org.uk
Website	www.francis-scott.org.uk

Activities

Objects: TO SUCH CHARITABLE FOUNDATIONS AND FOR SUCH CHARITABLE PURPOSES AS THE TRUSTEES SHALL FROM TIME TO TIME THINK FIT.

Activities: Grant giving

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

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Geography

- **Area of benefit:** NATIONAL
- Cumbria
- Lancashire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£876,947	£1,954,987	£39,849,839	5
2023-12-31	£558,156	£1,546,649	£37,299,696	4
2022-12-31	£453,746	£1,629,102	-	-
2021-12-31	£454,753	£1,556,243	-	-
2020-12-31	£577,445	£1,399,587	£37,571,489	3

Trustees

Name	Role	Appointed
Stephen Curl	Chair	2022-11-11
Alexander Scott		1985-11-21
Annalee Holliday		2022-11-11
Barbara Marion Stephens OBE		2025-07-18
Christine Knipe		2015-07-10
Elizabeth Sophie Schofield Steinhart		2022-11-11
Ian Johnson		2022-11-11
Laura Moss		2025-07-18
MADELEINE MARY SCOTT		
MELANIE MELROSE WOTHERSPOON		
Richard Ogden MBE		2025-07-18
Sarah Dunning OBE		2021-11-12

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FRANCIS C SCOTT CHARITABLE TRUST

England & Wales - Charity number 232131

Accounts

Francis Scott Trust



Registered Charity No. 232131

Trustees' Annual Report & Financial Statements

For the year ended - 31st December 2024

Reference & Administrative Information

Trustees
Stephen Curl (Chair)
Sarah Dunning OBE
Annalee Holliday
Ian Johnson
Christine Knipe
Joanna Plumptre (resigned on March 14th 2025)
Alexander Scott
Madeleine Scott
Lizzy Steinhart
Professor Kaz Stuart (resigned on July 18th 2025)
Melanie Wotherspoon

Director - Helen Carter

Finance Manager - Keri Brown

Address
Stricklandgate House, 92 Stricklandgate, Kendal, Cumbria, LA9 4PU

Auditors
Dodd & Co Audit Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
Carlisle CA1 2RW

Bankers
Handelsbanken
Bridge Mills Second Floor East
Stramongate
Kendal
Cumbria LA9 4BD

The Charities Official Investment Fund (COIF)
One Angel Lane
London
EC4R 3AB

Investment Advisers
Rothschild & Co. Wealth Management (UK) Ltd to 26.05.24
New Court, St. Swithin's Lane,
London EC4N 8AL

Sarasin & Partners LLP
Juxon House, 100 St Paul's Churchyard,
London EC4M 8BU

Cazenove Capital from 20.03.24
1 London Wall Place
London
EC2Y 5AU

Solicitors
Currey & Co.
33 Queen Anne Street, London W1G 9HY

Russell-Cooke LLP
2 Putney Hill, London SW15 6AB

Wrigleys Solicitors LLP
3rd Floor, 3 Wellington Place, Leeds LS1 4AP

The Trustees present their annual report and audited financial statements for the year ended 31st December 2024. 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 as amended by the Charities Act 2022 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

Three part-time staff and one full-time reported to the Director of the Trust who in turn reported to the Board of Trustees. The Chair of Trustees line managed the Director on behalf of the Trustees and the Director managed all other staff. One member of staff works solely for the Francis C Scott Trust, whilst two spent part of their time working for two another grant-giving charities, The Sir James and Lady Scott Trust (1909), and the Frieda Scott Trust (1974) a fourth member of staff worked on behalf of The Frieda Scott Charitable Trust (1974) only, with charges being made accordingly. The number of staff working for the Francis C Scott Charitable Trust, calculated on a full-time equivalent basis, was 2.7 during the year.

The Board of Trustees met four times during the year. Five sub-committees of Trustees (outlined below) also met at different times during the year to assist in the efficient administration of the work of the Trust. The Director and/or Finance Manager attend by invitation.

Investment Committee	Alexander Scott (Chair), Melanie Wotherspoon, Ian Johnson.
HR Committee	Sarah Dunning, Joanna Plumptre and Madeleine Scott, who also represented the Sir James & Lady Scott Trust. Two Trustees from the Frieda Scott Charitable Trust. The Committee was Chaired by Alison Alger, a Trustee of the Frieda Scott Trust.
Small Grants Committee	The Chair and one other Trustee on a rolling basis in consultation with the Director and Grants Officer.
Finance & Risk Committee	Christine Knipe and one Trustee from the Frieda Scott Trust meet jointly to review internal controls, risk management and other elements of oversight relevant to both Trusts. Audit oversite is conducted separately by the Trustees of the relevant Trust only.
Programmes Committee	Lizzy Steinhart (Chair) Annalee Holliday and Joanna Plumptre.





The HR Committee meets twice annually and reviews the remuneration, terms and conditions of all staff including the key management roles of Director and Finance Manager. All salaries are benchmarked on an agreed schedule and at recruitment.

A Nominations Committee can be convened when required and has responsibility for recruitment and recommendation of new trustees and Director. The nominations committee did not meet during the year.

The Trust is a self-perpetuating body responsible for its own appointments and retirements. The Chair of the Trust is responsible for the induction and training of new Trustees. An induction programme is prepared for new Trustees and includes a Copy of the Trust Deed, grant making strategic decisions and assessment processes, internal financial controls, responsibilities of Trustees, Investment Policy, Organisational Chart, Risk Assessment, the last 3 Trustees' Meeting Minutes, Trustees' Annual Report & Accounts, History & Purpose paper and the Terms of Reference for the sub-committees.

Further information is held on the Trust's website: **www.francis-scott.org.uk**

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 as amended by the Charities Act 2022, 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
Peter Scott CBE was Chairman of the Provincial Insurance Company Ltd when the Francis C Scott Charitable Trust (Francis Scott Trust) was created by Deed of Trust on 1.10.63 with wide powers to distribute funds for charitable purposes. Peter Scott and his sister, Dr Joan Trevelyan, endowed the Trust with significant holdings of the family business (Provincial Insurance Company Ltd) shares between 1963 and 1971.

The Trust was named after their father, Francis C Scott, in recognition of his philanthropic work, and established with the aim of continuing to support the type of causes and projects that he had sponsored himself; in particular, the development of young people. It is for this reason that the Trust has had an enduring commitment to supporting communities and young people in the north-west of England to promote equity of opportunity and access to positive, developmental experiences, in particular in Cumbria, where the headquarters of the Provincial business was based.

As a grant-giving trust, we believe in the importance of:

- Personal Development
- Nurturing individual talent and organisations as they evolve and being a critical friend
- Supporting direct delivery of quality charity and community work
- Trusting our beneficiaries and keeping the admin burden light
- Long term investment
- Our independence, which allows scope for innovation and risk-taking
- Sharing best practice and celebrating success
- Listening and learning

During the reporting year, Trustees met to consider these guiding principles and refined them to:

Thinking and acting for the long term

Valuing independence

Collaboration

Integrity

Supporting innovation

Being relational





Grant-making Policy and Practice

The trust believes that with the right support in place and equal access to positive opportunities, all young people can flourish. But not all have the support and resources they need to do so.

The core purpose of our grant making programmes is to enable young people up to the age of 24 in Cumbria & Lancaster District experiencing barriers, to access positive, development activity and services to help them thrive. We do this by working with trusted, local organisations to ensure quality provision which meets their needs can be accessed.

In 2019 Trustees agreed four overarching thematic priority areas for grant awards to be based on:

- Raising aspirations and supporting personal development
- Inclusive Practice
- Improving Mental Health and Wellbeing
- Supporting Sector Effectiveness

The thematic grant making priorities will be replaced after the culmination of a planned strategic review to take place during 2025.



The Trust endeavours to listen and respond to the experiences and perspectives of grant holders and applicants, adapting the Trust's grant making approach and to develop other offers to meet the needs of young people and the voluntary sector locally. Activity during the year builds on both the feedback received and further development of the Trust's 2023 60 th year anniversary programmes, described in further detail in the following pages.

In January the Trust's grant application process was transitioned to an online portal through the new website. The process remains a simple one step process and potential applicants are still encouraged to liaise with the Trust's staff prior to submitting a funding request. All enquiries and applications to the Trust are dealt with in an efficient and professional manner. All eligible applications over £5,000 are considered by Trustees three times a year. Smaller requests are considered by the small grants committee on a rolling basis.

The Trust commits to offering constructive, supportive feedback to unsuccessful applicants in the context of further enabling the development of all organisations who apply for a grant.

All eligible applications over £5,000 are visited by a member of the team and, wherever possible, a Trustee. Recommendations are made to the full Trustee board for consideration, and approval or rejection. Trustees also have sight of ineligible applications.

The Director and Grants Officer regularly attend forums, funding fairs, conferences and networks to keep up to date with relevant issues, trends and current needs both nationally and across the Trust's grant making area.

In October, the Trust was assessed, without it's knowledge at the time, for the Foundation Practice Rating, a national report, which 'aims to improve foundations' practices around diversity, transparency and accountability' and were informed in March 2025 the Trust had been awarded a rating of 'B'. The Trust is proud of this rating, and grateful for the considered and detailed feedback provided by the Foundation Practice Rating team, which will be used to guide and improve future work in these areas.



Achievements & Performance

The following 'Review of the Year' summarises the degree to which the Trust met its own charitable aims as stated above.

Review of the year

Income and Expenditure
The Trust's investment portfolio is managed on a total return basis, with the management split in half between two investment managers with different investment approaches to aid diversification. Investment income received during the year was £1,700,205 with £832,258 of that figure coming from capital drawdown (2023: £1,637,352 & £1,079,196 respectively).

It is Trustees' strategic intent to ensure that current levels of expenditure are sustainable in the long term. The amount of grants paid in the year was £1,209,314m (2023: £1,4500m). No grants were made from restricted funds during the year (2023: £18.2k).

Total management, administration and governance costs for the year amounted to £215k (£215k in 2023).

Investment Management
Following a review of investment policy in 2023, to give more focus to sustainability in investment management, approximately 50% of the trust's invested assets were transferred to Cazenove for investment in the Sustainability Multi Asset Fund (SMAF). The transfer was completed on 25th May 2024.

Trustees consider this a step towards better practice in the responsible management of their assets and will continue to consider and develop their approach with purpose, to help people and planet, in line with the UN's Sustainable Development Goals.



Social Investment

For the Trust, social investment enables utilising part of the capital endowment to support local organisations when grant funding is not the most appropriate source of finance or who fall outside the priority funding area, but whom we would look to support if required. In April 2021 Trustees committed to developing a social investment portfolio and the Trust's first repayable loan was made within the year to the Calvert Trust, a specialist outdoor education centre based in North Cumbria. A further two social investments were approved during 2023, one of which was amended and received further approval in August 2024 before funds were released in early 2025. No new social investments were approved during the year.

At the year end, £500k was actively invested in two local organisations – The Calvert Lakes and Springfield Support Services.

Trustees have given careful consideration to Charity Commission Guidance on Social Investment, CC14 and took legal advice to ensure the Trust Deed allowed for this activity. Trustees are mindful that social investment is not appropriate for all charity and not for profit organisations and takes a developmental and supportive approach to working with potential applicants.

The process requires enhanced due diligence and assessment, and can be time consuming, as can the ongoing management and oversight of investments. The trust arranges two management meetings per year with each social investment recipient and takes an active learning approach to all aspects of the programme.

Loan investments can never be risk free, but robust assessment processes are undertaken, for which the trust outsources for particular expertise in the field. The Trust is an access point for the Reach Fund, which can be utilised to support investment readiness.



Monitoring, Evaluation & Learning
During the year work was undertaken to improve the Trust's approach to monitoring, evaluation and learning. Professor Karen Stuart was commissioned to lead a review of current and best practice, and the development of a new framework. Trustees gave considered thought to the commission, due to Professor Stuart's role as a trustee and were satisfied all due considerations had been made, following Charity Commission guidance CC11 and the Trust Deed.

Extensive changes were made to improve the Trust's monitoring and evaluation processes and were implemented during the year, following a pilot period where feedback on changes was sought from longstanding grant holders. The new evaluation process was in effect from January 2025.

60th Anniversary Looking back thinking ahead

Following the 60th anniversary year in 2023, during which time the Trust looked back and celebrated shared achievements to date, so 2024 began a period of thinking ahead.

This work focussed on a strategy preparation event, at which trustees engaged with fundamental questions underpinning the role, ethos and guiding principles of the work of the Trust, when considering the needs and opportunities for young people across the next decade and agreed the further work required to complete the strategic review by the end of 2025.

Break the Mould Grants Programme

The youth led grants programme, Break the Mould, commissioned and launched during the Trust's anniversary year, 2023, was concluded in 2024, with the distribution of the final grants in February. A total of 10 youth led projects received funding, and the core Break the Mould group hosted a celebration event at Brathay Hall in June.

The delivery partners, Lancaster District CVS and Cumbria Youth Alliance supported the event. Think Forward CIC were commissioned to evaluate the programme, and their report was disseminated in July. The report highlighted the programme's achievements and outcomes for the core group. It identified a number of developmental and learning outcomes for delivery partners and the Trust. Learning from the evaluation will be used to inform and influence the Trust's strategic review.

Core Youth Work Grants Programme

The core youth work programme, also initiated in 2023, invites long standing youth work providers and existing partners into the programme at the end of their current grant. Eligibility criteria apply, and the programme this year welcomed a further three new participants, as planned.

The programme is designed to replace the usual administrative burden of applying for grants with a mutually beneficial process, based on developmental periodic reviews in place of application forms. The Trust hopes this will create a more open and collaborative dialogue, supporting and informing our own practices and enabling us to advocate and work on behalf of youth providers more strategically.



Regular Grant Making

The table below illustrates the size and number of grants committed in the year, the majority of which are for multi-year grants.

GRANTS COMMITTED	FY2024	FY2023	Average grant size FY2024	Average grant size FY2023
Main Grants, inc. ALP (Trustees)	£1,388.3m (35)	£772k (26)	£39.6k	£29.7k
Core Youth Work	£165.9k (3)	£291.1k (6)	£55.3k	£48.5k
Small Grants	£37.3k (11)	£59.4k (16)	£3.4k	£3.7k
Step Change	£10k (3)	£16.9k (4)	£3.3k	£4.2k
TOTAL	**£1,601.5m (52)**	**£1,139.5m (52)**	-	-

The Trust also owns property that is partially occupied by the Brathay Trust on a long-term lease at a peppercorn rent (as shown in notes 2 and 12 to the accounts). It is the view of Trustees that this represents an 'in-kind' contribution to the Brathay Trust at a current annual value of £137,750.

Programmes

The Trust is a contributing partner of a small number of programmes which bring together funders and delivery organisations to meet specific objectives.

The largest of these by grant value is the Aspiring Leaders Programme (ALP), which the Trust has funded continuously since 2011. During the year Trustees agreed to the conversion of the fifth iteration of the programme from a standard undergraduate degree in Social Enterprise Leadership into an Apprentice Degree in Chartered Management. This transition marks a material reduction in the level of funding required of the Trust and change to the recruitment profile of participants. By the year end, 10 participants, all of whom are employed in the voluntary sector locally, had begun the first part of the programme, delivered by the Brathay Trust, with the core apprenticeship delivery due to begin in January 2025.

Two further partnership programmes to which the Trust committed funds during the year were Better Tomorrows, a youth work training and new youth work delivery programme, and Brighter Futures a transition into adulthood programme for young people leaving care.

Excluding ALP, the Trust received main grant funding requests of almost £2.3m in 2024 (£1.9m in 2023) with 84% of applicants to the main grants programme being successful, albeit not always to the full level of funds requested (70% in 2023). 61% of applicants to the small grants committee were successful (2023:65%). The increase in level and number of main grant funding requests was sustained throughout the year and is consistent with reports from other trusts and foundations, reflecting both the level of demand the voluntary sector is experiencing and reports of fewer grant funding opportunities.



Step Change

The Trust has operated an organisational development (sometimes known as a funder plus) programme since 2015, to provide specialist, focussed support to organisations to address a specific need or aspiration. The programme has grown steadily since 2019 but declined during 2024, with only two applications received, and awarded. A small top up was also offered to a previous Step Change recipient. Whilst it is not yet known why the programme had so few applications this year, the Trust believes a reported general capacity issue for senior leaders and managers across the sector during the current demanding delivery climate is a possible factor, and will give further consideration to the Trust's funder plus offer during 2025.

Future Fixers
Personal Development for Personal Excellence
Future Fixers, a local CIC specialising in development training for not for profit and purposeful business, delivered a 12-month peer support programme for individuals working or volunteering at grant holder organisations. Each session focussed on a different aspect of professional and organisational development, as determined by participants.





Public Benefit

The Trustees confirm that they have referred to Charity Commission guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities and setting the grant-making policy and are satisfied that the Trust meets the requirements of the key principles as defined.

Risk Management

An Annual Risk Report is tabled every year for consideration by Trustees that includes 30 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 page 5. This risk is addressed by holding a diversified portfolio of investments with separate fund managers and by having policies in place to adjust distribution levels over time.

Trustees are also aware of the requirements of the Common Reporting Standard and confirm that all recipients of grant funding during the year were organisations registered in the UK for tax purposes.



Financial Review

Investment Policy
As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment and have considerable discretion over the investment of the monies of the Trust Fund. Trustees engage two separate investment managers, each with roughly half of the Trust's investment portfolio managed on a total return basis. As outlined on page 6 the transition to new management during 2023 of half of the portfolio was completed in May 2024. This aligned all asset management with the Trusts renewed commitment to sustainable investment practice.

The aim of the Trust's Investment Policy is to maintain the real value of the capital whilst providing sustainable returns to distribute as grants. In deciding the amount to be spent on grant-making and operations in the year, Trustees used as a guide an amount that is 4% of the total value (on a trailing 13 quarter average) of the investment portfolio. Trustees agreed in April 2021 that up to 5% of the assets under management may be deployed as social investments.

The full investment policy of the Trust is reviewed annually by Trustees who take account of the advice and recommendations of the Investment Committee.

Performance against Investment Policy
The portfolio produced a total return of 9% in 2024, with Sarasin producing a 13.9% return and Cazenove 4.1% since inception date of June 2024. This compares to the ARC Charity Steady Growth Index 8.8%

Reserves Policy
As at 31.12.24 there was a negative balance on unrestricted funds (reserves) of £944,372 (2023: -£851,735k). This arises because of the inclusion in the financial statements of grant commitments of £1,542m (2023: £1.174m) 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 which 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.





Plans for Future Periods

Trustees are very much aware that these remain challenging times for many organisations and individuals in the Trust's beneficial area, with continued challenges and long-term effects.

As a long-term funder, the Francis Scott Trust will continue providing multi-year funding to charitable projects within its defined areas of benefit and continues to explore new ways of working to expand productive and positive methods of collaborating with community partners delivering quality programmes to children and young people locally.

During 2025 the Trust will complete a strategic review, begun during the reporting year. This will include reflecting on the learning from the listening and Break the Mould projects, considering the Trust's restated guiding principles, and a review of all its activity, considering how to effect the most positive change using all available assets and resources.

Going concern
The fund value of £40,203,449 at the year-end December 2024 is up on the year-end December 2023. Trustees are mindful that the income from the fund may fluctuate in future years and that the growth in the value of investments in recent years may not continue. The level of distribution made available remains at Trustee's discretion, as does the use of capital to meet agreed distribution levels. Based on these assessments and given the measures undertaken to mitigate risks, 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 on July 18th, 2025.

Dr Stephen Curl (Chair of Trustees)

Independent Auditor's report to the Trustees of The Francis C Scott Charitable Trust

Opinion

We have audited the financial statements of The Francis C Scott Charitable Trust (the 'charity') for the year ended 31 December 2024 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 December 2024, 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 as amended by the Charities Act 2022.

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 trustee's 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.

Independent Auditor's report to the Trustees of The Francis C Scott Charitable Trust

Matters on which we are required to report by exception
In the 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 as amended by the Charities Act 2022 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.

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.

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 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 2011 as amended by the Charities Act 2022 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.

Independent Auditor's report to the Trustees of The Francis C 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 Audit Ltd

Dodd & Co Audit Limited, Statutory Auditor
Date 28/08/25

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

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of financial activities

For the year ended 31 December 2024

	Notes	Expendable endowment	General unrestricted	Total 2024	Total 2023
		£	£	£	£
Income					
Investment income	2	-	876,947	876,947	558,156
Transfer to income	3	(823,258)	823,258	-	-
Total income		(823,258)	1,700,205	876,947	558,156
Expenditure					
Costs of raising funds					
Investment management costs	4	(162,145)	-	(162,145)	(237,392)
Expenditure on charitable activities					
Grant making					
Grants committed	5/22	-	(1,601,590)	(1,601,590)	(1,139,461)
Grant commitments cancelled	5/22	-	23,730	23,730	45,000
Grant related support/governance costs	5/6/7	-	(211,982)	(211,982)	(212,738)
Social Investment related support/governance costs	6	-	(3,000)	(3,000)	(2,058)
		-	(1,792,842)	(1,792,842)	(1,309,257)
Total expenditure		(162,145)	(1,792,842)	(1,954,987)	(1,546,649)
Net expenditure before gains/losses on investments	8	(985,403)	(92,637)	(1,078,040)	(988,493)
Net gains/losses on investments	13	3,628,183	-	3,628,183	3,657,463
Net movement in funds		2,642,780	(92,637)	2,550,143	2,668,970
Reconciliation of funds					
Total funds brought forward		38,151,431	(851,735)	37,299,696	34,630,726
Total funds carried forward		40,794,211	(944,372)	39,849,839	37,299,696

The notes on pages 24 to 37 form part of these financial statements. The trust has no recognised gains and losses other than those stated above. All income and expenditure derive from continuing activities.

THE FRANCIS C SCOTT CHARITABLE TRUST

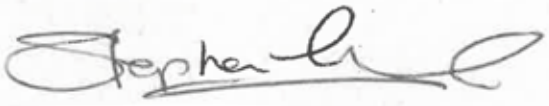
Dated 1st October 1963 - Registered Charity No. 232131

Balance sheet

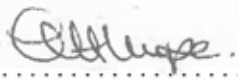
At 31 December 2024

	Notes	Expendable endowment	General unrestricted	Total 2024	Total 2023
		£	£	£	£
Fixed assets					
Tangible assets	12	125,000	-	125,000	125,000
Investments	13	40,203,449	-	40,203,449	37,553,181
Programme related investments	14	500,000	17,451	517,451	526,104
		40,828,449	17,451	40,845,900	38,204,285
Current assets					
Debtors	15	-	60,423	60,423	21,165
Cash	16	-	539,942	539,942	295,673
		-	600,365	600,365	316,838
Creditors: Amounts falling due within one year	17	(34,238)	(956,128)	(990,366)	(863,127)
Net current (liabilities)/assets		(34,238)	(355,763)	(390,001)	(546,289)
Total assets less current liabilities		40,794,211	(338,312)	40,455,899	37,657,996
Creditors: Amounts falling due after more than one year	18	-	(606,060)	(606,060)	(358,300)
Total net assets/(liabilities)		40,794,211	(944,372)	39,849,839	37,299,696
Total charity funds		40,794,211	(944,372)	39,849,839	37,299,696

Approved by the Trustees on July 18th 2025 and signed on their behalf by:



Stephen Curl (Chair of Trustees)



Christine Knipe, Trustee

The notes on pages 24 to 37 form part of these financial statements.

Statement of Cash Flows
For the year ended 31 December 2024

	Notes	Total Funds 2024	Total Funds 2023
		£	£
Net cash used in operating activities	20	(1,590,078)	(1,895,671)
Cash flows from investing activities:			
Dividends and interest		847,779	530,655
Net proceeds from sale/purchase of investments		158,511	341,210
Net cash used by investing activities		1,006,290	871,865
Change in cash and cash equivalents in the year		(583,788)	(1,023,806)
Cash and cash equivalents brought forward		836,028	1,470,374
Change in cash and cash equivalents due to exchange rate movements		302,966	389,460
Cash and cash equivalents carried forward	21	555,206	836,028

Notes to financial statements

For the year ended 31 December 2024

1 Accounting policies

a).Basis of accounting
The Francis C Scott Charitable Trust is a Trust created by Deed of Trust on 1 October 1963 with wide powers to distribute funds for charitable purposes. 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 are prepared under the historical cost convention, with the exception of investments, which are included on a market value basis and properties which are included at prior professional valuation. The financial statements have been prepared in accordance with 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 (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 as amended by the Charities Act 2022.

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 (FRS 102) issued on 16 July 2014 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.

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 raising 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 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 on initial recognition 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. 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 overhead and support costs as shown in note 6.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the uses 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) Tangible fixed assets
Individual fixed assets are capitalised where the purchase cost exceeds £10,000.

Tangible fixed assets are valued at cost or valuation, net of depreciation and any provision for impairment.

No depreciation is provided on land. Freehold properties have not been depreciated as the Trustees consider that the amount involved is immaterial.

f) Revaluation of properties
Advantage has been taken of the transitional provisions of FRS 102 to retain the book value of properties which were revalued prior to implementation of that standard. The properties were last revalued on 14 January 1997 and the valuation has not subsequently been updated.

Notes to financial statements
For the year ended 31 December 2023

1 Accounting policies (cont.)

g) Fixed asset investments
Investments are included at their fair value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

h) Programme related investments
Programme related investments are initially measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

i) Foreign currencies
Foreign currency balances have been translated at the rate of exchange ruling at the balance sheet date.

j) Financial instruments
Forward foreign currency contracts are measured at fair value on the date the contract is entered into and are subsequently re-measured at the fair value at the balance sheet date. Changes in the fair value are recognised in the Statement of Financial Activities.

k) 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.

l) Pensions
The Trust operates a defined salary sacrifice contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

m) Operating lease rentals
Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Notes to the financial statements for the year ended 31 December 2024 (continued)

2 Investment income	2024 £	2023 £
General unrestricted		
Stocks and shares	835,472	526,209
Bank interest	3,318	4,052
Charities deposit fund interest	3,314	4,704
Interest from programme related investments	34,092	23,190
	876,196	558,155
Rental income (Brathay Trust)	1	1
Income from REACH grant referrals (misc income)	750	-
	876,947	558,156

3 Transfers from expendable endowment to income

A transfer of capital of £823,258 was made in the year (2023: £1,079,196). The total amount of unrestricted income available for spending in the year was £1,700,205 (2023: £1,637,352).

4 Investment management costs	2024 £	2023 £
Fund managers' fees comprise:		
Rothschild	34,242	129,557
Sarasin	119,013	107,835
Cazenove	8,890	-
	162,145	237,392

The Total Expense Ratio for 2024 was 0.37% (2023: 0.74%) for Rothschild 0.64% (2023: 0.60%) for Sarasin and 0.51% for Cazenove since inception date June 2024.

Notes to the financial statements for the year ended 31 December 2024 (continued)

5 Grantmaking

The value of grants to institutions committed in the year, including cancelled grants comprises:

	2024 £	2023 £
General unrestricted funds		
Grant commitments	1,601,590	1,121,261
Grants cancelled/underspend/recovered	(23,730)	(45,000)
	1,577,860	1,076,261
Support costs (notes 6 and 7)	157,703	149,754
Governance costs (notes 6 and 7)	57,279	62,984
	214,982	212,738
	1,792,842	1,288,999
Restricted fund		
Grant commitments	-	18,200
	1,792,842	1,307,199

Full details of the recipients are shown in note 22.

	2024		2023	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at beginning of period		1,173,863		1,529,574
Commitments made in the period - general unrestricted fund	1,601,590		1,121,261	
Commitments made in the period - restricted fund	-		18,200	
Grants cancelled	(23,730)		(45,000)	
Grant underspend vs commitment	-		-	
Grants committed for the period		1,577,860		1,094,461
Grants paid during the period	(1,209,314)		(1,450,172)	
Grants repaid	-		-	
		(1,209,314)		(1,450,172)
Commitments at 31 December		1,542,409		1,173,863
Commitments at 31 December are payable as follows:				
Within one year (note 17)		936,349		815,563
After more than one year (note 18)		606,060		358,300
		1,542,409		1,173,863

Notes to the financial statements for the year ended 31 December 2024 (continued)

6 Allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Grantmaking				
Staff costs	152,432	22,865	129,567	Staff time
Office rental and costs	22,541	2,254	20,287	Staff time
Travelling and conferences	7,173	717	6,456	Staff time
Staff training	1,323	198	1,125	Staff time
Subscriptions	412	144	268	Usage
	183,881	26,178	157,703	
Programme related investment costs	3,000	3,000	-	Staff time
	186,881	29,178	157,703	

Governance costs	2024 £	2023 £
Staff costs	22,865	21,438
Office rental and costs	2,254	2,313
Travelling and conferences	717	540
Staff training	198	81
Subscriptions	144	1,150
Professional fees	-	3,883
HR fees	271	2,026
Legal fees	3,661	-
Audit fee	13,000	13,440
Costs of trustees' meetings	1,312	1,416
Trustees' travel expenses	348	989
Extraordinary costs -Strategy and Evaluation	7,674	13,769
Sundry	1,835	1,939
	54,279	62,984
Programme related investment costs	3,000	2,058
	57,279	65,042

7 Comparatives for allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Staff costs	142,923	21,438	121,485	Staff time
Office rental and costs	23,128	2,313	20,815	Staff time
Travelling and conferences	5,397	540	4,857	Staff time
Staff training	542	81	461	Staff time
Subscriptions	3,286	1,150	2,136	Usage
Programme related investment costs	2,058	2,058	-	Staff time
	177,334	27,580	149,754	

8 Net expenditure and net movement in funds before gains and losses on investments

Net expenditure and net movement in funds before gains on investments is stated after charging:	2024 £	2023 £
Auditor's remuneration	13,000	12,600
Auditor's remuneration - non audit fees	-	840
Operating lease rentals	16,266	15,693

Notes to the financial statements for the year ended 31 December 2024 (continued)

9 Analysis of staff costs and remuneration of key management personnel

	2024 £	2023 £
Salaries	170,742	156,957
Social security costs	10,656	10,240
Pension costs	16,547	14,909
	197,945	182,106

The average monthly number of employees during the year was 4 (2023: 4). Calculated on a full time equivalent basis the average number was 4 (2023: 3). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The Trust considers its key management personnel comprise the Trustees, the Director and Finance Manager. The total employment benefits including employer pension contributions of the key management personnel were £122,974 (2023: £116,910).

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2024 Number	2023 Number
£60,000 - £69,999	0	1
£70,000 - £79,999	1	0

Employees worked for 1 or 2 other Trusts, The Frieda Scott Charitable Trust and The Sir James and Lady Scott Trust, operating from the same address. A proportion of their costs, based on the time spent, is recharged to those charities. The amount recharged during the year was £45,513 (2023: £39,183). Madeleine Scott is also a Trustee of The Sir James and Lady Scott Trust.

	2024 £	2023 £
Salaries	197,945	182,106
Less: recharged	(45,513)	(39,183)
Net cost to the Francis C Scott Charitable Trust	152,432	142,923
Included in charitable activities	129,567	121,485
Included in governance costs	22,865	21,438
	152,432	142,923

The Trust makes contributions to the defined contribution pension schemes of its employees. The assets of these schemes are held separately from those of the Trust in independently administered funds. The pension costs charge represents contributions paid by the Trust to those funds. An Auto-Enrolment compliant scheme was set up with effect from 1 April 2016.

Notes to the financial statements for the year ended 31 December 2024 (continued)

10 Trustees' remuneration and related parties

2 Trustees (2023: 3) received expenses totalling £852 in the year (2023: £989) for the cost of travel to Trustees' meetings and on other Trust business. Trustees neither received nor waived any emoluments during the year (2023: £nil). An annual donation of £5,200 was made to the Liverpool Charity and Voluntary Services to be spent on charitable causes at the Chair's discretion.

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	General unrestricted	Total 2023
	£	£	£	£
Income				
Investment income	-	-	558,156	558,156
Transfer to income	(1,079,196)	-	1,079,196	-
Total income	(1,079,196)	-	1,637,352	558,156
Expenditure				
Costs of raising funds				
Investment management costs	(237,392)	-	-	(237,392)
Expenditure on charitable activities				
Grant making				
Grants committed	-	(18,200)	(1,121,261)	(1,139,461)
Grant commitments cancelled	-	-	45,000	45,000
Grant related support/governance costs	-	-	(212,738)	(212,738)
Social Investment related support/governance costs	-	-	(2,058)	(2,058)
	-	(18,200)	(1,291,057)	(1,309,257)
Total expenditure	(237,392)	(18,200)	(1,291,057)	(1,546,649)
Net expenditure and net movement in funds before gains and losses on investments	(1,316,588)	(18,200)	346,295	(988,493)
Net losses on investments	3,657,463	-	-	3,657,463
Net movement in funds	2,340,875	(18,200)	346,295	2,668,970
Reconciliation of funds				
Total funds brought forward	35,810,556	18,200	(1,198,030)	34,630,726
Total funds carried forward	38,151,431	-	(851,735)	37,299,696

Notes to the financial statements for the year ended 31 December 2024 (continued)

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

Balance Sheet

	Expendable endowment	Restricted Fund	General unrestricted	Total 2023
	£	£	£	£
Fixed assets				
Tangible assets	125,000	-	-	125,000
Investments	37,553,181	-	-	37,553,181
Programme related investments	500,000	-	26,104	526,104
	38,178,181	-	26,104	38,204,285
Current assets				
Debtors	-	-	21,165	21,165
Cash	-	-	295,673	295,673
	-	-	316,838	316,838
Creditors: Amounts falling due within one year	(26,750)	-	(836,377)	(863,127)
Net current (liabilities)/assets	(26,750)	-	(519,539)	(546,289)
Total assets less current liabilities	38,151,431	-	(493,435)	37,657,996
Creditors: Amounts falling due after more than one year	-	-	(358,300)	(358,300)
Total net assets/(liabilities)	38,151,431	-	(851,735)	37,299,696
Total charity funds	38,151,431	-	(851,735)	37,299,696

12 Tangible fixed assets

	Land & Buildings 2024	2023
	£	£
Balance at beginning and end of period	125,000	125,000

The properties were valued by Clark Scott-Harden, Chartered Surveyors, Penrith on the basis of open market value with existing use on 14 January 1997. The Trustees consider that this valuation is reasonable as the properties are let under a long lease which only generates a nominal rent. They do not consider it necessary, or in the interests of the Trust, to have the properties revalued at this time.

The properties comprise Brathay Hall and 3 estate cottages all of which are let to the Brathay Trust (Registered Charity No: 1021586) for a nominal rent under a lease which expires in 2049. Brathay Trust currently insure the buildings for £27,270,243 (2023: £27,390,225). The historical cost of the properties at 31 December 2023 was £360,689 (31 December 2023: £360,689) and the current annual rental value foregone has been estimated at £137,750 (2023: £131,750).

Notes to the financial statements for the year ended 31 December 2024 (continued)

13 Investments

	2024	2023
	£	£
Market value at beginning of period	37,012,826	34,286,033
Acquisitions at cost	29,278,382	14,488,926
Disposal proceeds	(29,428,240)	(15,030,136)
Net gains/(losses) on revaluation	3,325,217	3,268,003
Market value at end of period	40,188,185	37,012,826
Uninvested cash and settlements pending - endowment account	15,264	540,355
	40,203,449	37,553,181

Uninvested cash includes a net currency gain of £302,966 (2023: gain of £389,460). Net gain on the revaluation and disposal of all investments for the year amounted to £3,628,183 (2023: gain of £3,657,463).

Investments at market value comprise

	2024	2023
	£	£
Equities	32,326,326	27,784,962
Fixed income	3,370,452	4,943,502
Hedge funds	209,304	2,485,730
Alternative	3,121,371	1,515,263
Other	1,160,732	283,369
	40,188,185	37,012,826
Historical cost at end of period	36,447,499	31,501,767

All investments are either listed on UK or overseas stock exchanges, or valued by reference to such investments.

Material investments are:	2024	2023
	£	£
SUTL Cazenove Charity Sustainable Multi-Asset Fund	19,454,092	-

The Trustees consider individual security holdings in excess of 5% and fund holdings in excess of 10% to be material.

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 mid-price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. The difference between the mid-price and bid-price is not material to the accounts. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Notes to the financial statements for the year ended 31 December 2024 (continued)

14 Programme related investments

	2024	2023
	£	£
Investments at cost		
Cost less impairment at 1 January	526,104	304,597
Additions at cost	6,520	222,191
Disposals and repayments	(15,173)	(684)
Cost less impairment at 31 December	517,451	526,104
Investments comprise the following:		
Debt	517,451	526,104
Total	517,451	526,104

15 Debtors

	2024	2023
	£	£
General unrestricted funds		
Prepayments and accrued income	40,661	12,775
Other debtors	19,762	8,390
	60,423	21,165

16 Cash

	2024	2023
	£	£
General unrestricted funds		
COIF	150,683	47,718
Fund managers	313,444	199,190
Cash at banks	75,808	48,758
Petty cash	7	7
	539,942	295,673

Notes to the financial statements for the year ended 31 December 2024 (continued)

17 Creditors: Amounts falling due within one year

	2024	2023
	£	£
General unrestricted funds		
Grants payable (note 5)	936,349	815,563
Trade creditors	484	1,451
Accruals	13,000	12,600
Taxation and social security	3,532	3,867
Other creditors	2,763	2,896
	956,128	836,377
Expendable endowment funds		
Accruals	34,238	26,750
	990,366	863,127

	2024	2023
	£	£
Grant commitments due within one year		
General unrestricted funds	936,349	815,563
	936,349	815,563

18 Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
General unrestricted funds		
Grants payable (note 5)	606,060	358,300

19 Operating lease commitments

At 31 December 2024 the Trust had the following future minimum lease payments under non-cancellable operating leases as follows:

Land & Buildings - for the rental of offices in Stricklandgate House, Kendal.
Annual rental will be £15,864 and the lease can be terminated at any time with 6 months notice.
Other - for the rental of a photocopier, the term of which is from 1 January 2023 to 31 December 2027.

	Land & Buildings		Other	
	2024	2023	2024	2023
	£	£	£	£
Expiry date:				
Within one year *	7,868	7,932	725	725
Two to five years	-	-	1,450	2,175
	7,868	7,932	2,175	2,900

* 6 months' costs

Notes to the financial statements for the year ended 31 December 2024 (continued)

20 Reconciliation of net movement in funds to net cash flow from operating activities	2024 £	2023 £
Net movement in funds	2,550,143	2,668,970
Deduct dividend and income shown in investing activities	(876,947)	(558,156)
Deduct gains on investments	(3,628,183)	(3,657,463)
Decrease in debtors	(10,090)	(2,604)
Decrease in creditors	374,999	(346,418)
Net cash used in operating activities	(1,590,078)	(1,895,671)

21 Analysis of changes in net debt

	1 January 2024 £	Cash flows £	Other non-cash changes £	31 December 2024 £
Cash and cash equivalents				
Cash	295,673	244,269	-	539,942
Investment cash	540,355	(525,091)	-	15,264
	836,028	(280,822)	-	555,206
Total	836,028	(280,822)	-	555,206

Notes to the financial statements for the year ended 31 December 2024 (continued)

22 Grants

	Commitments made in the year ended 31.12.24	Commitments made in the year ended 31.12.23
		£
1st Duddon Scout Group	-	4,000
1st Staveley Brownies	-	600
A New Hope , Cumbria CIC	18,000	-
Achieve Change and Engagement	10,000	-
Always Another Way Cumbria Ltd	10,000	-
Always Another Way Cumbria Ltd - Step Change	4,000	-
Anti Racist Cumbria	30,000	-
Aspatria Dreamscheme	44,400	-
Autism Support Allerdale and Copeland	24,000	-
Autus Cumbria	38,500	-
Barrow Community Trust (formerly Barrow AFC Community Trust)	-	17,000
Be Me Project	-	61,700
Bendrigg Trust	-	4,000
Blackwell Sailing	15,000	-
Brathay Trust	-	20,000
Brathay Trust Aspiring Leaders Programme	266,060	-
CADAS	31,100	-
Calvert Trust	-	20,000
Cancercare	-	46,400
CanDo FM	33,000	-
Carer Support Carlisle and Eden	-	36,200
Carer Support South Lakes	-	48,000
Carlisle Eden Mind	-	10,000
Carlisle Key	60,000	-
Carlisle Youth Zone	-	19,000
Chair's Discretionary Award	-	15,600
Chapter One	2,000	-
CHOFHS Youth Group	10,000	-
Copeland Youth Network	16,500	-
Cumbria Community Foundation - Better Tomorrows	75,000	-
Cumbria Community Foundation - Brighter Futures	39,700	-
Cumbria Family Support	90,000	-
Cumbria Federation of Young Farmers Club	22,600	-
Distington Club for Young People	-	46,300
Eden Ventures	23,700	5,000
Egremont Youth Partnership	-	52,500
Escape 2 Make	-	40,000
Families Matter	30,000	-
FOOTLE UK CIC	3,000	-
Friends of Artspace	-	1,500
Friends of Bram	-	20,400
Future Fixers	-	4,900
Furness Multi-Cultural Community Forum	60,000	-
Gilcrux Village Hall	-	(1,000)
Good Things Collective CIC	(2,804)	-
Great Clifton Community Youth Group	2,500	-
Greenbank Community Association	-	2,000
Growing Well	4,000	-
Hensingham ARLFC	3,700	-
Heron Corn Mill (Beetham) Ltd	2,000	-
Home Start Morecambe and Lancaster	-	(40,000)
Howgill Family Centre (Good Enough Start)	-	10,000
Horizon Studios	-	21,600
Inspiring Barrow - Cumbria CVS	(15,000)	-
Kirkby Lonsdale Fire Appeal	10,000	-

Notes to the financial statements for the year ended 31 December 2024 (continued)

22 Grants (continued)

	Commitments made in the year ended 31.12.24	Commitments made in the year ended 31.12.23
		£
Kirkgate Arts	-	5,000
Lancaster Boys & Girls Club	-	4,850
Lancaster Music Festival	4,630	4,500
Lancashire Youth Challenge	45,000	-
Marsh Community Centre	-	29,400
More Music in Morecambe	(4,000)	4,000
Morecambe Bay Partnership	3,000	-
Morecambe Bay Poverty Trust Commission	20,700	-
MusicLinks	-	4,500
North Allerdale Development Trust	62,100	-
Northern Fells Community Group	5,000	-
Out in the Bay	-	(4,000)
Owl Blue	34,400	-
Owl Blue - Step Change	2,000	-
Peter Scott Award - Anti Racist Cumbria	2,500	-
Phoenix Youth Project	59,400	-
Promoting Autonomy and Change Ltd - PAC	-	34,600
Proud and Diverse Cumbria	5,000	5,000
ROCK	-	47,800
SAFA Cumbria	-	60,000
Shackles Off	-	49,500
Shap Parish Council	-	5,000
Silloth on Solway Sport's Association	-	5,000
Skerton Community Association	-	36,400
Slag Bank Play Area Association	1,500	-
Soundwave	-	17,000
South West Lakes District Scouts	-	1,500
South Whitehaven Youth Partnership	-	59,400
Spiral	30,000	5,000
Stomping Ground CIC	-	3,911
St John's Hospice	-	28,000
Stricklandgate House	(98)	-
Susan's Farm	36,600	-
Time to Share Bereavement Services CIC	42,200	-
Theatre Factory	30,000	-
The Harrington Youth Club	5,000	-
The Laal Collective	-	2,000
The Lookout (CIC)	-	21,400
The Whitehaven Foyer	-	20,000
Together We CIC	41,800	4,000
Together We CIC Step Change	(468)	
Vision Support Barrow and District	-	24,400
West Cumbria Domestic Violence Support	-	30,000
West End Impact	5,000	-
Whitehaven Community Trust	45,000	-
Whitehaven Harbour Youth Project	45,000	-
Wigton Youth Station	-	-
Windmill Trust	-	30,000
Women's Community Matters	-	60,000
Young People First	21,000	-
Youth Presence	-	30,600
Youthability Youth Services	76,000	-
YMCA Lakeside	(1,360)	-
TOTAL	**1,577,860**	**1,094,461**
Total number of grants excluding refunds & cancellations	***52***	***52***

Francis Scott Trust

Trustees' Annual Report & Financial Statements

Dated 1st October 1963 – Registered Charity No. 232131
(for the year ended 31st December 2024)

For further information or to request this document in an accesible format please contact:

Francis C Scott Charitable Trust, Stricklandgate House, 92 Stricklandgate
Kendal, Cumbria, LA9 4PU

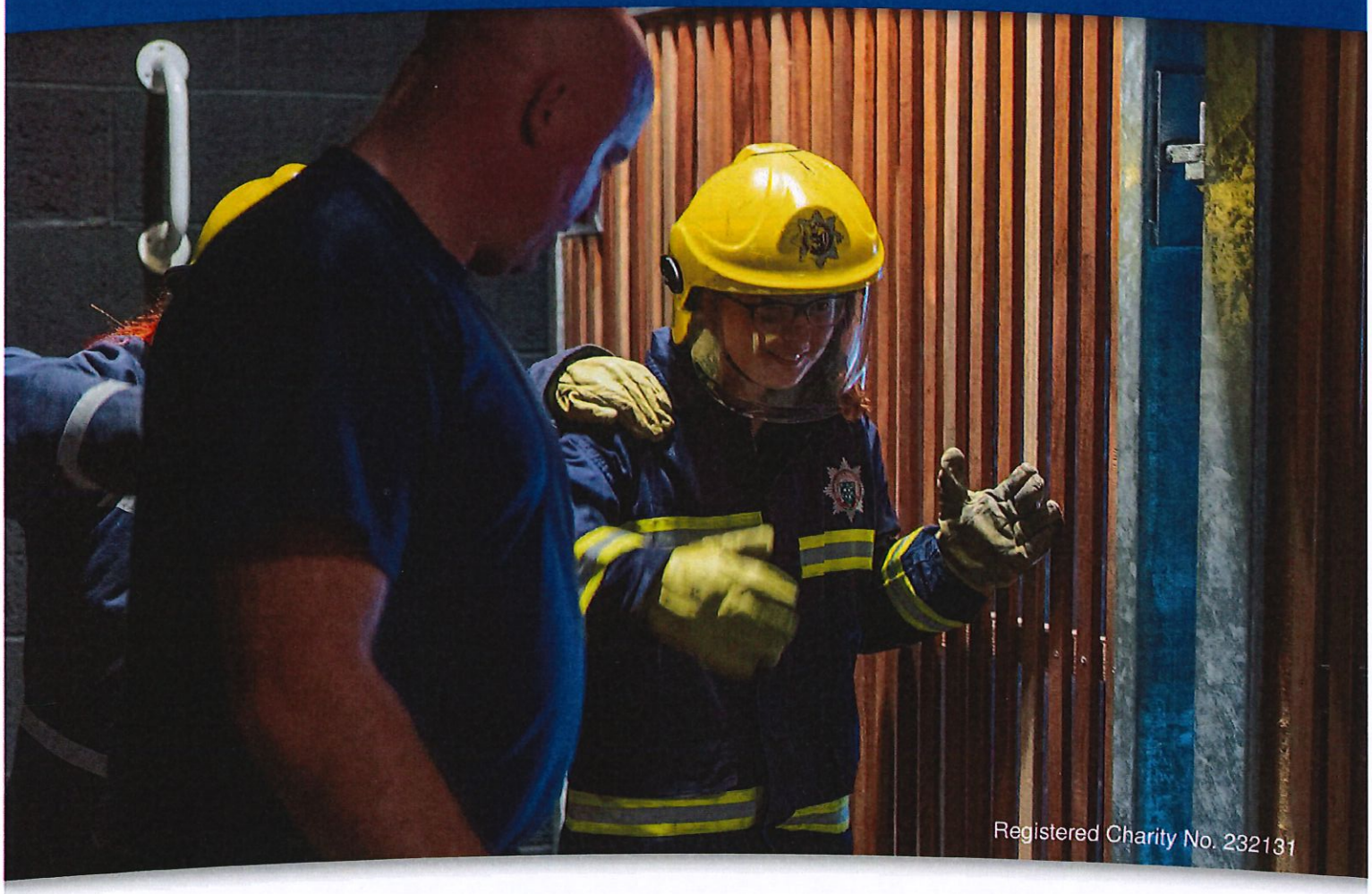
Tel: 01539 742608
www.francis-scott.org.uk

FRANCIS C SCOTT CHARITABLE TRUST

England & Wales - Charity number 232131

Accounts

Francis Scott Trust



Trustees' Annual Report & Financial Statements

For the year ended - 31st December 2023

Dated 1st October 1963 – Registered Charity No. 232131

Trustees' Annual Report

(for the year ended 31st December 2023)

FS | Francis Scott Trust

The Trustees present their annual report and audited financial statements for the year ended 31st December 2023. Reference and administrative information set out above forms part of the 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 as amended by the Charities Act 2022 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

Three part-time staff and one full-time reported to the Director of the Trust who in turn reported to the Board of Trustees. The Chair of Trustees line managed the Director on behalf of the Trustees and the Director managed all other staff. One member of staff works solely for the Francis C Scott Trust, whilst two spent part of their time working for two another grant-giving charities, The Sir James and Lady Scott Trust (1909), and the Frieda Scott Trust (1974) a fourth member of staff worked on behalf of The Frieda Scott Charitable Trust (1974) only, with charges being made accordingly. The number of staff working for the Francis C Scott Charitable Trust, calculated on a full-time equivalent basis, was 3 during the year.

The Board of Trustees met four times during the year. Six sub-committees of Trustees (outlined below) also met at different times during the year to assist in the efficient administration of the work of the Trust. The Director and/or Finance Manager attend by invitation.

Investment Committee	Alex Scott (Chair), Melanie Wotherspoon, Ian Johnson.
Personnel Committee	Madeleine Scott, Sarah Dunning and Joanna Plumptre. Two Trustees from the Frieda Scott Charitable Trust. The Committee was Chaired by Alison Alger, a Trustee of the Frieda Scott Trust.
Small Grants Committee	The Chair and one other Trustee on a rolling basis in consultation with the Director and Grants Officer.
Nominations Committee	Alexander Scott (Chair), Melanie Wotherspoon, Joanna Plumptre and the Chair of Trustees.
Finance & Risk Committee	Christine Knipe. One Trustee from the Frieda Scott Trust meet jointly to review internal controls, risk management and other elements of oversight relevant to both Trusts. Audit oversite is conducted separately by the Trustees of the relevant Trust only.
Programmes Committee	Lizzy Steinhart (Chair) Annalee Holliday and Joanna Plumptre.





The Personnel Committee meets twice annually and reviews the remuneration, terms and conditions of all staff including the key management roles of Director and Finance Manager. All salaries were benchmarked during 2021 and subsequently at recruitment during the year.

The Nominations Committee met during the year to oversee the appointment of a new Chair of Trustees.

The Trust is a self-perpetuating body responsible for its own appointments and retirements. The Chair of the Trust is responsible for the induction and training of new Trustees. An induction programme is prepared for new Trustees and includes a Copy of the Trust Deed, grant making strategic decisions and assessment processes, internal financial controls, responsibilities of Trustees, Investment Policy, Organisational Chart, Risk Assessment, the last 3 Trustees' Meeting Minutes, Trustees' Annual Report & Accounts, History & Purpose paper and the Terms of Reference for the sub-committees.

Further information is held on the Trust's website: **www.francis-scott.org.uk**

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 as amended by the Charities Act 2022, 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.



Francis Scott Trust

Objectives & Activities

Constitution & History

Peter Scott CBE was Chairman of the Provincial Insurance Company Ltd when the Francis C Scott Charitable Trust (Francis Scott Trust) was created by Deed of Trust on 1.10.63 with wide powers to distribute funds for charitable purposes. Peter Scott and his sister, Dr Joan Trevelyan, endowed the Trust with significant holdings of the family business (Provincial Insurance Company Ltd) shares between 1963 and 1971.

The Trust was named after their father, Francis C Scott, in recognition of his philanthropic work, and established with the aim of continuing to support the type of causes and projects that he had sponsored himself; in particular, the development of young people. It is for this reason that the Trust has had an enduring commitment to supporting communities and young people in the north-west of England to promote equity of opportunity and access to positive, developmental experiences, in particular in Cumbria, where the headquarters of the Provincial business was based.

As a grant-giving trust, we believe in the importance of:

- Personal Development
- Nurturing individual talent and organisations as they evolve and being a critical friend
- Supporting direct delivery of quality charity and community work
- Trusting our beneficiaries and keeping the admin burden light
- Long term investment
- Our independence, which allows scope for innovation and risk-taking
- Sharing best practice and celebrating success
- Listening and learning



Dated 1st October 1963 – Registered Charity No. 232131

Trustees' Annual Report
(for the year ended 31st December 2023)

FS | Francis Scott Trust



Grant-making Policy and Practice

The core purpose of our grant making programme is to support organisations that enable young people up to the age of 24 in Cumbria & North Lancashire experiencing challenging circumstances to thrive.

The most recent strategic review was completed during 2019. Implementation began in 2020 and has continued since.

- **To adopt a more positive, asset balanced approach based on the development of an individual's assets rather than the elimination of deficits.***
- **To be more deliberate in the funding of early intervention and preventative programmes as opposed to crisis support or emergency relief.**
- **To reconsider the use of deprivation statistics to consider those experiencing difficulties/barriers to thriving as a result of a number of limiting factors rather than solely living in areas of deprivation.**
- **Adapt the use of the 8-year funding model to enable more strategic working with social enterprise organisations (such as CICs) and give consideration to longer term relationships with grant holding charitable organisations.**
- **Develop a more collaborative approach to how we work both with other funders and other key stakeholders within and outside the voluntary sector.**
- **Be pro-active in supporting the sector through engagement with infrastructure bodies and local and regional authorities.**
- **Expand the Step Change programme to maximise bespoke developmental support for local charities with potential but experiencing challenges or wishing to make significant developments.**

*As a direct result of this decision, the deficit based grant categories previously used were disbanded, replaced instead with four broader thematic priority areas:

Raising aspirations and supporting personal development

Inclusive Practice

Improving Mental Health and Wellbeing

Supporting Sector Effectiveness

Trustees have continued to listen to experiences and perspectives of grant holders and applicants to adapt the Trust's grant making approach and to develop other offers. Activity during the year reflects the implementation of what we have heard and learned from our community partners and is described in further detail in the following pages.

The Trust endeavours to deal with all enquiries and applications to the Trust in an efficient and professional manner. Potential applicants are encouraged to liaise with the Trust's staff prior to submitting a funding request and all eligible applications are considered by Trustees.

The Trust commits to offering constructive, supportive feedback to unsuccessful applicants in the context of further enabling the development of all organisations who apply for a grant.

All eligible applications are visited by at least one member of staff and, wherever possible, they are joined by a Trustee. The only exception to this is small grants where applications are considered by the small grants committee. Recommendations for all awards are made to the full Trustees board for consideration, formal approval or change. Trustees also have full sight of ineligible applications.

The Director and Grants Officer regularly attend various forums, funding fairs and conferences to keep up to date with relevant issues, trends and current needs both nationally and in the beneficial area. The following 'Review of the Year' summarises the degree to which the Trust met its own charitable aims as stated above.



Achievements & Performance

Review of the year

Income and Expenditure

The Trust's investment portfolio is managed on a total return basis, with the management split in half between two investment managers with different investment approaches to aid diversification. Investment income received during the year was £1,637,494 with £1,083,530 of that figure coming from capital drawdown (2022: £1,276,383 & £822,637 respectively).

It is Trustees' strategic intent to ensure that current levels of expenditure are sustainable in the long term. The amount of grants paid in the year was £1,450m (2022: £1,220m). This includes restricted grants of £18.2k made during the year (2022: £26.8k).

Total management, administration and governance costs for the year amounted to £215k (£184k in 2022).

Investment Management

During the year, Trustees reviewed their policy on sustainability in investment management, adopting a new policy of investment intent which states that:

The intentional use of our endowment is an important tool for the achievement of our purpose – alongside our grant making, convening, communication, advocacy and other activities. Through our endowment we have an opportunity to promote change that serves our mission. We believe that our decisions on what to invest in, what not to invest in, how we exercise our stewardship responsibilities as a shareholder, and how we engage with the financial system in our capacity as an investor should contribute to our aim of building resilience and a society that is fair, equitable and environmentally sustainable. Our ethos as a charity is to engage in dialogue and learning that promotes positive change. We seek to reflect this approach in our relationships with the companies in which we invest and with our fund managers.

The full statement of intent was adopted in July 2023 and instigated a review of the Trust's investment managers against new, higher standards of ESG practice. The review resulted in a change of management of approximately 50% of the Trust's investment assets, with Cazenove Capital being appointed to manage half the Trust's portfolio via their Sustainable Multi Asset Fund (SMAF), with Sarasin retaining management of the other half.

Trustees consider this a step towards better practice in the responsible management of their assets and will continue to consider and develop their approach with purpose, to help people and planet, in line with the UN's Sustainable Development Goals.



60th Anniversary Looking back thinking ahead

2023 was the 60th anniversary of the Francis Scott Trust. This milestone year was celebrated in a number of ways, with particular highlights noted:

Celebration event
Trustees hosted a special anniversary event, attended by over 150 invited guests from local partner organisations with whom the Trust works and wished to recognise and thank for their partnership and contribution to the lives of local young people. A special presentation was given by the Break the Mould group, who officially launched their grants programme at the event.

Break the Mould grants programme
A special grants programme named Break the Mould was commissioned and launched during the year. Delivered in partnership by the Cumbria Youth Alliance and Lancaster District CVS, a group of 20 young people were recruited and supported to develop a grants programme, to distribute £60k on behalf of the Trust to further mark the 60th anniversary.

The Break the Mould group determined their own grant making criteria and priorities, managing all aspects of the programme, with support from the local infrastructure organisations.

Their priorities were to fund projects or programmes aimed at 16-25 year olds to:
- Create more safe spaces for them to thrive.
- Help them with the transition into adulthood.
- Provide a greater level of mental health support post-pandemic.

By the end of the reporting period, the group had assessed over 40 applications and awarded £50k through the main grants process. The remaining £10k was distributed in smaller grants in February 2024. A total of 13 organisations across Cumbria and Lancaster District received funds to deliver against the Break the Mould priorities. The programme will be evaluated during 2024 with learning and insights feeding into the Trust's future strategic giving plans and incorporating young people's views beyond this anniversary year.

Core youth work grants programme
A second new programme was launched during the year, to better align the Trust's core beliefs in keeping the admin burden light, and trusting in the expertise of the sector, with our operational practices. The core youth work programme invites long standing youth work providers and existing partners into the programme at the end of their current grant. Eligibility criteria apply, and the programme will be rolled out over three years.

The programme is designed to replace the usual administrative burden with a mutually beneficial process, based on developmental periodic reviews in place of application forms. The Trust hopes this will create a more open and collaborative dialogue, supporting and informing our own practices and enabling us to advocate and work on behalf of youth providers more strategically.

Listening Project
A listening project was conducted during the year with all applicants to the main grants round over the past three years invited to take part. 26 respondents contributed via focus groups and an online survey.

The listening project was conducted under the 60 th anniversary theme of looking back, thinking ahead, and invited respondents to share their perspectives on how the Trust works and to identify areas for potential development. The report will inform Trustees thinking during their strategic review due to take place in 2024.

Regular Grant Making

The table below illustrates the size and number of grants committed in the year, the majority of which are for multi-year grants.

GRANTS COMMITTED	FY2023	FY2022	Average grant size FY2023	Average grant size FY2022
Main Grants (Trustees)	£772.1k (26)	£1,172m (26)	£29.7k	£45.2k
Core Youth Work	£291.1k (6)	-	£48.5k	-
Small Grants	£59.4k (16)	£32,384 (13)	£3.7k	£2.5k
Step Change	£16.9k (4)	£46,990 (12)	£4.2k	£3.9k
TOTAL	**£1,139.5k (52)**	**£1,251.2m (51)**	**£21.9k**	-

The Trust also owns property that is occupied by the Brathay Trust on a long-term lease at a peppercorn rent (as shown in notes 2 and 12 to the Accounts). It is the view of Trustees that this represents an 'in-kind' contribution to the Brathay Trust at a current annual value of £125k.

Aspiring Leaders Programme (ALP)

The most significant single project supported by the Trust is the ongoing **Aspiring Leaders Programme (ALP)**. The fourth cohort of 12 participants completed the three year BA (Hons) programme in December.

The Trust's long term aspiration for the programme has been for it to gain independence and to be replicable elsewhere. During the year, the ALP steering group, made up of representatives from the Trust, the delivery organisations, Brathay Trust, The University of Cumbria and Common Purpose, current students and Alumni, worked to understand whether the programme could be converted into an apprenticeship degree.

Trustees considered this proposal in December and requested further work to understand the needs and potential barriers for voluntary sector organisations to access the programme as an apprenticeship. 23 local organisations contributed to a survey which was disseminated in early 2024 and in March 2024 Trustees agreed funding to secure the delivery of the programme from autumn 2024. Excluding ALP, the Trust received main grant funding requests of almost £1.9m in 2023 (£1.3m in 2022) with 70% of applicants to the main grants programme being successful (77% in 2022). 65% of applicants to the small grants committee were successful (2022: 74%).

2023 was another challenging year for the voluntary sector, with the ongoing effects of Covid still being experienced by those most adversely affected by it, including children and young people, and these exacerbated by a cost of living crisis. Towards the end of the reporting period the rate of applications received and requested amounts were noticeably increasing.



Francis Scott Trust

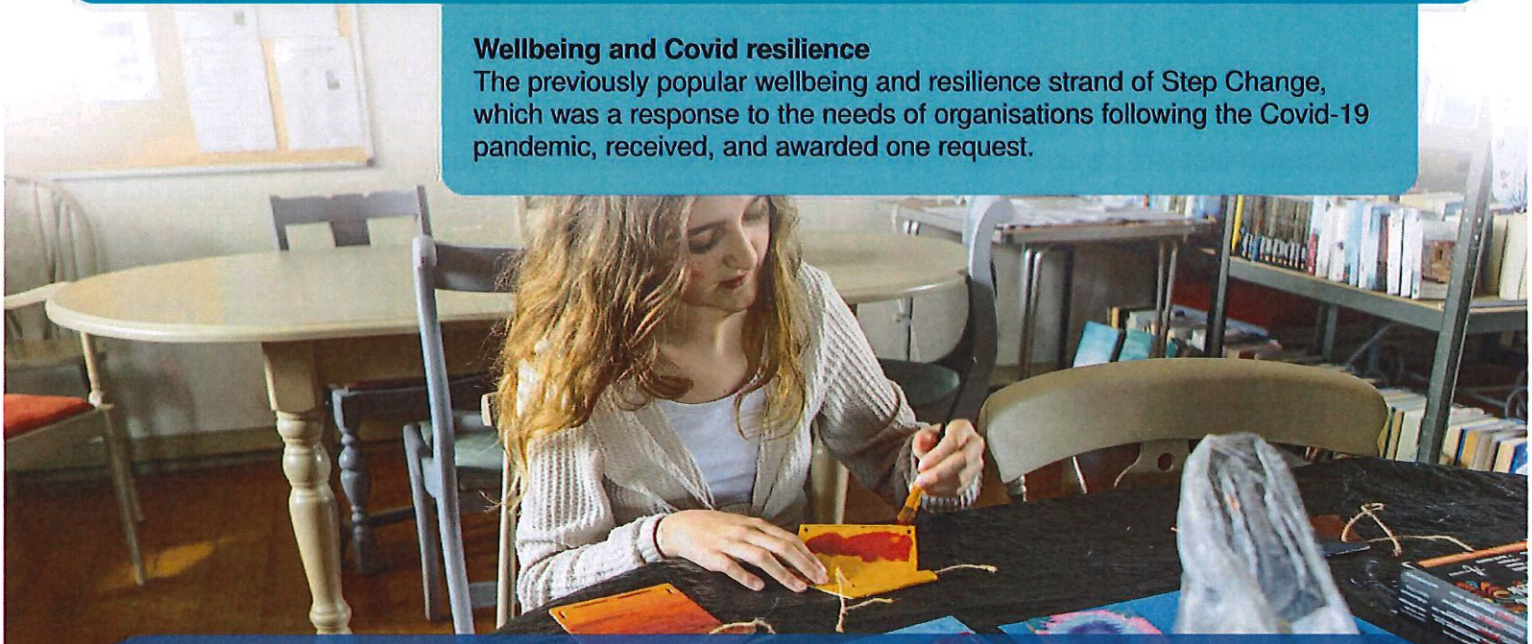
Step Change

The Trust has operated an organisational development programme since 2015, to provide specialist, focussed support to organisations to address a specific need. The programme has grown steadily since 2019 and expanded to include new strands of work:

Consultant led programme
2 applications were received and awarded support.

Future Fixers – *personal development for professional excellence*
Future Fixers, a local CIC delivered a 12-month peer support programme for individuals working or volunteering at grant holder organisations. Positive feedback from this and two other development programmes delivered by Future Fixers for the Trust in the autumn of 2022 led to the commissioning of a further round of all three programmes by Trustees in November 2023. The programmes will be advertised to grant holders and delivered throughout 2024.

Wellbeing and Covid resilience
The previously popular wellbeing and resilience strand of Step Change, which was a response to the needs of organisations following the Covid-19 pandemic, received, and awarded one request.



Social Investment

For the Trust, social investment enables utilising part of the capital endowment to support local organisations when grant funding is not the most appropriate source of finance or who fall outside the priority funding area, but whom we would look to support if required. In April 2021 Trustees committed to developing a social investment portfolio and the Trust's first repayable loan was made within the year.

Trustees have given careful consideration to Charity Commission Guidance on Social Investment, CC14 and took legal advice to ensure the Trust Deed allowed for this activity. Trustees are mindful that social investment is not appropriate for all charity and not for profit organisations and takes a developmental and supportive approach to working with potential applicants. Step Change can be used as a tool to improve investment readiness where required, and the Trust is an access point for the Reach Fund.

Two new social investments were approved, with one coming to fruition during the year.



Operational Changes

During the year the Trust modernised and relaunched its website and changed grant management systems. From early 2024 applications are submitted directly via the organisation's website at **www.francis-scott.org.uk**

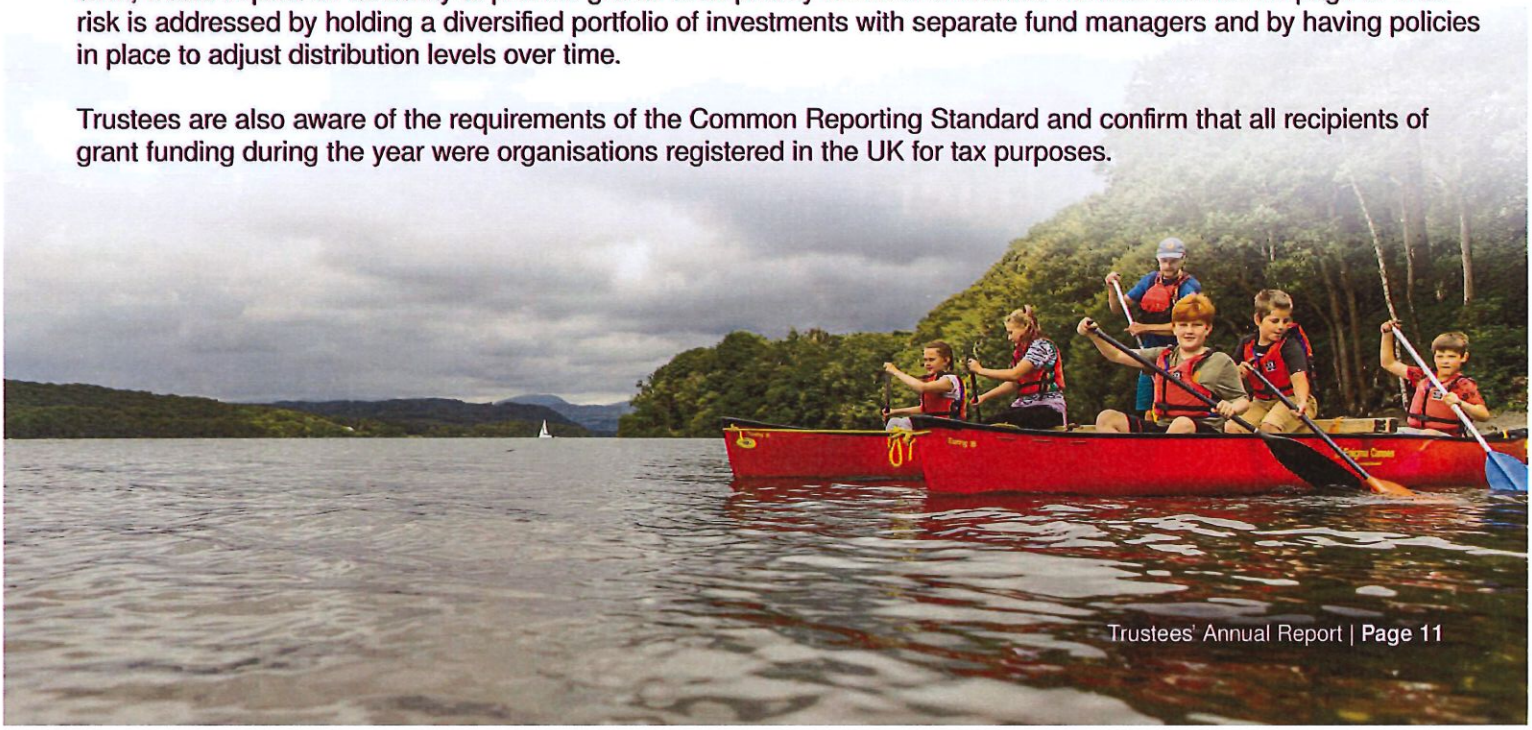
Public Benefit

The Trustees confirm that they have referred to Charity Commission guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities and setting the grant-making policy and are satisfied that the Trust meets the requirements of the key principles as defined.

Risk Management

An Annual Risk Report is tabled every year for consideration by Trustees that includes 30 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 page 5. This risk is addressed by holding a diversified portfolio of investments with separate fund managers and by having policies in place to adjust distribution levels over time.

Trustees are also aware of the requirements of the Common Reporting Standard and confirm that all recipients of grant funding during the year were organisations registered in the UK for tax purposes.



Financial Review

Investment Policy
As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment and have considerable discretion over the investment of the monies of the Trust Fund. Trustees engage two separate investment managers, each with roughly half of the Trust's investment portfolio managed on a total return basis. As outlined on page 7 there was a change of management during the year to align with the Trusts renewed commitment to sustainable investment practice.

The aim of the Trust's Investment Policy is to maintain the real value of the capital whilst providing sustainable returns to distribute as grants. In deciding the amount to be spent on grant-making and operations in the year, Trustees used as a guide an amount that is 4% of the total value (on a trailing 13 quarter average) of the investment portfolio. Trustees agreed in April 2021 that up to 5% of the assets under management may be deployed as social investments.

The full investment policy of the Trust is reviewed annually by Trustees who take account of the advice and recommendations of the Investment Committee.

Performance against Investment Policy
The portfolio produced a total return of 11.4% in 2023, with Sarasin producing a 9.8% and Rothschild 13.05%. This compares to the ARC Charity Steady Growth Index 7.5%.

Reserves Policy
As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment. The capital is held primarily as an investment fund to generate income for the charity's grant-making programme.

As at 31.12.23 there was a negative balance on unrestricted funds (reserves) of £851,6735 (2022: -£1.198m). This arises because of the inclusion in the financial statements of grant commitments of £1.174m (2022: £1.530m) 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 which 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.





Plans for Future Periods

Trustees are very much aware that these remain challenging times for many organisations and individuals in the Trust's beneficial area, with continued challenges and long-term effects, in particular for young people whose formative, developmental years have been materially impacted.

As a long-term funder, the Francis Scott Trust will continue providing multi-year funding to charitable projects within its defined areas of benefit and continues to explore new ways of working to expand productive and positive methods of collaborating with community partners delivering quality programmes to children and young people locally.

During 2024 the Trust will consolidate the many developments it has initiated during 2023, reflect on the learning from the listening and Break the Mould projects and re-commit to its underpinning values and aspirations, before undergoing a strategic review of all its activity, considering how to effect the most positive change using all available assets and resources.

Going concern
The fund value of £37,553,181 at the year-end December 2023 is up on the year-end December 2022. Trustees are mindful that the income from the fund may fluctuate in future years and that the growth in the value of investments in recent years may not continue. The level of distribution made available remains at Trustee's discretion, as does the use of capital to meet agreed distribution levels. Based on these assessments and given the measures undertaken to mitigate risks, 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 on August 16th 2024.

Dr Stephen Curl (Chair of Trustees)

Independent Auditor's report to the Trustees of The Francis C Scott Charitable Trust

Opinion

We have audited the financial statements of The Francis C Scott Charitable Trust (the 'charity') for the year ended 31 December 2023 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 December 2023, 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 as amended by the Charities Act 2022.

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 trustee's 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.

Independent Auditor's report to the Trustees of The Francis C Scott Charitable Trust

Matters on which we are required to report by exception
In the 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 3, 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 as amended by the Charities Act 2022 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.

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.

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 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 2011 as amended by the Charities Act 2022 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.

Independent Auditor's report to the Trustees of The Francis C 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 Audit Ltd

Dodd & Co Audit Limited, Statutory Auditor
Date 05/09/2024

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

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of financial activities
For the year ended 31 December 2023

	Notes	Expendable endowment	Restricted	General unrestricted	Total 2023	Total 2022
		£	£	£	£	£
Income						
Investment income	2	-	-	558,156	558,156	453,746
Transfer to income	3	(1,079,196)	-	1,079,196	-	-
Total income		(1,079,196)	-	1,637,352	558,156	453,746
Expenditure						
Costs of raising funds						
Investment management costs	4	(237,392)	-	-	(237,392)	(246,620)
Expenditure on charitable activities						
Grant making						
Grants committed	5/23	-	(18,200)	(1,121,261)	(1,139,461)	(1,251,174)
Grant commitments cancelled	5/23	-	-	45,000	45,000	53,367
Grant related support/governance costs	5/6/7	-	-	(212,738)	(212,738)	(183,725)
Social investment related support/governance costs	6	-	-	(2,058)	(2,058)	(950)
		-	(18,200)	(1,291,057)	(1,309,257)	(1,382,482)
Total expenditure		(237,392)	(18,200)	(1,291,057)	(1,546,649)	(1,629,102)
Net expenditure before gains/losses on investments	8	(1,316,588)	(18,200)	346,295	(988,493)	(1,175,356)
Net gains/losses on investments	13	3,657,463	-	-	3,657,463	(4,686,020)
Net movement in funds		2,340,875	(18,200)	346,295	2,668,970	(5,861,376)
Reconciliation of funds						
Total funds brought forward		35,810,556	18,200	(1,198,030)	34,630,726	40,492,102
Total funds carried forward		38,151,431	-	(851,735)	37,299,696	34,630,726

The notes on pages 22 to 35 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 FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Balance sheet

At 31 December 2023

	Notes	Expendable endowment	Restricted Fund	General unrestricted	Total 2023	Total 2022
		£	£	£	£	£
Fixed assets						
Tangible assets	12	125,000	-	-	125,000	125,000
Investments	13	37,553,181	-	-	37,553,181	35,412,586
Programme related investments	14	500,000	-	26,104	526,104	304,597
		38,178,181	-	26,104	38,204,285	35,842,183
Current assets						
Debtors	15	-	-	21,165	21,165	12,567
Cash	16	-	-	295,673	295,673	343,821
		-	-	316,838	316,838	356,388
Creditors: Amounts falling due within one year	17	(26,750)	-	(836,377)	(863,127)	(1,137,645)
Net current (liabilities)/assets		(26,750)	-	(519,539)	(546,289)	(781,257)
Total assets less current liabilities		38,151,431	-	(493,435)	37,657,996	35,060,926
Creditors: Amounts falling due after more than one year	18	-	-	(358,300)	(358,300)	(430,200)
Total net assets/(liabilities)		38,151,431	-	(851,735)	37,299,696	34,630,726
Total charity funds		38,151,431	-	(851,735)	37,299,696	34,630,726

Approved by the Trustees on 16th August 2024 and signed on their behalf by:

Steve Curl (Chair of Trustees)

Christine Knipe (Trustee)

The notes on pages 22 to 35 form part of these financial statements.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of Cash Flows
For the year ended 31 December 2023

	Notes	Total Funds 2023	Total Funds 2022
		£	£
Net cash used in operating activities	21	(1,895,671)	(1,644,718)
Cash flows from investing activities:			
Dividends and interest		530,655	449,759
Net proceeds from sale/purchase of investments		341,210	3,476,507
Net cash used by investing activities		871,865	3,926,266
Change in cash and cash equivalents in the year		(1,023,806)	2,281,548
Cash and cash equivalents brought forward		1,470,374	889,047
Change in cash and cash equivalents due to exchange rate movements		389,460	(1,700,221)
Cash and cash equivalents carried forward	22	836,028	1,470,374

Notes to financial statements
For the year ended 31 December 2023

1 Accounting policies

a).Basis of accounting
The Francis C Scott Charitable Trust is a Trust created by Deed of Trust on 1 October 1963 with wide powers to distribute funds for charitable purposes. 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 are prepared under the historical cost convention, with the exception of investments, which are included on a market value basis and properties which are included at prior professional valuation. The financial statements have been prepared in accordance with 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 (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 as amended by the Charities Act 2022.

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 (FRS 102) issued on 16 July 2014 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.

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

d) Resources expended
Expenditure is included on an accruals basis and includes attributable VAT which cannot be recovered.

Costs of raising 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 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 on initial recognition 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. 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 overhead and support costs as shown in note 6.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the uses 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) Tangible fixed assets
Individual fixed assets are capitalised where the purchase cost exceeds £10,000.

Tangible fixed assets are valued at cost or valuation, net of depreciation and any provision for impairment.

No depreciation is provided on land. Freehold properties have not been depreciated as the Trustees consider that the amount involved is immaterial.

f) Revaluation of properties
Advantage has been taken of the transitional provisions of FRS 102 to retain the book value of properties which were revalued prior to implementation of that standard. The properties were last revalued on 14 January 1997 and the valuation has not subsequently been updated.

Notes to financial statements
For the year ended 31 December 2023

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1 Accounting policies (cont.)

g) Fixed asset investments
Investments are included at their fair value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

h) Programme related investments
Programme related investments are initially measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

i) Foreign currencies
Foreign currency balances have been translated at the rate of exchange ruling at the balance sheet date.

j) Financial instruments
Forward foreign currency contracts are measured at fair value on the date the contract is entered into and are subsequently re-measured at the fair value at the balance sheet date. Changes in the fair value are recognised in the Statement of Financial Activities.

k) 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.

l) Pensions
The Trust operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

m) Operating lease rentals
Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Notes to the financial statements for the year ended 31 December 2023 (continued)

2 Investment income	2023 £	2022 £
General unrestricted		
Stocks and shares	526,209	439,048
Bank interest	4,052	1,038
Charities deposit fund interest	4,704	1,369
Interest on balances with fund managers	-	-
Interest from programme related investments	23,190	12,290
	558,155	453,745
Rental income (Brathay Trust)	1	1
	558,156	453,746

3 Transfers from expendable endowment to income

A transfer of capital of £1,079,196 was made in the year (2022: £822,637). The total amount of unrestricted income available for spending in the year was £1,637,352 (2022: £1,276,383).

4 Investment management costs	2023 £	2022 £
Fund managers' fees comprise:		
Rothschild	129,557	132,659
Sarasin	107,835	113,961
	237,392	246,620

The Total Expense Ratio for 2023 was 0.74% (2022: 0.72%) for Rothschild and 0.60% (2022: 0.60%) for Sarasin.

Notes to the financial statements for the year ended 31 December 2023 (continued)

5 Grantmaking

The value of grants to institutions committed in the year, including cancelled grants comprises:

	2023 £	2022 £
General unrestricted funds		
Grant commitments	1,121,261	1,224,374
Grants cancelled/underspend/recovered	(45,000)	(53,367)
	1,076,261	1,171,007
Support costs (notes 6 and 7)	149,754	132,361
Governance costs (notes 6 and 7)	62,984	51,364
	212,738	183,725
	1,288,999	1,354,732
Restricted fund		
Grant commitments	18,200	26,800
	1,307,199	1,381,532

Full details of the recipients are shown in note 23.

	2023		2022	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at beginning of period		1,529,574		1,549,865
Commitments made in the period - general unrestricted fund	1,121,261		1,224,374	
Commitments made in the period - restricted fund	18,200		26,800	
Grants cancelled	(45,000)		(50,150)	
Grant underspend vs commitment	-		(3,217)	
Grants committed for the period		1,094,461		1,197,807
Grants paid during the period	(1,450,172)		(1,229,598)	
Grants repaid	-		11,500	
		(1,450,172)		(1,218,098)
Commitments at 31 December		1,173,863		1,529,574
Commitments at 31 December are payable as follows:				
Within one year (note 17)		815,563		1,099,374
After more than one year (note 18)		358,300		430,200
		1,173,863		1,529,574

Notes to the financial statements for the year ended 31 December 2023 (continued)

6 Allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Grantmaking				
Staff costs	142,923	21,438	121,485	Staff time
Office rental and costs	23,128	2,313	20,815	Staff time
Travelling and conferences	5,397	540	4,857	Staff time
Staff training	542	81	461	Staff time
Subscriptions	3,286	1,150	2,136	Usage
	175,276	25,522	149,754	
Programme related investment costs	2,058	2,058	-	Staff time
	177,334	27,580	149,754	

Governance costs	2023 £	2022 £
Staff costs	21,438	19,981
Office rental and costs	2,313	1,687
Travelling and conferences	540	233
Staff training	81	81
Subscriptions	1,150	751
Professional fees:		
- ALP research report	-	4,180
- Legal expenses	-	1,874
- Brand and website	3,883	7,612
HR fees	2,026	-
Audit fee	13,440	4,800
Costs of trustees' meetings	1,416	320
Trustees' travel expenses	989	294
ALP 10-year Anniversary Event	-	4,645
Extraordinary costs - 60th Event	13,769	-
Sundry	1,939	4,906
	62,984	51,364
Programme related investment costs	2,058	333
	65,042	51,697

7 Comparatives for allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Staff costs	133,205	19,981	113,224	Staff time
Office rental and costs	16,872	1,687	15,185	Staff time
Travelling and conferences	2,330	233	2,097	Staff time
Staff training	540	81	459	Staff time
Subscriptions	2,147	751	1,396	Usage
Programme related investment costs	950	333	617	Staff time
	156,044	23,066	132,978	

8 Net expenditure and net movement in funds before gains and losses on investments

Net expenditure and net movement in funds before gains on investments is stated after charging:	2023 £	2022 £
Auditor's remuneration	12,600	4,800
Auditor's remuneration - non audit fees	840	504
Operating lease rentals	15,693	15,276

Notes to the financial statements for the year ended 31 December 2023 (continued)

9 Analysis of staff costs and remuneration of key management personnel

	2023 £	2022 £
Salaries	156,957	145,127
Social security costs	10,240	9,535
Pension costs	14,909	13,733
	182,106	168,395

The average monthly number of employees during the year was 4 (2022: 4). Calculated on a full time equivalent basis the average number was 3 (2022: 2.92). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The Trust considers its key management personnel comprise the Trustees, the Director and Finance Manager. The total employment benefits including employer pension contributions of the key management personnel were £116,910 (2022: £116,927).

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2023 Number	2022 Number
£60,000 - £69,999	1	1

Employees worked for 1 or 2 other Trusts, The Frieda Scott Charitable Trust and The Sir James and Lady Scott Trust, operating from the same address. A proportion of their costs, based on the time spent, is recharged to those charities. The amount recharged during the year was £39,183 (2022: £35,190). Madeleine Scott is also a Trustee of The Sir James and Lady Scott Trust.

	2023 £	2022 £
Salaries	182,106	168,395
Less: recharged	(39,183)	(35,190)
Net cost to the Francis C Scott Charitable Trust	142,923	133,205
Included in charitable activities	121,485	113,224
Included in governance costs	21,438	19,981
	142,923	133,205

The Trust makes contributions to the defined contribution pension schemes of its employees. The assets of these schemes are held separately from those of the Trust in independently administered funds. The pension costs charge represents contributions paid by the Trust to those funds. An Auto-Enrolment compliant scheme was set up with effect from 1 April 2016.

Notes to the financial statements for the year ended 31 December 2023 (continued)

10 Trustees' remuneration and related parties

3 Trustees (2022: 2) received expenses totalling £989 in the year (2022: £294) for the cost of travel to Trustees' meetings and on other Trust business. Trustees neither received nor waived any emoluments during the year (2022: £nil). An annual donation of £5,000 was made to the Liverpool Charity and Voluntary Services to be spent on charitable causes at the Chair's discretion.

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	General unrestricted	Total 2022
	£	£	£	£
Income				
Investment income	-	-	453,746	453,746
Transfer to income	(822,637)	-	822,637	-
Total income	(822,637)	-	1,276,383	453,746
Expenditure				
Costs of raising funds				
Investment management costs	(246,620)	-	-	(246,620)
Expenditure on charitable activities				
Grant making				
Grants committed	-	(26,800)	(1,224,374)	(1,251,174)
Grant commitments cancelled	-	-	53,367	53,367
Grant related support/governance costs			(183,725)	(183,725)
Social Investment related support/governance costs	-	-	(950)	(950)
	-	(26,800)	(1,355,682)	(1,382,482)
Total expenditure	(246,620)	(26,800)	(1,355,682)	(1,629,102)
Net expenditure and net movement in funds before gains and losses on investments	(1,069,257)	(26,800)	(79,299)	(1,175,356)
Net losses on investments	(4,686,020)	-	-	(4,686,020)
Net movement in funds	(5,755,277)	(26,800)	(79,299)	(5,861,376)
Reconciliation of funds				
Total funds brought forward	41,565,833	45,000	(1,118,731)	40,492,102
Total funds carried forward	35,810,556	18,200	(1,198,030)	34,630,726

Notes to the financial statements for the year ended 31 December 2023 (continued)

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

Balance Sheet

	Expendable endowment	Restricted Fund	General unrestricted	Total 2022
	£	£	£	£
Fixed assets				
Tangible assets	125,000	-	-	125,000
Investments	35,412,586	-	-	35,412,586
Programme related investments	300,000	-	4,597	304,597
	35,837,586	-	4,597	35,842,183
Current assets				
Debtors	-	-	12,567	12,567
Cash		18,200	325,621	343,821
	-	18,200	338,188	356,388
Creditors: Amounts falling due within one year	(27,030)	-	(1,110,615)	(1,137,645)
Net current (liabilities)/assets	(27,030)	18,200	(772,427)	(781,257)
Total assets less current liabilities	35,810,556	18,200	(767,830)	35,060,926
Creditors: Amounts falling due after more than one year	-	-	(430,200)	(430,200)
Total net assets/(liabilities)	35,810,556	18,200	(1,198,030)	34,630,726
Total charity funds	35,810,556	18,200	(1,198,030)	34,630,726

12 Tangible fixed assets

	Land & Buildings	
	2023	2022
	£	£
Balance at beginning and end of period	125,000	125,000

The properties were valued by Clark Scott-Harden, Chartered Surveyors, Penrith on the basis of open market value with existing use on 14 January 1997. The Trustees consider that this valuation is reasonable as the properties are let under a long lease which only generates a nominal rent. They do not consider it necessary, or in the interests of the Trust, to have the properties revalued at this time.

The properties comprise Brathay Hall and 3 estate cottages all of which are let to the Brathay Trust (Registered Charity No: 1021586) for a nominal rent under a lease which expires in 2049. Brathay Trust currently insure the buildings for £27,390,225 (2022: £25,994,338). The historical cost of the properties at 31 December 2023 was £360,689 (31 December 2022: £360,689) and the current annual rental value foregone has been estimated at £131,750 (2022: £125,000).

Notes to the financial statements for the year ended 31 December 2023 (continued)

13 Investments

	2023	2022
	£	£
Market value at beginning of period	34,286,033	40,748,339
Acquisitions at cost	14,488,926	10,185,597
Disposal proceeds	(15,030,136)	(13,662,104)
Net gains/(losses) on revaluation	3,268,003	(2,985,799)
Market value at end of period	37,012,826	34,286,033
Uninvested cash and settlements pending - endowment account	540,355	1,126,553
	37,553,181	35,412,586

Uninvested cash includes a net currency gain of £389,460 (2022: loss of £1,700,221). Net gain on the revaluation and disposal of all investments for the year amounted to £3,657,463 (2022: loss of £4,686,020).

Investments at market value comprise

	2023	2022
	£	£
Equities	27,784,962	24,836,357
Fixed income	4,943,502	4,953,752
Hedge funds	2,485,730	2,480,624
Alternative	1,515,263	1,693,830
Other	283,369	321,470
	37,012,826	34,286,033
Historical cost at end of period	31,501,767	32,655,599

All investments are either listed on UK or overseas stock exchanges, or valued by reference to such investments.

The Trustees consider individual security holdings in excess of 5% and fund holdings in excess of 10% to be material. There were no holdings meeting these criteria at the year-end.

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 mid-price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. The difference between the mid-price and bid-price is not material to the accounts. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Notes to the financial statements for the year ended 31 December 2023 (continued)

14 Programme related investments

	2023	2022
	£	£
Investments at cost		
Cost less impairment at 1 January	304,597	300,000
Additions at cost	222,191	4,597
Disposals and repayments	(684)	-
Cost less impairment at 31 December	526,104	304,597
Investments comprise the following:		
Debt	526,104	304,597
Total	526,104	304,597

15 Debtors

	2023	2022
	£	£
General unrestricted funds		
Prepayments and accrued income	12,775	5,497
Other debtors	8,390	7,070
	21,165	12,567

16 Cash

	2023	2022
	£	£
General unrestricted funds		
COIF	47,718	54,815
Fund managers	199,190	87,638
Cash at banks	48,758	183,152
Petty cash	7	16
	295,673	325,621
Restricted fund		
COIF	-	18,200
	295,673	343,821

Notes to the financial statements for the year ended 31 December 2023 (continued)

17 Creditors: Amounts falling due within one year

	2023	2022
	£	£
General unrestricted funds		
Grants payable (note 5)	815,563	1,099,374
Trade creditors	1,451	1,372
Accruals	12,600	4,833
Taxation and social security	3,867	3,360
Other creditors	2,896	1,676
	836,377	1,110,615
Expendable endowment funds		
Accruals	26,750	27,030
	863,127	1,137,645

	2023	2022
	£	£
Grant commitments due within one year		
General unrestricted funds	815,563	1,099,374
	815,563	1,099,374

18 Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
General unrestricted funds		
Grants payable (note 5)	358,300	430,200

19 Operating lease commitments

At 31 December 2023 the Trust had the following future minimum lease payments under non-cancellable operating leases as follows:

Land & Buildings - for the rental of offices in Stricklandgate House, Kendal.
Annual rental will be £15,864 and the lease can be terminated at any time with 6 months notice.
Other - for the rental of a photocopier, the term of which is from 1 January 2023 to 31 December 2027.

	Land & Buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Expiry date:				
Within one year *	7,932	7,168	725	725
Two to five years	-	-	2,175	2,900
	7,932	7,168	2,900	3,625

* 6 months' costs

20 Restricted fund

	2023	2022
	£	£
Goodacre Benevolent Fund - donation made on closure of fund for distribution in Kendal.	-	18,200
	-	18,200

Notes to the financial statements for the year ended 31 December 2023 (continued)

21 Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds	2,668,970	(5,861,376)
Deduct dividend and income shown in investing activities	(558,156)	(453,746)
(Deduct) / Add (gains) / losses on investments	(3,657,463)	4,686,020
(Decrease) / Increase in debtors	(2,604)	5,593
Decrease in creditors	(346,418)	(21,209)
Net cash used in operating activities	(1,895,671)	(1,644,718)

22 Analysis of changes in net debt

	1 January 2023 £	Cash flows £	Other non-cash changes £	31 December 2023 £
Cash and cash equivalents				
Cash	343,821	(48,148)	-	295,673
Investment cash	1,126,553	(586,198)	-	540,355
	1,470,374	(634,346)	-	836,028
Total	1,470,374	(634,346)	-	836,028

Notes to the financial statements for the year ended 31 December 2023 (continued)

23 Grants

	Commitments made in the year ended 31.12.23	Commitments made in the year ended 31.12.22
	£	£
1st Duddon Scout Group	4,000	-
1st Staveley Brownies	600	-
Alston Recreation Ground	-	3,000
Always Another Way Cumbria Ltd	-	22,000
Anti Racist Cumbria	-	30,000
Barrow Community Trust (formerly Barrow AFC Community Trust)	17,000	(405)
Be Me Project	61,700	-
Bendrigg Trust	4,000	-
Brathay Trust	20,000	(25,000)
Calvert Trust	20,000	-
Cancercare	46,400	-
Carer Support Carlisle and Eden	36,200	-
Carer Support South Lakes	48,000	4,000
Carlisle Eden Mind	10,000	-
Carlisle Youth Zone	19,000	24,400
Chair's Discretionary Award	15,600	-
Christ Church Night Shelter	-	(6,500)
Circus Starr CIC	-	1,000
Creative Lives	-	(3,950)
Cumbria Family Support	-	2,100
Cumbria RungWe Community Link	-	3,200
Distington Club for Young People	46,300	-
Drop Zone Youth Projects	-	60,000
Eden Ventures	5,000	1,000
EggCup	-	3,990
Egremont Youth Partnership	52,500	-
Escape 2 Make	40,000	-
Euphoric Circus	-	20,000
Friends of Artspace	1,500	-
Friends of Bram	20,400	22,000
Furness Broadcast Media/ CANDOFM	-	3,684
Future Fixers	4,900	5,300
Gilcrux Village Hall	(1,000)	-
Good Things Collective CIC	-	4,000
Great Clifton Community Youth Group	-	1,000
Greenbank Community Association	2,000	500
Home Start Morecambe and Lancaster	(40,000)	60,000
Howgill Family Centre (Good Enough Start)	10,000	60,000
Horizon Studios	21,600	-
Inspiring Barrow - Cumbria CVS	-	45,000
Kent Estuary Youth (KEY) Project	-	40,000
Kirkgate Arts	5,000	-
Lancaster Boys & Girls Club	4,850	-

(Continued overleaf)

Notes to the financial statements for the year ended 31 December 2023 (continued

23 Grants (continued)

	Commitments made in the year ended 31.12.23	Commitments made in the year ended 31.12.22
	£	£
Lancaster CVS & CYA	-	89,000
Lancaster District CVS	-	35,800
Lancaster Music Festival	4,500	2,500
Lancashire Youth Challenge	-	45,000
Marsh Community Centre	29,400	-
More Music in Morecambe	4,000	45,000
MusicLinks	4,500	-
Out in the Bay	(4,000)	4,000
Panathlon	-	(2,000)
People First Independent Advocacy	-	4,000
Peter Scott Award - Youthability	-	2,500
PiNC	-	29,700
Promoting Autonomy and Change Ltd - PAC	34,600	9,600
Proud and Diverse Cumbria	5,000	-
Queen Katherine School Association	-	3,000
ROCK	47,800	4,000
SAFA Cumbria	60,000	(1,350)
Safety Net	-	72,600
Shackles Off	49,500	-
Shap Parish Council	5,000	-
Sight Advice South Lakes	-	40,700
Signal Film & Media	-	120,000
Signal Film & Media	-	3,600
Silloth on Solway Sport's Association	5,000	-
Skerton Community Association	36,400	-
Soundwave	17,000	-
South West Lakes District Scouts	1,500	-
South Whitehaven Youth Partnership	59,400	-
Spiral	5,000	-
Stanleys Community Centre	-	51,000
Stomping Ground CIC	3,911	-
Strawberry Fields Training	-	4,000
St John's Hospice	28,000	-
The Happy Mums Foundation CIC	-	(2,700)
The Laal Collective	2,000	-
The Lookout (CIC)	21,400	-
The Olive Branch	-	1,500
The Whitehaven Foyer	20,000	-
Together We CIC	4,000	-
Triple A	-	58,300
Vision Support Barrow and District	24,400	-
Walney Community Trust	-	49,117
Wave Forward (South Lakes)	-	4,000
Well Suited CIC	-	4,000
West Cumbria Domestic Violence Support	30,000	-
West Cumbria Rivers Trust	-	37,100
Whitehaven Harbour Youth Project	-	3,421
Whitehaven Sea Cadet Corps	-	(10,000)
Wigton Youth Station	-	38,900
Windmill Trust	30,000	20,000
Wise Up Workshops CIC	-	43,200
Wise Up Workshops CIC	-	4,000
Women's Community Matters	60,000	-
Youth Presence	30,600	-
YMCA Lakeside	-	4,000
TOTAL	**1,094,461**	**1,197,807**
Total number of grants excluding refunds & cancellations	**52**	**51**

Francis Scott Trust

Trustees' Annual Report & Financial Statements

Dated 1st October 1963 – Registered Charity No. 232131
(for the year ended 31st December 2023)

For further information or to request this document in an accesible format please contact:

Francis C Scott Charitable Trust, Stricklandgate House, 92 Stricklandgate
Kendal, Cumbria, LA9 4PU

Tel: 01539 742608
www.francis-scott.org.uk

FRANCIS C SCOTT CHARITABLE TRUST

England & Wales - Charity number 232131

Accounts

Francis Scott Trust

Registered Charity No. 232131



Trustees' Annual Report & Financial Statements

For the year ended - 31st December 2022

Reference & Administrative Information

Trustees
Peter Redhead (Chair)
Sarah Dunning OBE
Christine Knipe
Joanna Plumptre
Alexander Scott
Madeleine Scott
Professor Kaz Stuart
Melanie Wotherspoon
Steve Curl (appointed November 11th)
Annalee Holliday (appointed November 11th)
Ian Johnson (appointed November 11th)
Lizzy Steinhart (appointed November 11th)

Director
Helen Carter

Finance Manager
Craig Pennington

Address
Stricklandgate House
92 Stricklandgate
Kendal
Cumbria LA9 4PU

Auditors
Dodd & Co Audit Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
Carlisle CA1 2RW

Bankers
Handelsbanken
Bridge Mills First Floor East
Stramongate
Kendal
Cumbria LA9 4BD

Barclays Bank plc
9 Highgate
Kendal
Cumbria LA9 4DF

The Charities Official Investment Fund (COIF)
One Angel Lane
London
EC4R 3AB

Investment Advisers
Rothschild & Co. Wealth Management (UK) Ltd
New Court, St. Swithin's Lane,
London EC4N 8AL

Sarasin & Partners LLP
Juxon House, 100 St Paul's Churchyard,
London EC4M 8BU

Solicitors
Currey & Co.
33 Queen Anne Street, London W1G 9HY

Russell-Cooke LLP
2 Putney Hill, London SW15 6AB

The Trustees present their annual report and audited financial statements for the year ended 31st December 2022. Reference and administrative information set out on page 1 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 as amended by the Charities Act 2022 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

The Board of Trustees met three times during the year. Five sub-committees of Trustees (outlined below) also met at different times during the year to assist in the efficient administration of the work of the Trust. The Director and/or Finance Manager attend by invitation.

Investment Committee	Alex Scott (Chair), Melanie Wotherspoon, Peter Redhead, who left the committee during the year and was replaced by Ian Johnson.
Personnel Committee	Madeleine Scott, Sarah Dunning (from October) and Peter Redhead until November, when he was replaced by Joanna Plumptre. Two Trustees from the Frieda Scott Charitable Trust. The Committee was Chaired by Alison Alger, a Trustee of the Frieda Scott Trust.
Small Grants Committee	The Chair and one other Trustee on a rolling basis in consultation with the Director.
Nominations Committee	Alexander Scott (Chair), Melanie Wotherspoon, Joanna Plumptre and Peter Redhead.
Finance & Risk Committee	Alexander Scott (Chair), Christine Knipe. Alex Scott left this Committee in November, and Steve Curl joined. Two Trustees from the Frieda Scott Trust meet jointly to review internal controls, risk management and other elements of oversight relevant to both Trusts. Audit oversite is conducted separately by the Trustees of the relevant Trust only. The Sir James and Lady Scott Trust does not have a representative at the Committee, but considers relevant recommendations.





Two Trustees (**Joanna Plumptre and Kaz Stuart**) also sat on the Aspiring Leaders Programme (ALP) Steering Group which oversees the delivery of this flagship programme for the Trust.

During the year Trustees approved the creation of a new Programmes sub committee to provide closer scrutiny and oversite of the efficacy of the grants programmes. Membership of the Committee when it is formed during 2023 will be: **Lizzy Steinhart, Annalee Holliday and Joanna Plumptre.**

Three part-time staff and one full-time reported to the Director of the Trust who in turn reported to the Board of Trustees. The Chair of Trustees line managed the Director on behalf of the Trustees and the Director managed all other staff. One member of staff works solely for the Francis C Scott Trust, whilst two spent part of their time working for two another grant-giving charities, The Sir James and Lady Scott Trust (1909), and the Frieda Scott Trust (1974) a fourth member of staff worked on behalf of The Frieda Scott Charitable Trust (1974) only, with charges being made accordingly. Of these roles, two were new appointees during the year. The number of staff working for the Francis C Scott Charitable Trust, calculated on a full-time equivalent basis, was 2.9 during the year.

The Personnel Committee meets twice annually and reviews the remuneration, terms and conditions of all staff including the key management roles of Director and Finance Manager. All salaries were benchmarked during 2021 and subsequently at recruitment during the year. Trustees agreed to undertake a complete benchmarking process every three years. The first will take place in 2024.

The Trust is a self-perpetuating body responsible for its own appointments and retirements. The Chair of the Trust is responsible for the induction and training of new Trustees. An induction programme is prepared for new Trustees and includes; a Copy of the Trust Deed, grant making strategic decisions and assessment processes, internal financial controls, responsibilities of Trustees, Investment Policy, Organisational Chart, Risk Assessment, the last 3 Trustees' Meeting Minutes, Trustees' Annual Report & Accounts, History & Purpose paper and the Terms of Reference for the sub-committees. Further background information, is held on the Trust's website: **www.francis-scott.org.uk**

The Nominations Committee met three times during the year to oversee an open recruitment process. Trustees approved the utilisation of both local and national platforms and networks to attract as wide and varied an interest as possible. The Nominations Committee shortlisted and interviewed a number of excellent candidates, before making recommendations to the Board. Trustees appointed four new Trustees who were formally welcomed to the Trust in November.

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 as amended by the Charities Act 2022, 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

Peter Scott CBE was Chairman of the Provincial Insurance Company Ltd when the Francis C Scott Charitable Trust (Francis Scott Trust) was created by Deed of Trust on 1.10.63 with wide powers to distribute funds for charitable purposes. Peter Scott and his sister, Dr Joan Trevelyan, endowed the Trust with significant holdings of the family business (Provincial Insurance Company Ltd) shares between 1963 and 1971.

The Trust was named after their father, Francis C Scott, in recognition of his philanthropic work, and established with the aim of continuing to support the type of causes and projects that he had sponsored himself; in particular, the development of young people. It is for this reason that the Trust has had an enduring commitment to supporting communities and young people in the north-west of England to promote equity of opportunity and access to positive, developmental experiences, in particular in Cumbria, where the headquarters of the Provincial business was based.

As a grant-giving trust, we believe in the importance of:

- Personal Development
- Nurturing individual talent and organisations as they evolve and being a critical friend
- Supporting direct delivery of quality charity and community work
- Trusting our beneficiaries and keeping the admin burden light
- Long term investment
- Our independence, which allows scope for innovation and risk-taking
- Sharing best practice and celebrating success
- Listening and learning



Dated 1st October 1963 – Registered Charity No. 232131

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

Francis Scott Trust



Grant-making Policy and Practice

The core purpose of our grant making programme is to support organisations that enable young people up to the age of 24 in Cumbria & North Lancashire experiencing challenging circumstances to thrive.

The most recent strategic review was completed during 2019. Implementation began in 2020 and has continued at pace during 2021 and 2022, despite the effects of the pandemic on the Trusts operations and that of its grant holders. Key strategic decisions were:

- **To adopt a more positive, asset balanced approach based on the development of an individual's assets rather than the elimination of deficits.***
- **To be more deliberate in the funding of early intervention and preventative programmes as opposed to crisis support or emergency relief.**
- **To reconsider the use of deprivation statistics to consider those experiencing difficulties/barriers to thriving as a result of a number of limiting factors rather than solely living in areas of deprivation.**
- **Adapt the use of the 8-year funding model to enable more strategic working with social enterprise organisations (such as CICs) and give consideration to longer term relationships with grant holding charitable organisations.**
- **Develop a more collaborative approach to how we work both with other funders and other key stakeholders within and outside the voluntary sector.**
- **Be pro-active in supporting the sector through engagement with infrastructure bodies and local and regional authorities.**
- **Expand the Step Change programme to maximise bespoke developmental support for local charities with potential but experiencing challenges or wishing to make significant developments.**

*As a direct result of this decision, the deficit based grant categories previously used were disbanded, replaced instead with four broader thematic priority areas:

- Raising aspirations and supporting personal development
- Inclusive Practice
- Improving Mental Health and Wellbeing
- Supporting Sector Effectiveness

Trustees have continued to listen to experiences and perspectives of grant holders and applicants to adapt the Trust's grant making approach and to develop other activity, particularly in light of the effects of Covid on organisations and on young people, who are amongst the most adversely affected group. Activity during the year reflects the implementation of what we have heard and learned from our community partners and is described in further detail in the following pages.

The Trust endeavours to deal with all enquiries and applications to the Trust in an efficient and professional manner. Potential applicants are encouraged to liaise with the Trust's staff prior to submitting a funding request and all eligible applications are considered by Trustees.

The Trust commits to offering constructive, supportive feedback to unsuccessful applicants in the context of further enabling the development of all organisations who apply for a grant.

Every funding application considered at the main Trustee meetings is visited by the staff team and where possible, by a Trustee. Additionally, the Director and Grants Officer regularly attend various forums, funding fairs and conferences to keep up to date with relevant issues, trends and current needs both nationally and in the beneficial area.

The following 'Review of the Year' summarises the degree to which the Trust met its own charitable aims as stated above.



Achievements & Performance

Review of the year

Income and Expenditure

The Trust's investment portfolio is managed on a total return basis, with the management split in half between two investment managers with different investment approaches to aid diversification. Income received during the year was £1,276,383 with £822,637 of that figure coming from capital drawdown (2021: £1,199,360 & £744,607 respectively).

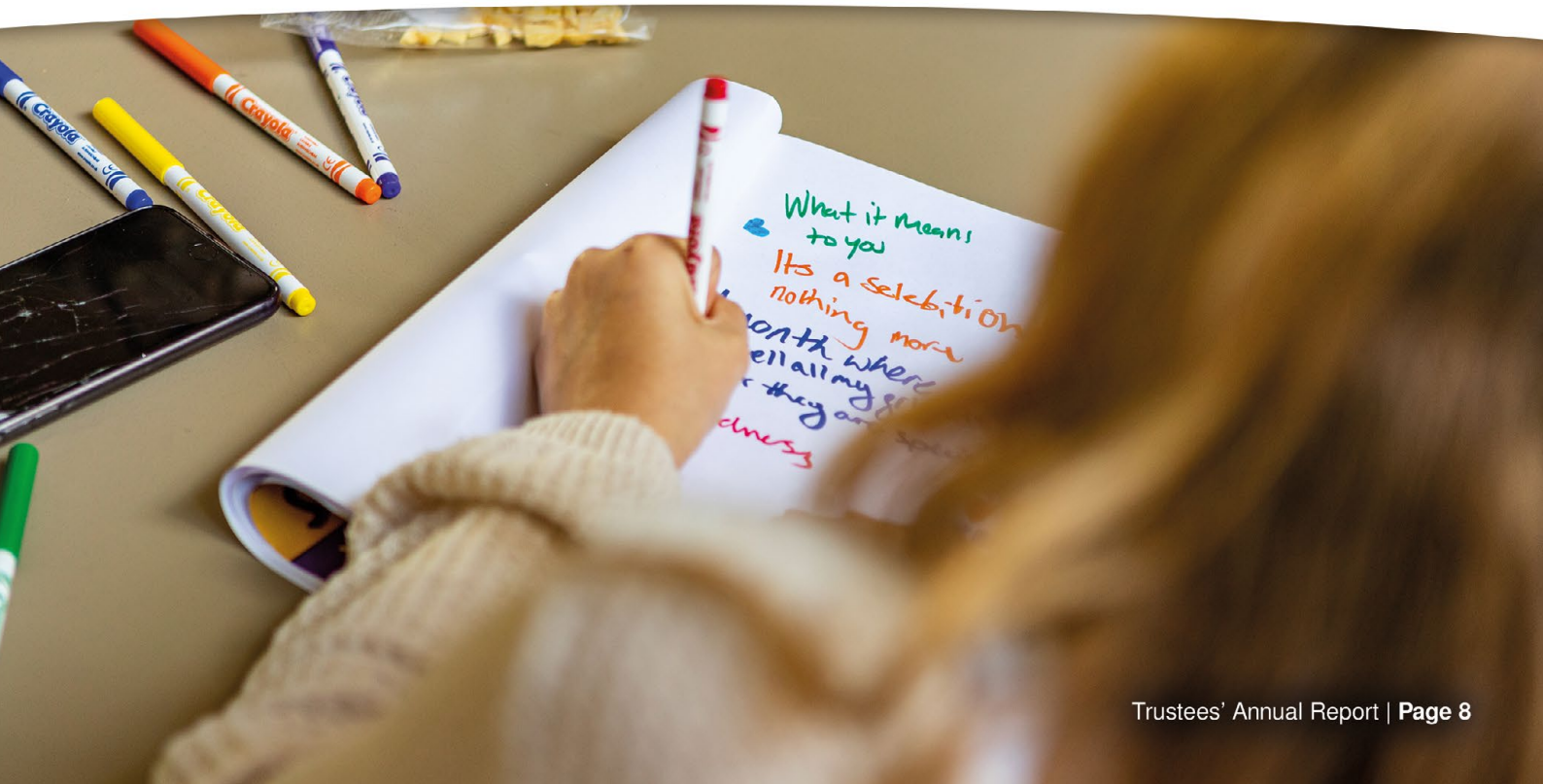
It is Trustees' strategic intent to ensure that current levels of expenditure are sustainable in the long term. The amount of grants paid in the year was £1,220m (2021: £975.8k). This includes restricted grants of £26.8k made during the year (2021: £nil).

Total management, administration and governance costs for the year amounted to £184k (£158k in 2021).

Grant making

The table below illustrates the size and number of grants committed in the year, the majority of which are for multi-year grants. The Trust also owns property that is occupied by the Brathay Trust on a long-term lease at a peppercorn rent (as shown in notes 2 and 12). It is the view of Trustees that this represents an 'in-kind' contribution to the Brathay Trust at a current annual value of £125k.

GRANTS COMMITTED	FY2022	FY2021	Average grant size FY2022	Average grant size FY2021
Main grants (Trustees)	£1,172m (26)	£1,108m (28)	£45.2k	£39.6k
Small grants	£32,384 (13)	£16,480 (7)	£2.5k	£2.3k
Step Change	£46,990 (12)	£15,860 (4)	£3.9k	£3.9k
TOTAL	**£1,251,174 (51)**	**£1,139,940 (39)**		



Aspiring Leaders Programme (ALP)

The most significant single project supported by the Trust is the ongoing **Aspiring Leaders Programme (ALP)** with ALP4 having started in January 2021.

ALP4 completed their second year of study during the year, with 12 participants due to complete the programme at the end of 2023.

This innovative project was a key outcome from the Trustees' 2010 Strategic Review and is seeking to enhance the leadership capability of our local not-for-profit sector. Following a commissioning process, Brathay Trust was awarded the contract to deliver the programme in partnership with the University of Cumbria (who have created a BSc (Hons) in Social Enterprise Leadership specifically for ALP) and Common Purpose.

The longitudinal report on the impacts of the programme commissioned by the Trust in 2021 was received by Trustees and it's findings considered. Trustees committed to supporting a fifth cohort, due to begin September 2024, by providing 60% of the funding required. The ALP steering group are responsible for identifying and raising the remaining 40%. The Trust is an active part of the steering group and committed to supporting the fundraising activity to secure a fifth cohort of the programme.

Excluding ALP, the Trust received main grant funding requests of over £1.3m in 2022 (£1.3m in 2021) with 77% of applicants to the main grants programme being successful, with one successful application later being cancelled in 2023. (88% in 2021). 74% of applicants to the small grants committee were successful, with one application being withdrawn before a decision was made. (2021: 56%)

Although the most obvious and immediate effects of the Covid-19 health pandemic abated, its longer term effects continued to be felt by individuals, families and communities. The role of charities and community groups in providing support beyond the crisis phase, is vital, as the effects on young people in particular are continuing to emerge and are not yet fully understood.

The UK also entered a cost of living crisis during the year and the charity sector is one of several to experience staffing shortages and challenges at a time of increasing need for services.



Step Change

The Trust has operated a small 'funder plus' programme since 2015, to provide specialist, focussed support to organisations to address a specific need. The Trust's 2019 strategic decision to expand this programme gained further traction during the year with a three fold increase in the number of organisations receiving bespoke support. No applicants requesting Step Change support were rejected during the year.

In response to the concerns raised by community groups relating to the impact of the Covid pandemic on staff and volunteer teams, Trustees expanded the programme to enable organisations to directly support their teams, in particular to address needs around wellbeing and resilience. 2022 is the second year this offer was explicitly made, and of the 12 Step Change processes awarded during the year, 4 were used for this purpose.

In late 2021 grant holders were approached to identify other areas in which Step Change could be deployed, to offer training and development in areas which are not easily accessible elsewhere. The themes most frequently requested by grant holders were – time and energy management and coaching skills for managers.

Future Fixers, a Kendal based CIC were commissioned to deliver two focussed programmes, each over two half days to address the areas identified. 9 and 11 attendees respectively attended the pilot programmes, run during March and provided positive feedback. A second programme was run in the autumn with 8 and 5 attendees respectively. The next iteration of the programme is a monthly peer support session focussing on different aspects of personal development for professional excellence. Peer support sessions will run throughout 2023, beginning in January. The programme is capped at 16 participants and was oversubscribed.



Social Investment

In April 2021 Trustees committed to developing a small social investment portfolio and the Trust's first repayable loan was made within the year.

For the Trust, social investment enables utilising part of the capital endowment to support local organisations when grant funding is not the most appropriate source of finance or who fall outside the priority funding area, but whom we would look to support if required.

Trustees gave careful consideration to Charity Commission Guidance on Social Investment, CC14 and took legal advice to ensure the Trust Deed allowed for this activity.

Trustees are mindful that social investment is not appropriate for all charity and not for profit organisations and takes a developmental and supportive approach to working with potential applicants. Step Change can be used as a tool to improve investment readiness where required, and the Trust became an access point for the Reach Fund during the year.



Public Benefit

The Trustees confirm that they have referred to Charity Commission guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities and setting the grant-making policy and are satisfied that the Trust meets the requirements of the key principles as defined.

Risk Management

An Annual Risk Report is tabled every year for consideration by Trustees that includes 29 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 page 5. This risk is addressed by holding a diversified portfolio of investments with separate fund managers and by having policies in place to adjust distribution levels over time.

Trustees are also aware of the requirements of the Common Reporting Standard and confirm that all recipients of grant funding during the year were organisations registered in the UK for tax purposes.



Financial Review

Investment Policy
As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment and have considerable discretion over the investment of the monies of the Trust Fund. Trustees engage two separate investment managers, each with roughly half of the Trust's investment portfolio managed on a total return basis.

The aim of the Trust's Investment Policy is to maintain the real value of the capital whilst providing sustainable returns to distribute as grants. In deciding the amount to be spent on grant-making and operations in the year, Trustees used as a guide an amount that is 3.5% of the total value (on a trailing 13 quarter average) of the investment portfolio. Trustees agreed in April 2021 that up to 5% of the assets under management may be deployed as social investments.

During the year Trustees considered the current and ongoing needs facing young people in the beneficiary area and the positive relative performance of the Trust's assets over the long term. As a result, Trustees agreed to increase distribution to 4% of the total value (on a trailing 13 quarter average) from 2023.

The full investment policy of the Trust is reviewed annually by Trustees who take account of the advice and recommendations of the Investment Committee.

Environmental, Social & Governance
In 2019 Trustees undertook a review of the Management of their Investments to integrate a higher standard of Environmental, Social and Governance (ESG) factors, bringing the investment management in line with their other social responsibilities as a grant-making Trust. For the purposes of managing the portfolio towards ESG integration, Trustees have adopted the UNPRI definition as "the explicit and systematic inclusion of ESG issues in investment analysis and investment decisions".

Trustees consider this the start position for a journey towards greater alignment of investments with the Trusts values and objectives over time.

Performance against Investment Policy
The portfolio produced a total return of negative 14% in 2022, with Sarasin producing a 14.6% negative return and Rothschild negative 13.3%. This compares to the ARC Charity Steady Growth Index down 9.6%.

Reserves Policy
As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment. The capital is held primarily as an investment fund to generate income for the charity's grant-making programme.

As at 31.12.22 there was a negative balance on unrestricted funds (reserves) of £1.198m (2021: £1.119m). This arises because of the inclusion in the financial statements of grant commitments of £1.530m (2021: £1.550m) over the next 3 years that are not due to be paid until after future investment returns are received. Forward commitments are made within a calculation which 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.



Plans for Future Periods

Trustees are very much aware that these remain challenging times for many organisations and individuals in the Trust's beneficial area, with continued challenges and long-term effects, in particular for young people whose formative, developmental years have been materially impacted. As a long-term funder, the Francis Scott Trust will continue providing multi-year funding to charitable projects within its defined areas of benefit and continues to explore new ways of working to expand productive and positive methods of collaborating with community partners delivering quality programmes to children and young people locally.

2023 is the Trust's 60th anniversary year. During the year, a youth led grants programme will be launched and completed. Twenty young people, recruited from across the Trust's beneficial area will be trained and supported to set their own overall objective, priorities, and eligibility before opening the grants programme to young people's groups. The programme is intended to result in a legacy that informs the Trusts future strategic giving and incorporates young people's views beyond this milestone year.

Going concern
The fund value of £35,412,586 at the year-end December 2022 is down versus year-end December 2021 but more than the real value of the endowment. Trustees are mindful that the income from the fund may fluctuate in future years and that the growth in the value of investments in recent years may not continue. The level of distribution made available remains at Trustee's discretion, as does the use of capital to meet agreed distribution levels.

Based on these assessments and given the measures undertaken to mitigate risks, 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 on July 14th, 2023.

Peter Redhead (Chair of Trustees)

Independent Auditor's report to the Trustees of The Francis C Scott Charitable Trust

Opinion

We have audited the financial statements of The Francis C Scott Charitable Trust (the 'charity') for the year ended 31 December 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 December 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 as amended by the Charities Act 2022.

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 trustee's 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.

Independent Auditor's report to the Trustees of The Francis C Scott Charitable Trust

Matters on which we are required to report by exception
In the 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 as amended by the Charities Act 2022 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.

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.

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 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 2011 as amended by the Charities Act 2022 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.

Independent Auditor's report to the Trustees of The Francis C 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 Audit Ltd

Dodd & Co Audit Limited, Statutory Auditor
Date 09/08/2023

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

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of financial activities
For the year ended 31 December 2022

	Notes	Expendable endowment	Restricted	General unrestricted	Total 2022	As restated Total 2021
		£	£	£	£	£
Income						
Investment income	2	-	-	453,746	453,746	454,753
Donation		-	-	-	-	-
Transfer to income	3	(822,637)	-	822,637	-	-
Total income		(822,637)	-	1,276,383	453,746	454,753
Expenditure						
Costs of raising funds						
Investment management costs	4	(246,620)	-	-	(246,620)	(258,634)
Expenditure on charitable activities						
Grant making						
Grants committed	5/23	-	(26,800)	(1,224,374)	(1,251,174)	(1,139,940)
Grant commitments cancelled	5/23	-	-	53,367	53,367	1,039
Grant related support/governance costs	5/6/7	-	-	(183,725)	(183,725)	(158,319)
Social Investment related support/governance costs	6	-	-	(950)	(950)	(4,645)
		-	(26,800)	(1,355,682)	(1,382,482)	(1,301,865)
Total expenditure		(246,620)	(26,800)	(1,355,682)	(1,629,102)	(1,560,499)
Net expenditure before gains/losses on investments	8	(1,069,257)	(26,800)	(79,299)	(1,175,356)	(1,105,746)
Net gains/losses on investments	13	(4,686,020)	-	-	(4,686,020)	4,053,940
Transfers between funds		-	-	-	-	-
Net movement in funds		(5,755,277)	(26,800)	(79,299)	(5,861,376)	2,948,194
Reconciliation of funds						
Total funds brought forward (as restated)		41,565,833	45,000	(1,118,731)	40,492,102	37,543,908
Total funds carried forward		35,810,556	18,200	(1,198,030)	34,630,726	40,492,102

The notes on pages 21 to 34 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 FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Balance sheet

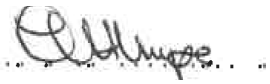
At 31 December 2022

	Notes	Expendable endowment	Restricted Fund	General unrestricted	Total 2022	As restated Total 2021
		£	£	£	£	£
Fixed assets						
Tangible assets	12	125,000			125,000	125,000
Investments	13	35,412,586			35,412,586	41,172,670
Programme related investments	14	300,000		4,597	304,597	300,000
		35,837,586		4,597	35,842,183	41,597,670
Current assets						
Debtors	15			12,567	12,567	18,770
Cash	16		18,200	325,621	343,821	464,716
			18,200	338,188	356,388	483,486
Creditors: Amounts falling due within one year	17	(27,030)		(1,110,615)	(1,137,645)	(990,366)
Net current (liabilities)/assets		(27,030)	18,200	(772,427	(781,257	(506,880)
Total assets less current liabilities		35,810,556	18,200	(767,830)	35,060,926	41,090,790
Creditors: Amounts falling due after more than one year	18	-	-	(430,200)	(430,200)	(598,688)
Total net assets/(liabilities)		35,810,556	18,200	(1,198,030)	34,630,726	40,492,102
Total charity funds		35,810,556	18,200	(1,198,030)	34,630,726	40,492,102

Approved by the Trustees on 14.07.23 and signed on their behalf by:



Peter Redhead (Chair of Trustees)



Christine Knipe (Trustee)

The notes on pages 21 to 34 form part of these financial statements.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of Cash Flows
For the year ended 31 December 2022

	Notes	Total Funds 2022	Total Funds 2021
		£	£
Net cash used in operating activities	21	(1,644,718)	(1,375,618)
Cash flows from investing activities:			
Dividends and interest		449,759	455,693
Net proceeds from sale/purchase of investments		3,476,507	(180,247)
Net cash used by investing activities		3,926,266	275,446
Change in cash and cash equivalents in the year		2,281,548	(1,100,172)
Cash and cash equivalents brought forward		889,047	1,667,130
Change in cash and cash equivalents due to exchange rate movements		(1,700,221)	322,089
Cash and cash equivalents carried forward	22	1,470,374	889,047

Notes to financial statements
For the year ended 31 December 2022

1 Accounting policies

a).Basis of accounting
The Francis C Scott Charitable Trust is a Trust created by Deed of Trust on 1 October 1963 with wide powers to distribute funds for charitable purposes. 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 are prepared under the historical cost convention, with the exception of investments, which are included on a market value basis and properties which are included at prior professional valuation. The financial statements have been prepared in accordance with 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 (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 as amended by the Charities Act 2022.

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 (FRS 102) issued on 16 July 2014 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.

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

d) Resources expended
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 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 on initial recognition 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. 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 overhead and support costs as shown in note 6.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the uses 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) Tangible fixed assets
Individual fixed assets are capitalised where the purchase cost exceeds £10,000.

Tangible fixed assets are valued at cost or valuation, net of depreciation and any provision for impairment.

No depreciation is provided on land. Freehold properties have not been depreciated as the Trustees consider that the amount involved is immaterial.

f) Revaluation of properties
Advantage has been taken of the transitional provisions of FRS 102 to retain the book value of properties which were revalued prior to implementation of that standard. The properties were last revalued on 14 January 1997 and the valuation has not subsequently been updated.

Notes to financial statements
For the year ended 31 December 2022

1 Accounting policies (cont.)

g) Fixed asset investments
Investments are included at their fair value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

h) Programme related investments
Programme related investments are initially measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

i) Foreign currencies
Foreign currency balances have been translated at the rate of exchange ruling at the balance sheet date.

j) Financial instruments
Forward foreign currency contracts are measured at fair value on the date the contract is entered into and are subsequently re-measured at the fair value at the balance sheet date. Changes in the fair value are recognised in the Statement of Financial Activities.

k) 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.

l) Pensions
The Trust operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

m) Operating lease rentals
Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

n) Prior period adjustment
An adjustment has been processed in the prior period financial statements in order to correct the cut-off of investment management costs. The impact on the financial statements for the year ended 31 December 2021 is as follows:

	£
Expendable endowment funds brought forward	(27,581)
Investment management costs	(4,256)
Accruals	31,837
Expendable endowment funds carried forward	(31,837)

Notes to the financial statements for the year ended 31 December 2022 (continued)

2 Investment income	2022 £	2021 £
General unrestricted		
Stocks and shares	439,048	454,153
Bank interest	1,038	30
Charities deposit fund interest	1,369	25
Interest on balances with fund managers	-	182
Interest from programme related investments	12,290	362
	453,745	454,752
Rental income (Brathay Trust)	1	1
	453,746	454,753
Expendable endowment		
Interest on balances with fund managers	-	-
Restricted fund	-	-
	453,746	454,753

3 Transfers from expendable endowment to income

A transfer of capital of £822,637 was made in the year (2021: £744,607). The total amount of unrestricted income available for spending in the year was £1,276,383 (2021: £1,199,360).

4 Investment management costs	2022 £	As restated 2021 £
Fund managers' fees comprise:		
Rothschild	132,659	143,946
Evelyn	-	-
Sarasin	113,961	121,135
Schroder refunded fees	-	(6,447)
	246,620	258,634

The Total Expense Ratio for 2022 was 0.72% (2021: 0.76%) for Rothschild and 0.60% (2021: 0.60%) for Sarasin.

Notes to the financial statements for the year ended 31 December 2022 (continued)

5 Grantmaking

The value of grants to institutions committed in the year, including cancelled grants comprises:

	2022 £	2021 £
General unrestricted funds		
Grant commitments	1,224,374	1,139,940
Grants cancelled/underspend/recovered	(53,367)	(1,039)
	1,171,007	1,138,901
Support costs (notes 6 and 7)	132,361	125,660
Governance costs (notes 6 and 7)	51,364	32,659
	183,725	158,319
	1,354,732	1,297,220
Restricted fund		
Grant commitments	26,800	-
Grants cancelled	-	-
	1,381,532	1,297,220

Full details of the recipients are shown in note 23.

	2022		2021	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at beginning of period		1,549,865		1,386,753
Commitments made in the period - general unrestricted fund	1,224,374		1,139,940	
Commitments made in the period - restricted fund	26,800		-	
Grants cancelled	(50,150)		-	
Grant underspend vs commitment	(3,217)		(1,039)	
Grants committed for the period		1,197,807		1,138,901
Grants paid during the period	(1,229,598)		(975,789)	
Grants repaid	11,500		-	
		(1,218,098)		(975,789)
Commitments at 31 December		1,529,574		1,549,865
Commitments at 31 December are payable as follows:				
Within one year (note 17)		1,099,374		951,177
After more than one year (note 18)		430,200		598,688
		1,529,574		1,549,865

Notes to the financial statements for the year ended 31 December 2022 (continued)

6 Allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Grantmaking				
Staff costs	133,205	19,981	113,224	Staff time
Office rental and costs	16,872	1,687	15,185	Staff time
Travelling and conferences	2,330	233	2,097	Staff time
Staff training	540	81	459	Staff time
Subscriptions	2,147	751	1,396	Usage
	155,094	22,733	132,361	
Programme related investment costs	950	333	617	Staff time
	156,044	23,066	132,978	

Governance costs	2022 £	2021 £
Staff costs	19,981	19,174
Office rental and costs	1,687	1,539
Travelling and conferences	233	65
Staff training	81	284
Subscriptions	751	520
Professional fees:		
- ALP research report	4,180	4,180
- Legal expenses	1,874	2,286
- Brand and website	7,612	-
Audit fee	4,800	3,626
Costs of trustees' meetings	320	237
Trustees' travel expenses	294	261
ALP 10-year Anniversary Event	4,645	-
Sundry	4,906	487
	51,364	32,659
Programme related investment costs	333	465
	51,697	33,124

7 Comparatives for allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Staff costs	127,824	19,174	108,650	Staff time
Office rental and costs	15,390	1,539	13,851	Staff time
Travelling and conferences	652	65	587	Staff time
Staff training	1,890	284	1,606	Staff time
Subscriptions	1,486	520	966	Usage
Programme related investment costs	4,645	465	4,180	Staff time
	151,887	22,047	129,840	

8 Net expenditure and net movement in funds before gains and losses on investments

Net expenditure and net movement in funds before gains on investments is stated after charging:	2022 £	2021 £
Auditor's remuneration	4,800	3,626
Auditor's remuneration - non audit fees	504	-
Operating lease rentals	15,276	14,137

Notes to the financial statements for the year ended 31 December 2022 (continued)

9 Analysis of staff costs and remuneration of key management personnel

	2022 £	2021 £
Salaries	145,127	130,730
Social security costs	9,535	9,066
Pension costs	13,733	12,071
	168,395	151,867

The average monthly number of employees during the year was 4 (2021: 4). Calculated on a full time equivalent basis the average number was 2.92 (2021: 2.87). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The Trust considers its key management personnel comprise the Trustees, the Director and Finance Manager. The total employment benefits including employer pension contributions of the key management personnel were £116,927 (2021: £106,553).

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2022 Number	2021 Number
£60,000 - £69,999	1	1

Employees worked for 1 or 2 other Trusts, The Frieda Scott Charitable Trust and The Sir James and Lady Scott Trust, operating from the same address. A proportion of their costs, based on the time spent, is recharged to those charities. The amount recharged during the year was £35,190 (2021: £29,533). Madeleine Scott is also a Trustee of The Sir James and Lady Scott Trust.

	2022 £	2021 £
Salaries	168,395	151,867
Legal/HR/Other	-	5,510
Staff costs	168,395	157,377
Less: recharged	(35,190)	(29,553)
Net cost to the Francis C Scott Charitable Trust	133,205	127,824
Included in charitable activities	113,224	108,650
Included in governance costs	19,981	19,174
	133,205	127,824

The Trust makes contributions to the defined contribution pension schemes of its employees. The assets of these schemes are held separately from those of the Trust in independently administered funds. The pension costs charge represents contributions paid by the Trust to those funds. An Auto-Enrolment compliant scheme was set up with effect from 1 April 2016.

Notes to the financial statements for the year ended 31 December 2022 (continued)

10 Trustees' remuneration and related parties

2 Trustees (2021: 1) received expenses totalling £294 in the year (2021: £260) for the cost of travel to Trustees' meetings and on other Trust business. Trustees neither received nor waived any emoluments during the year (2021: £nil). An annual donation of £5,000 was made to the Liverpool Charity and Voluntary Services to be spent on charitable causes at the Chair's discretion.

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	General unrestricted	Total 2021
	£	£	£	£
Income				
Investment income	-	-	454,753	454,753
Donation	-	-	-	-
Transfer to income	(744,607)	-	744,607	-
Total income	(744,607)	-	1,199,360	454,753
Expenditure				
Costs of raising funds				
Investment management costs	(265,081)	-	6,447	(258,634)
Expenditure on charitable activities				
Grant making				
Grants committed	-	-	(1,139,940)	(1,139,940)
Grant commitments cancelled	-	-	1,039	1,039
Grant related support/governance costs			(158,319)	(158,319)
Social Investment related support/governance costs	-	-	(4,645)	(4,645)
	-	-	(1,301,865)	(1,301,865)
Total expenditure	(265,081)	-	(1,295,418)	(1,560,499)
Net expenditure and net movement in funds before gains and losses on investments	(1,009,688)	-	(96,058)	(1,105,746)
Net gains on investments	4,053,940	-	-	4,053,940
Transfers between funds	-	-	-	-
Net movement in funds	3,044,252	-	(96,058)	2,948,194
Reconciliation of funds				
Total funds brought forward	38,521,581	45,000	(1,022,673)	37,543,908
Total funds carried forward	41,565,833	45,000	(1,118,731)	40,492,102

Notes to the financial statements for the year ended 31 December 2022 (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				
Tangible assets	125,000	-	-	125,000
Investments	41,172,670			41,172,670
Programme related investments	300,000	-	-	300,000
	41,597,670	-	-	41,597,670
Current assets				
Debtors	-	-	18,770	18,770
Cash		45,000	419,716	464,716
	-	45,000	438,486	483,486
Creditors: Amounts falling due within one year	(31,837)	-	(958,529)	(990,366)
Net current (liabilities)/assets	(31,837)	45,000	(520,043)	(506,880)
Total assets less current liabilities	41,565,833	45,000	(520,043)	41,090,790
Creditors: Amounts falling due after more than one year	-	-	(598,688)	(598,688)
Total net assets/(liabilities)	41,565,833	45,000	(1,118,731)	40,492,102
Total charity funds	41,565,833	45,000	(1,118,731)	40,492,102

12 Tangible fixed assets

	Land & Buildings 2022	2021
	£	£
Balance at beginning and end of period	125,000	125,000

The properties were valued by Clark Scott-Harden, Chartered Surveyors, Penrith on the basis of open market value with existing use on 14 January 1997. The Trustees consider that this valuation is reasonable as the properties are let under a long lease which only generates a nominal rent. They do not consider it necessary, or in the interests of the Trust, to have the properties revalued at this time.

The properties comprise Brathay Hall and 3 estate cottages all of which are let to the Brathay Trust (Registered Charity No: 1021586) for a nominal rent under a lease which expires in 2049. Brathay Trust currently insure the buildings for £25,994,338 (2021: £23,609,480). The historical cost of the properties at 31 December 2022 was £360,689 (31 December 2021: £360,689) and the current annual rental value foregone has been estimated at £125,000 (2021: £117,500).

Notes to the financial statements for the year ended 31 December 2022 (continued)

13 Investments

	2022	2021
	£	£
Market value at beginning of period	40,748,339	37,136,241
Acquisitions at cost	10,185,597	12,260,800
Disposal proceeds	(13,662,104)	(12,380,553)
Net gains/(losses) on revaluation	(2,985,799)	3,731,851
Market value at end of period	34,286,033	40,748,339
Uninvested cash and settlements pending - endowment account	1,126,553	424,331
	35,412,586	41,172,670

Uninvested cash includes a net currency loss of £1,700,221 (2021: gain of £322,089). Net losses on the revaluation and disposal of all investments for the year amounted to £4,686,020 (2021: gain of £4,053,940).

Investments at market value comprise

	2022	2021
	£	£
Equities	24,836,357	31,657,008
Fixed income	4,953,752	4,944,239
Hedge funds	2,480,624	2,102,333
Alternative	1,693,830	2,097,966
Other	321,470	(53,207)
	34,286,033	40,748,339
Historical cost at end of period	32,655,599	33,977,748

All investments are either listed on UK or overseas stock exchanges, or valued by reference to such investments.

The Trustees consider individual security holdings in excess of 5% and fund holdings in excess of 10% to be material. There were no holdings meeting these criteria at the year-end.

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 mid-price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. The difference between the mid-price and bid-price is not material to the accounts. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Notes to the financial statements for the year ended 31 December 2022 (continued)

14 Programme related investments

	2022	2021
	£	£
Investments at cost		
Cost less impairment at 1 January	300,000	-
Additions at cost	4,597	300,000
Losses and impairment	-	-
Disposals and repayments	-	-
Cost less impairment at 31 December	304,597	300,000
Investments comprise the following:		
Debt	304,597	300,000
Total	304,597	300,000

15 Debtors

	2022	2021
	£	£
General unrestricted funds		
Prepayments and accrued income	5,497	6,010
Other debtors	7,070	12,760
	12,567	18,770
Expendable endowment funds		
Other debtors	-	-
	12,567	18,770

16 Cash

	2022	2021
	£	£
General unrestricted funds		
COIF	54,815	51,646
Fund managers	87,638	80,954
Cash at banks	183,152	286,918
Petty cash	16	198
	325,621	419,716
Restricted fund		
COIF	18,200	45,000
	343,821	464,716

Notes to the financial statements for the year ended 31 December 2022 (continued)

17 Creditors: Amounts falling due within one year	2022 £	As restated 2021 £
General unrestricted funds		
Grants payable (note 5)	1,099,374	951,177
Accruals	7,881	7,352
Taxation and social security	3,360	-
	1,110,615	958,529
Expendable endowment funds		
Accruals	27,030	31,837
Restricted fund		
Grants payable (note 5)	-	-
	1,137,645	990,366

	2022 £	2021 £
Grant commitments due within one year		
General unrestricted funds	1,099,374	951,177
Restricted fund	-	-
	1,099,374	951,177

18 Creditors: Amounts falling due after more than one year	2022 £	2021 £
General unrestricted funds		
Grants payable (note 5)	430,200	598,688

19 Operating lease commitments

At 31 December 2022 the Trust had the following future minimum lease payments under non-cancellable operating leases as follows:

Land & Buildings - for the rental of offices in Stricklandgate House, Kendal.
Annual rental will be £14,336 and the lease can be terminated at any time with 6 months notice.
Other - for the rental of a photocopier, the term of which is from 1 January 2023 to 31 December 2027.

	Land & Buildings		Other	
	2022 £	2021 £	2022 £	2021 £
Expiry date:				
Within one year *	7,168	6,649	725	809
Two to five years	-	-	2,900	-
Over five years	-	-	-	-
	7,168	6,649	3,625	809

* 6 months' costs

20 Restricted fund	2022 £	2021 £
Goodacre Benevolent Fund - donation made on closure of fund for distribution in Kendal.	18,200	45,000
	18,200	45,000

Notes to the financial statements for the year ended 31 December 2022 (continued)

21 Reconciliation of net movement in funds to net cash flow from operating activities	2022 £	As restated 2021 £
Net movement in funds	(5,861,376)	2,948,194
Deduct dividend and income shown in investing activities	(453,746)	(454,753)
Add / (Deduct) losses / (gains) on investments	4,686,020	(4,053,940)
Decrease in debtors	5,593	22,457
(Decrease) / Increase in creditors	(21,209)	162,424
Net cash used in operating activities	(1,644,718)	(1,375,618)

22 Analysis of changes in net debt

	1 January 2022 £	Cash flows £	Other non-cash changes £	31 December 2022 £
Cash and cash equivalents				
Cash	464,716	(120,895)	-	343,821
Investment cash	424,331	2,402,443	(1,700,221)	1,126,553
	889,047	2,281,548	(1,700,221)	1,470,374
Borrowings	-	-	-	-
Total	889,047	2,281,548	(1,700,221)	1,470,374

Notes to the financial statements for the year ended 31 December 2022 (continued)

23 Grants

	Commitments made in the year ended 31.12.22	Commitments made in the year ended 31.12.21
	£	£
Achieve Change and Engagement	-	23,600
Alston Recreation Ground	3,000	-
Always Another Way Cumbria Ltd	22,000	30,000
Anti Racist Cumbria	30,000	-
Aspatria Dreamscheme	-	42,000
Autus Cumbria Limited	-	51,800
Barrow AFC Community Trust	(405)	10,000
Better Tomorrows	-	150,000
Birchall Trust	-	80,000
Blue Owl	-	(1,039)
Brathay Trust	(25,000)	-
Carer Support South Lakes	4,000	-
Carlisle Youth Zone	24,400	-
Christ Church Night Shelter	(6,500)	10,000
Circus Starr CIC	1,000	-
Copeland Youth Network	-	45,000
Creative Lives	(3,950)	-
Cumbria Alcohol & Drug Advisory Service	-	3,860
Cumbria Development Education Centre	-	10,700
Cumbria Family Support	2,100	90,000
Cumbria Federation of Young Farmers Clubs	-	47,600
Cumbria RungWe Community Link	3,200	-
Cumbria Youth Alliance	-	4,000
Distington Club for Young People	-	36,800
Drop Zone Youth Projects	60,000	-
Eden Ventures	1,000	3,950
EggCup	3,990	-
Euphoric Circus	20,000	-
Friends of Bram	22,000	10,000
Furness Broadcast Media/ CANDOFM	3,684	-
Furness Multicultural Community Forum	-	47,100
Future Fixers	5,300	-
Gilcrux Village Hall	-	1,000
Good Things Collective CIC	4,000	-
Great Clifton Community Youth Group	1,000	-
Greenbank Community Association	500	1,000
Home Start Morecambe and Lancaster	60,000	-
Howgill Family Centre (Good Enough Start)	60,000	30,400
Inspiring Barrow - Cumbria CVS	45,000	-
Kent Estuary Youth (KEY) Project	40,000	-
Kepplewray Trust	-	25,000
Lancaster CVS & CYA	89,000	-
Lancaster District CVS	35,800	-
Lancaster Music Festival	2,500	-
Lancashire Youth Challenge	45,000	-

(continued over)

Notes to the financial statements for the year ended 31 December 2022 (continued)

23 Grants (continued)

	Commitments made in the year ended 31.12.22	Commitments made in the year ended 31.12.21
	£	£
Moore Arts : Millom	-	31,200
More Music in Morecambe	45,000	-
North Allerdale Development Trust	-	60,000
Out in the Bay	4,000	-
Panathlon	(2,000)	2,000
People First Independent Advocacy	4,000	-
Peter Scott Award - Howgill Family Centre	-	2,500
Peter Scott Award - Youthability	2,500	-
PiNC	29,700	-
Promoting Autonomy and Change Ltd - PAC	9,600	-
Queen Katherine School Association	3,000	-
ROCK	4,000	-
SAFA Cumbria	(1,350)	22,000
Safety Net	72,600	-
Sight Advice South Lakes	40,700	-
Signal Film & Media	120,000	-
Signal Film & Media	3,600	11,000
Stanleys Community Centre	51,000	-
Strawberry Fields Training	4,000	45,000
Stricklandgate House	-	4,000
The Happy Mums Foundation CIC	(2,700)	-
The Laal Collective	-	2,000
The Olive Branch	1,500	-
Time to Share Bereavement Youth Services CIC	-	40,200
Together We CIC	-	60,000
Triple A	58,300	-
Walney Community Trust	49,117	6,530
Wave Forward (South Lakes)	4,000	-
Well Suited CIC	4,000	-
West Cumbria Rivers Trust	37,100	-
Whitehaven Harbour Youth Project	3,421	-
Whitehaven Sea Cadet Corps	(10,000)	-
Wigton Youth Station	38,900	-
Windmill Trust	20,000	-
Wise Up Workshops CIC	43,200	13,000
Wise Up Workshops CIC	4,000	-
YMCA Lakeside	4,000	-
Young Enterprise	-	30,000
Youthability Youth Services	-	56,700
TOTAL	**1,197,807**	**1,138,901**
Total number of grants excluding refunds & cancellations	**51**	**39**

Francis Scott Trust

Trustees' Annual Report & Financial Statements

Dated 1st October 1963 – Registered Charity No. 232131
(for the year ended 31st December 2022)

For further information or to request this document in an accesible format please contact:

Francis C Scott Charitable Trust, Stricklandgate House, 92 Stricklandgate
Kendal, Cumbria, LA9 4PU

Tel: 01539 742608
www.francis-scott.org.uk

FRANCIS C SCOTT CHARITABLE TRUST

England & Wales - Charity number 232131

Accounts

Registered Charity No. 232131

THE FRANCIS C SCOTT CHARITABLE TRUST

(Dated 1st October 1963)

TRUSTEES' ANNUAL REPORT

and

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st DECEMBER 2021

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 – Registered Charity No. 232131

Reference and administrative information

Trustees

John McGovern (Chair – retired July 9th)
Christine Knipe
Carol Ostermeyer (retired March 12th)
Joanna Plumptre
Alexander Scott – (interim Chair during the year)
Madeleine Scott
Malcolm Tillyer – (Chair July 9th – October 1st. Retired October 1st)
Melanie Wotherspoon
Peter Redhead (Chair from December 10th)
Professor Kaz Stuart (appointed July 9th)
Sarah Dunning OBE (appointed November 12th)

Director

Helen Carter

Finance Manager

Craig Pennington

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
Cumbria LA9 4BD

The Charities Official Investment Fund (COIF)
80 Cheapside
London
EC2V 6DZ

Investment Advisers

Rothschild & Co. Wealth Management (UK) Ltd
New Court, St. Swithin's Lane,
London
EC4N 8AL

Sarasin & Partners LLP
Juxon House, 100 St Paul's Churchyard,
London
EC4M 8BU

Solicitors

Currey & Co.
33 Queen Anne Street, London W1G 9HY

Russell-Cooke LLP
2 Putney Hill | London | SW15 6AB

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 – Registered Charity No. 232131

Trustees' Annual Report (for the year ended 31st December 2021)

The Trustees present their annual report and audited financial statements for the year ended 31st December 2021. 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

The Board of Trustees met five times during the year. Five sub-committees of Trustees (outlined below) also met at different times during the year to assist in the efficient administration of the work of the Trust. The Director and/or Finance Manager attend by invitation.

- **Investment Committee**: Peter Redhead (Chair), Melanie Wotherspoon, Malcolm Tillyer
- **Personnel Committee**: John McGovern (Chair until February 2021), Carol Ostermeyer, two Trustees from the Frieda Scott Charitable Trust and one Trustee from the Sir James & Lady Scott Trust. From February 2021 the Committee was Chaired by Alison Alger, a Trustee of the Frieda Scott Trust.
- **Small Grants Committee:** The Chair and one other Trustee on a rolling basis in consultation with the Director.
- **Nominations Committee**: John McGovern and Alexander Scott, until November 2021. From November 2021: Alexander Scott (Chair), Melanie Wotherspoon, Joanna Plumptre and the Chair of Trustees.
- **Finance & Risk Committee**: Alexander Scott (Chair), Christine Knipe, two Trustees from the Frieda Scott Trust who meet jointly to review internal controls, risk management and other elements of oversight relevant to both Trusts. The Sir James Scott Trust does not have a representative at the Committee, but considers relevant recommendations.

Two Trustees (Joanna Plumptre and Malcolm Tillyer until October, Kaz Stuart from October) also sat on the Aspiring Leaders Programme (ALP) Steering Group which oversees the delivery of this flagship programme for the Trust.

Three part-time staff and one full-time reported to the Director of the Trust who in turn reported to the Board of Trustees. The Chair of Trustees line managed the Director on behalf of the Trustees and the Director managed all other staff. One member of staff works solely for the Francis C Scott Trust, whilst two spent part of their time working for two another grant-giving charities, The Sir James and Lady Scott Trust (1909), and the Frieda Scott Trust (1974) a fourth member of staff worked on behalf of The Frieda Scott Charitable Trust (1974) only, with charges being made accordingly. Of these roles, three were new appointees during the year. The number of staff working for FCSCT, calculated on a full-time equivalent basis, was 2.9 during the year.

The Personnel Committee meets twice annually and reviews the remuneration, terms and conditions of all staff including the key management roles of Director and Finance Manager. During the year all salaries were benchmarked either at recruitment for newly appointed roles or during the autumn, using the Harris Hill Charity Salary Report and the ACF Salary and Benefits Benchmarking Report 2021 when it became available.

The Trust is a self-perpetuating body responsible for its own appointments and retirements. The Chair of the Trust is responsible for the induction and training of new Trustees. An induction programme is prepared for new Trustees and includes; a Copy of the Trust Deed, Grant Distribution Policy, Investment Policy, Organisational Chart, Risk Assessment, the last 3 Trustees' Meeting Minutes, Trustees' Annual Report & Accounts, History & Purpose paper and the Terms of Reference for the sub-committees. Further background information, is held on the Trust's website: www.fcsct.org.uk

In addition to the three scheduled Trustee meetings, two further meeting were held via zoom to consider single agenda items. Once to consider adopting a social investment policy, and once to appoint a new Chair.

Three Trustees retired during the year, including the Chair. Malcolm Tillyer was appointed Chair in July but retired in October for health reasons. The need to appoint a second new Chair during the year prompted a review of the Terms of reference for the Nominations Committee which also expanded the committee from two Trustees to four. Trustees agreed that a Trustee recruitment campaign would be a priority task for this committee in 2022.

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

Peter Scott CBE was Chairman of the Provincial Insurance Company Ltd when the Francis C Scott Charitable Trust (FCSCT) was created by Deed of Trust on 1.10.63 with wide powers to distribute funds for charitable purposes. Peter Scott and his sister, Dr Joan Trevelyan, endowed the Trust with significant holdings of the family business (Provincial Insurance Company Ltd) shares between 1963 and 1971.

The Trust was named after their father, Francis C Scott, in recognition of his philanthropic work, and established with the aim of continuing to support the type of causes and projects that he had sponsored himself; in particular, the development of young people. It is for this reason that the Trust has had an enduring commitment to supporting communities and young people in the north-west of England to promote equity of opportunity and access to positive, developmental experiences, in particular in Cumbria, where the headquarters of the Provincial business was based.

As a grant-giving trust, we believe in the importance of:

- personal development
- nurturing individual talent and organisations as they evolve and being a critical friend
- supporting direct delivery of quality charity and community work
- trusting our beneficiaries and keeping the admin burden light
- listening and learning
- sharing best practice and celebrating success
- our independence, which allows scope for innovation and risk-taking
- long term investment

Grant-making policy and practice
The core purpose of our grant making programme is to support charitable organisations that enable young people up to the age of 24 in Cumbria & North Lancashire experiencing challenging circumstances to thrive.

The most recent strategic review, completed during 2019 was implemented during 2020 and 2021, despite the effects of the pandemic on the Trusts operations and that of it's grant holders. Key strategic decisions affecting the operations of the Trust were:

- to adopt a more positive, asset balanced approach based on the development of an individual's assets rather than the elimination of deficits.*
- to be more deliberate in the funding of early intervention and preventative programmes as opposed to crisis support or emergency relief.
- to reconsider the use of deprivation statistics to consider those experiencing difficulties/barriers to thriving as a result of a number of limiting factors rather than solely living in areas of deprivation.
- adapt the use of the 8-year funding model to enable more strategic working with social enterprise organisations (such as CICs) and give consideration to longer term relationships with grant holding charitable organisations.
- develop a more collaborative approach to how we work both with other funders and other key stakeholders within and outside the voluntary sector.
- Be pro-active in supporting the sector through engagement with infrastructure bodies and local and regional authorities.
- Expand the Step Change programme to maximise bespoke developmental support for local charities with potential but experiencing challenges or wishing to make significant developments.

*As a direct result of this decision, the deficit based grant categories previously used were disbanded, replaced instead with four broader thematic priority areas:
Raising aspirations and supporting personal development
Inclusive practice
Improving wellbeing and mental health
Supporting sector effectiveness

Trustees have continued to listen to experiences and perspectives of grant holders and applicants to adapt the Trust's grant making approach and to develop other activity, particularly in light of the effects of Covid on organisations and on young people, who are amongst the most adversely affected group. Activity during the

year reflects the implementation of what we have heard and learned from our community partners and is described in further detail in the following pages.

The Trust endeavours to deal with all enquiries and applications to the Trust in an efficient and professional manner. Potential applicants are encouraged to liaise with the Trust's staff prior to submitting a funding request and all eligible applications are considered by Trustees.

The Trust commits to offering constructive, supportive feedback to unsuccessful applicants in the context of further enabling the development of all organisations who apply for a grant.

Every funding application considered at the main Trustee meetings is visited by the staff team and a Trustee. During the year this practice continued, but utilised online tools and video conferencing in lieu of making physical visits due to the ongoing health pandemic. Use of technology in this way has proven an effective and valuable tool and it is likely that a blend of physical and virtual visits will be continued. Additionally, the Director and Grants Officer regularly attend various forums, funding fairs and conferences to keep up to date with relevant issues, trends and current needs both nationally and in the beneficial area. During the year the majority of these were also virtual events.

The following 'Review of the Year' summarises the degree to which the Trust met its own charitable aims as stated above.

ACHIEVEMENTS & PERFORMANCE

Review of the year

Income and expenditure

The Trust's investment portfolio is managed on a total return basis, with the management split approximately in half between two investment managers with different investment approaches to aid diversification. Investment income received during the year was £1,199,360 with £744,607 of that figure coming from capital drawdown (2020: £1,161,475 & £630,630 respectively).

It is Trustees' strategic intent to ensure that current levels of expenditure are sustainable in the long term. The amount of grants paid in the year was £975.8k (2020: £1.006m). There were no restricted grants made during the year (2020: £nil)

Total management, administration and governance costs for the year amounted to £163k (£158k in 2020).

Grant making

The table below illustrates the size and number of grants committed in the year, the majority of which are for multi-year grants. The Trust also owns property that is occupied by the Brathay Trust on a long-term lease at a peppercorn rent (as shown in notes 2 and 12). It is the view of Trustees that this represents an 'in-kind' contribution to the Brathay Trust at a current annual value of £117.5k.

GRANTS COMMITTED	FY2021	FY2020	*Average grant size FY2021*	*Average grant size FY2020*
Main grants (Trustees)	**£1.108m (28)**	£1.090m (32)	***£39.6k***	*£34k*
Small grants	**£16,480 (7)**	£11,450 (3)	***£2.3k***	*£3.8k*
Step Change	**£15,860 (4)**	Not previously shown separately	***£3.9k***	*Not previously shown separately*
TOTAL	**£1,139,940 (39)**	£1.101m (35)	***£29.2k***	*£31.5k*

The most significant single project supported by the Trust is the ongoing Aspiring Leaders Programme (ALP) with ALP4 beginning in January, with 19 participants successfully starting the programme, albeit under lock down conditions.

This innovative project was a key outcome from the Trustees' 2010 Strategic Review and is seeking to enhance the leadership capability of our local not-for-profit sector. Following a commissioning process, Brathay Trust was awarded the contract to deliver the programme in partnership with the University of Cumbria (who have created a BSc (Hons) in Social Enterprise Leadership specifically for ALP) and Common Purpose.

During the year FCSCT commissioned an independent researcher to conduct a longitudinal study into the effects of the programme so far for both the individuals taking part, as well as for the sector locally. The final report was received in early 2022 and its findings and recommendations will be considered by Trustees in the spring of 2022.

Excluding ALP, the Trust received main grant funding requests of over £1.3m in 2021 (£1.4m in 2020) with 88% of applicants to the main grants programme being successful (74% in 2020) albeit not always to the level requested. 56% of applicants to the small grants committee were successful (2020: 60%)

The Covid-19 health pandemic continued to place extraordinary burdens on individuals, families and communities. Charities and community groups have played an enormous role in providing support throughout the crisis, which entered it's second year, and a third period of national lock down at the start of the reporting period. Many grant holders reported worrying levels of strain and stress amongst both their employed and volunteer workforce as a result.

Step Change
The Trust has operated a small 'funder plus' programme since 2015, to provide specialist focussed support to an organisation around a specific need. The Trust's 2019 strategic decision to expand this programme gained traction during the year with four local organisations receiving bespoke consultancy.

In response to the concerns raised by community groups relating to the impact on staff and volunteer teams, Trustees expanded the programme during the year to enable organisations to directly support their teams, in particular to address needs around wellbeing and resilience. So far three organisations have been awarded funds under the Step Change Covid resilience and wellbeing programme, with more anticipated to be awarded during 2022.

In late 2021 grant holders were approached to identify other areas in which Step Change could be deployed, specifically through workshops to offer training and development which are not easily accessible elsewhere. This consultation highlighted areas of professional and personal development which will form the basis of pilot workshops to be undertaken in the spring of 2022.

Social Investment
Trustees held an additional single agenda item meeting to consider and approve the development of a social investment portfolio.
For FCSCT, social investment enables utilising part of the capital endowment to support local organisations when grant funding is not the most appropriate source of finance or who fall outside the priority funding area, but whom we would look to support if required.
Trustees gave careful consideration to Charity Commission Guidance on Social Investment, CC14 and took legal advice to ensure the Trust Deed allowed for this activity. In April 2021 Trustees committed to developing a small social investment portfolio and the Trust's first repayable loan was made within the year.

Public Benefit
The Trustees confirm that they have referred to Charity Commission guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities and setting the grant-making policy and are satisfied that FCSCT meets the requirements of the key principles as defined.

Risk Management
An Annual Risk 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 page 5. This risk is addressed by holding a diversified portfolio of investments with separate fund managers and by having policies in place to adjust distribution levels over time.

Trustees are also aware of the requirements of the Common Reporting Standard and confirm that all recipients of grant funding during the year were organisations registered in the UK for tax purposes.

FINANCIAL REVIEW

Investment Policy

As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment and have considerable discretion over the investment of the monies of the Trust Fund. Trustees engage two separate investment managers, each with roughly half of the Trust's investment portfolio managed on a total return basis.

The aim of the Trust's Investment Policy is to maintain the real value of the capital whilst providing sustainable returns to distribute as grants. In deciding the amount to be spent on grant-making and operations in the year, Trustees used as a guide an amount that is 3.5% of the total value (on a trailing 13 quarter average) of the investment portfolio. Trustees agreed during the year that up to 5% of the assets under management may be deployed as social investments.

The full investment policy of the Trust is reviewed annually by Trustees who take account of the advice and recommendations of the Investment Committee.

Environmental, Social & Governance

In 2019 Trustees undertook a review of the Management of their Investments in order to integrate a higher standard of Environmental, Social and Governance (ESG) factors, bringing the investment management in line with their other social responsibilities as a grant-making Trust. For the purposes of managing the portfolio towards ESG integration, Trustees have adopted the UNPRI definition as "the explicit and systematic inclusion of ESG issues in investment analysis and investment decisions".

Trustees consider this the start position for a journey towards greater alignment of investments with the Trusts values and objectives over time.

Performance against Investment Policy

The portfolio as a whole produced a total return of 11.2% in 2021, with Sarasin producing a 11.9% return and Rothschild a 10.4%. This compares to the ARC Charity Steady Growth Index of 10.8%.

Reserves Policy

As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment. The capital is held primarily as an investment fund to generate income for the charity's grant-making programme. As at 31.12.21 there was a negative balance on unrestricted funds (reserves) of £1.119m (2020: £1.023m). This arises because of the inclusion in the financial statements of grant commitments of £1.550m (2020: £1.387m) over the next 3 years that are not due to be paid until after future investment returns are received. Forward commitments are made within a calculation which 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.

Trustees' Annual Report (continued)

PLANS FOR FUTURE PERIODS

Trustees are very much aware that these remain challenging times for many organisations and individuals in the Trust's beneficial area, with continued challenges and long term effects, in particular for young people whose formative, developmental years have been materially impacted. As a long-term funder, FCSCT will continue providing multi-year funding to charitable projects within its defined areas of benefit and continues to explore new ways of working to expand productive and positive methods of working with community partners delivering quality programmes to children and young people locally.

Going concern

The Trustees have considered the effect of the Covid-19 crisis on the Trust's financial position. The fund value of £41,172,670 at the year end, December 2021, has made a healthy return, building on strong performance during the second half of 2020. Trustees are mindful that the income from the fund may fluctuate in future financial years and that the growth in value of investments in recent years may not continue. 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 undertaken to mitigate risks, 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 on 15th July 2022.

Peter Redhead (Chair of Trustees)

Independent Auditor's report to the Trustees of The Francis C Scott Charitable Trust

Opinion

We have audited the financial statements of The Francis C Scott Charitable Trust (the 'charity') for the year ended 31 December 2021 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 December 2021, 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.

Independent Auditor's report to the Trustees of The Francis C 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.

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.

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 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.

Independent Auditor's report to the Trustees of The Francis C 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 13/7/22

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

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of financial activities
For the year ended 31 December 2021

	Notes	Expendable endowment	Restricted	General unrestricted	Total 2021	Total 2020
		£	£	£	£	£
Income						
Investment income	2	-	-	454,753	454,753	530,845
Donation		-			-	46,600
Transfer to income	3	-744,607	-	744,607	-	-
Total income		-744,607	-	1,199,360	454,753	577,445
Expenditure						
Costs of raising funds						
Investment management costs	4	-260,825	-	6,447	-254,378	-185,080
Expenditure on charitable activities						
Grant making						
Grants committed	5/23	-	-	-1,139,940	-1,139,940	-1,101,250
Grant commitments cancelled	5/23	-	-	1,039	1,039	45,000
Grant related support/governance costs	5/6/7	-	-	-158,319	-158,319	-158,257
Social Investment related support/governance costs	6	-	-	-4,645	-4,645	-
		-	-	-1,301,865	-1,301,865	-1,214,507
Total expenditure		-260,825	-	-1,295,418	-1,556,243	-1,399,587
Net expenditure	8	-1,005,432	-	-96,058	-1,101,490	-822,142
Net gains on investments	13	4,053,940	-	-	4,053,940	4,085,500
Transfers between funds		-	-	-	-	-
Net movement in funds		3,048,508	-	-96,058	2,952,450	3,263,358
Reconciliation of funds						
Total funds brought forward		38,549,162	45,000	-1,022,673	37,571,489	34,308,131
Total funds carried forward		41,597,670	45,000	-1,118,731	40,523,939	37,571,489

The notes on pages 17 to 30 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 FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Balance sheet

At 31 December 2021

	Notes	Expendable endowment	Restricted Fund	General unrestricted	Total 2021	Total 2020
		£	£	£	£	£
Fixed assets						
Tangible assets	12	125,000	-	-	125,000	125,000
Investments	13	41,172,670	-	-	41,172,670	38,424,162
Programme related investments	14	300,000	-	-	300,000	-
		41,597,670	-	-	41,597,670	38,549,162
Current assets						
Debtors	15	-	-	18,770	18,770	42,167
Cash	16		45,000	419,716	464,716	379,209
		-	45,000	438,486	483,486	421,376
Creditors: Amounts falling due within one year	17	-	-	-958,529	-958,529	-715,773
Net current (liabilities)/assets		-	45,000	-520,043	-475,043	-294,397
Total assets less current liabilities		41,597,670	45,000	-520,043	41,122,627	38,254,765
Creditors: Amounts falling due after more than one year	18	-	-	-598,688	-598,688	-683,276
Total net assets/(liabilities)		41,597,670	45,000	-1,118,731	40,523,939	37,571,489
Total charity funds		41,597,670	45,000	-1,118,731	40,523,939	37,571,489

Approved by the Trustees on 15th July 2022 and signed on their behalf by:

Peter Redhead (Chair of Trustees)

Alex Scott (Trustee)

The notes on pages 17 to 30 form part of these financial statements.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of Cash Flows

For the year ended 31 December 2021

	Notes	Total Funds 2021	Total Funds 2020
		£	£
Net cash used in operating activities	21	-1,375,618	-1,331,052
Cash flows from investing activities:			
Dividends and interest		455,693	557,121
Net proceeds from sale/purchase of investments		-180,247	661,324
Net cash used by investing activities		275,446	1,218,445
Change in cash and cash equivalents in the year		-1,100,172	-112,607
Cash and cash equivalents brought forward		1,667,130	1,401,614
Change in cash and cash equivalents due to exchange rate movements		322,089	378,123
Cash and cash equivalents carried forward	22	889,047	1,667,130

Notes to the financial statements
For the year ended 31 December 2021

1 Accounting policies

a) Basis of accounting
The Francis C Scott Charitable Trust is a Trust created by Deed of Trust on 1 October 1963 with wide powers to distribute funds for charitable purposes. 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 are prepared under the historical cost convention, with the exception of investments, which are included on a market value basis and properties which are included at prior professional valuation. The financial statements have been prepared in accordance with 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 (FRS 102) and the Charities Act 2011.

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

The accounts (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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

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

d) Resources expended
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 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.

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 overhead and support costs as shown in note 6.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the uses 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) Tangible fixed assets
Individual fixed assets are capitalised where the purchase cost exceeds £10,000.

Tangible fixed assets are valued at cost or valuation, net of depreciation and any provision for impairment.

No depreciation is provided on land. Freehold properties have not been depreciated as the Trustees consider that the amount involved is immaterial.

f) Revaluation of properties
Advantage has been taken of the transitional provisions of FRS 102 to retain the book value of properties which were revalued prior to implementation of that standard. The properties were last revalued on 14 January 1997 and the valuation has not subsequently been updated.

Notes to the financial statements
For the year ended 31 December 2021 (continued)

1 Accounting policies (cont.)

g) Fixed asset investments
Investments are included at their fair value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

h) Programme related investments
Programme related investments are initially measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

i) Foreign currencies
Foreign currency balances have been translated at the rate of exchange ruling at the balance sheet date.

j) Financial instruments
Forward foreign currency contracts are measured at fair value on the date the contract is entered into and are subsequently re-measured at the fair value at the balance sheet date. Changes in the fair value are recognised in the Statement of Financial Activities.

k) 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.

l) Pensions
The Trust operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

m) Operating lease rentals
Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Notes to the financial statements for the year ended 31 December 2021 (continued)

2 Investment income	2021 £	2020 £
General unrestricted		
Stocks and shares	454,153	530,070
Bank interest	30	213
Charities deposit fund interest	25	437
Interest on balances with fund managers	182	124
Interest from programme related investments	362	-
	454,752	530,844
Rental income (Brathay Trust)	1	1
	454,753	530,845
Expendable endowment		
Interest on balances with fund managers	-	-
Restricted fund	-	-
	454,753	530,845

3 Transfers from expendable endowment to income

A transfer of capital of £744,607 was made in the year (2020: £630,630). The total amount of unrestricted income available for spending in the year was £1,199,360 (2020: £1,163,075).

4 Investment management costs	2021 £	2020 £
Fund managers' fees comprise:		
Rothschild	143,946	121,655
Smith & Williamson	-	35
Sarasin	116,879	63,390
Schroder refunded fees	-6,447	-
	254,378	185,080

The Total Expense Ratio for 2021 was 0.76% (2020: 0.68%) for Rothschild and 0.58% (2020: 0.55%) for Sarasin

Notes to the financial statements for the year ended 31 December 2021 (continued)

5 Grantmaking

The value of grants to institutions committed in the year, including cancelled grants comprises:

	2021 £	2020 £
General unrestricted funds		
Grant commitments	1,139,940	1,101,250
Grants cancelled/underspend	-1,039	-45,000
	1,138,901	1,056,250
Support costs (notes 6 and 7)	125,660	129,748
Governance costs (notes 6 and 7)	32,659	28,509
	158,319	158,257
	1,297,220	1,214,507
Restricted fund		
Grant commitments	-	-
Grants cancelled	-	-
	1,297,220	1,214,507

Full details of the recipients are shown in note 23.

	2021 £	2021 £	2020 £	2020 £
Reconciliation of grants payable:				
Commitments at beginning of period		1,386,753		1,336,396
Commitments made in the period - general unrestricted fund	1,139,940		1,101,250	
Commitments made in the period - restricted fund	-		-	
Grants cancelled or recovered	-		-45,000	
Grant underspend vs commitment	-1,039		-	
Grants committed for the period		1,138,901		1,056,250
Grants paid during the period	-975,789		-1,034,393	
Grant repaid	-		28,500	
		-975,789		-1,005,893
Commitments at 31 December		1,549,865		1,386,753
Commitments at 31 December are payable as follows:				
Within one year (note 17)		951,177		703,477
After more than one year (note 18)		598,688		683,276
		1,549,865		1,386,753

Notes to the financial statements for the year ended 31 December 2021 (continued)

6 Allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Grantmaking				
Staff costs	127,824	19,174	108,650	Staff time
Office rental and costs	15,390	1,539	13,851	Staff time
Travelling and conferences	652	65	587	Staff time
Staff training	1,890	284	1,606	Staff time
Subscriptions	1,486	520	966	Usage
	147,242	21,582	125,660	
Programme related investment costs	4,645	465	4,180	Staff time
	151,887	22,047	129,840	

Governance costs	2021 £	2020 £
Staff costs	19,174	18,978
Office rental and costs	1,539	1,426
Travelling and conferences	65	109
Staff training	284	507
Subscriptions	520	686
Professional fees:		
- ALP research report	4,180	-
- Legal expenses	2,286	-
- HR Management	-	2,563
Audit fee	3,626	4,200
Costs of trustees' meetings	237	40
Trustees' travel expenses	261	-
Sundry	487	-
	32,659	28,509
Programme related investment costs	465	-
	33,124	28,509

7 Comparatives for allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Staff costs	119,402	18,978	100,424	Staff time
Office rental and costs	15,144	1,426	13,718	Staff time
Aspiring Leaders Programme				
- Recruitment of ALP4	10,477	-	10,477	Usage
Travelling and conferences	1,094	109	985	Staff time
Staff training	3,381	507	2,874	Staff time
Subscriptions	1,956	686	1,270	Usage
	151,454	21,706	129,748	

8 Net expenditure and net movement in funds before gains and losses on investments

Net expenditure and net movement in funds before gains on investments is stated after charging:	2021 £	2020 £
Auditor's remuneration	3,626	4,200
Auditor's remuneration - non audit fees	-	1,409
Operating lease rentals	14,137	12,734

Notes to the financial statements for the year ended 31 December 2021 (continued)

9 Analysis of staff costs and remuneration of key management personnel

	2021 £	2020 £
Salaries	130,730	144,250
Social security costs	9,066	10,397
Pension costs	12,071	10,947
	151,867	165,594

The average monthly number of employees during the year was 4 (2020: 3). Calculated on a full time equivalent basis the average number was 2.87 (2020: 2.37). Pension costs are allocated to actvities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The Trust considers its key management personnel comprise the Trustees, the Director and Finance Manager. The total employment benefits including employer pension contributions of the key management personnel were £106,553 (2020: £102,345).
Staff costs include termination payments of £nil (2020: £29,305).

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2021 Number	2020 Number
£60,000 - £69,999	1	0

Employees worked for 1 or 2 other Trusts, The Frieda Scott Charitable Trust and The Sir James and Lady Scott Trust, operating from the same address. A proportion of their costs, based on the time spent, is recharged to those charities. The amount recharged during the year was £29,533 (2020: £46,192).
Madeleine Scott is also a Trustee of The Sir James and Lady Scott Trust.

	2021 £	2020 £
Salaries	151,867	125,831
Legal/HR/Other	5,510	39,763
Staff costs	157,377	165,594
Less: recharged	-29,553	-46,192
Net cost to the Francis C Scott Charitable Trust	127,824	119,402
Included in charitable activities	108,650	100,424
Included in governance costs	19,174	18,978
	127,824	119,402

The Trust makes contributions to the defined contribution pension schemes of its employees. The assets of these schemes are held separately from those of the Trust in independently administered funds. The pension costs charge represents contributions paid by the Trust to those funds. An Auto-Enrolment compliant scheme was set up with effect from 1 April 2016.

Notes to the financial statements for the year ended 31 December 2021 (continued)

10 Trustees' remuneration and related parties

1 Trustee (2020: 1) received expenses totalling £260 in the year (2020: £40) for the cost of travel to Trustees' meetings and on other Trust business. Trustees neither received nor waived any emoluments during the year (2020: £nil). An annual donation of £5,000 was made to the Liverpool Charity and Voluntary Services to be spent on charitable causes at the Chair's discretion.

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	General unrestricted	Total 2020
	£	£	£	£
Income				
Investment income	-	-	530,845	530,845
Donation	-	45,000	1,600	46,600
Transfer to income	-630,630	-	630,630	-
Total income	-630,630	45,000	1,163,075	577,445
Expenditure				
Costs of raising funds				
Investment management costs	-185,080	-	-	-185,080
Expenditure on charitable activities				
Grant making				
Grants committed	-	-	-1,101,250	-1,101,250
Grant commitments cancelled	-	-	45,000	45,000
Grant related support/governance costs	-	-	-158,257	-158,257
	-	-	-1,214,507	-1,214,507
Total expenditure	-185,080	-	-1,214,507	-1,399,587
Net expenditure and net movement in funds before gains and losses on investments	-815,710	45,000	-51,432	-822,142
Net gains on investments	4,085,500	-	-	4,085,500
Transfers between funds	-	-	-	-
Net movement in funds	3,269,790	45,000	-51,432	3,263,358
Reconciliation of funds				
Total funds brought forward	35,279,372	-	-971,241	34,308,131
Total funds carried forward	38,549,162	45,000	-1,022,673	37,571,489

Notes to the financial statements for the year ended 31 December 2021 (continued)

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

Balance Sheet

	Expendable endowment	Restricted Fund	General unrestricted	Total 2020
	£	£	£	£
Fixed assets				
Tangible assets	125,000	-	-	125,000
Investments	38,424,162	-	-	38,424,162
	38,549,162	-	-	38,549,162
Current assets				
Debtors	-	-	42,167	42,167
Cash		45,000	334,209	379,209
	-	45,000	376,376	421,376
Creditors: Amounts falling due within one year	-	-	-715,773	-715,773
Net current (liabilities)/assets	-	45,000	-339,397	-294,397
Total assets less current liabilities	38,549,162	45,000	-339,397	38,254,765
Creditors: Amounts falling due after more than one year	-	-	-683,276	-683,276
Total net assets/(liabilities)	38,549,162	45,000	-1,022,673	37,571,489
Total charity funds	38,549,162	45,000	-1,022,673	37,571,489

12 Tangible fixed assets

	Land & Buildings 2021	2020
	£	£
Balance at beginning and end of period	125,000	125,000

The properties were valued by Clark Scott-Harden, Chartered Surveyors, Penrith on the basis of open market value with existing use on 14 January 1997. The Trustees consider that this valuation is reasonable as the properties are let under a long lease which only generates a nominal rent. They do not consider it necessary, or in the interests of the Trust, to have the properties revalued at this time.

The properties comprise Brathay Hall and 3 estate cottages all of which are let to the Brathay Trust (Registered Charity No: 1021586) for a nominal rent under a lease which expires in 2049. Brathay Trust currently insure the buildings for £23,609,480 (2020: £17,728,515). The historical cost of the properties at 31 December 2021 was £360,689 (31 December 2020: £360,689) and the current annual rental value foregone has been estimated at £117,500 (2020: £110,000).

Notes to the financial statements for the year ended 31 December 2021 (continued)

13 Investments

	2021	2020
	£	£
Market value at beginning of period	37,136,241	34,090,828
Acquisitions at cost	12,260,800	25,524,919
Disposal proceeds	12,380,553	-26,186,243
Net gains/(losses) on revaluation	3,731,851	3,706,737
Market value at end of period	40,748,339	37,136,241
Uninvested cash and settlements pending - endowment account	424,331	1,287,921
	41,172,670	38,424,162

Uninvested cash includes a net currency gain of £322,089 (2020: gain of £378,763). Net gains on the revaluation and disposal of all investments for the year amounted to £4,053,940 (2020: £4,085,500).

Investments at market value comprise

	2021	2020
	£	£
Equities	31,657,008	29,185,438
Fixed income	4,944,239	4,909,267
Hedge funds	2,102,333	1,355,833
Alternative	2,097,966	1,012,506
Other	53,207	673,197
Property	-	-
	40,748,339	37,136,241
Historical cost at end of period	33,977,748	33,273,929

All investments are either listed on UK or overseas stock exchanges, or valued by reference to such investments.

The Trustees consider individual security holdings in excess of 5% and fund holdings in excess of 10% to be material. There were no holdings meeting these criteria at the year-end.

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 mid-price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. The difference between the mid-price and bid-price is not material to the accounts. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Notes to the financial statements for the year ended 31 December 2021 (continued)

14	Programme related investments	2021 £	2020 £
	Investments at cost		
	Cost less impairment at 1 January	-	-
	Additions at cost	300,000	-
	Losses and impairment	-	-
	Disposals and repayments	-	-
	Cost less impairment at 31 December	300,000	-
	Investments comprise the following:		
	Debt	300,000	-
	Total	300,000	-

15	Debtors	2021 £	2020 £
	General unrestricted funds		
	Prepayments and accrued income	6,010	16,934
	Other debtors	12,760	25,233
		18,770	42,167
	Expendable endowment funds		
	Other debtors	-	-
		18,770	42,167

16	Cash	2021 £	2020 £
	General unrestricted funds		
	COIF	51,646	201,612
	Fund managers	80,954	63,043
	Cash at banks	286,918	69,544
	Petty cash	198	10
		419,716	334,209
	Restricted fund		
	COIF	45,000	45,000
		464,716	379,209

Notes to the financial statements for the year ended 31 December 2021 (continued)

17 Creditors: Amounts falling due within one year

	2021 £	2020 £
General unrestricted funds		
Grants payable (note 5)	951,177	703,477
Accruals	7,352	12,296
	958,529	715,773
Expendable endowment funds		
Accruals	-	-
Restricted fund		
Grants payable (note 5)	-	-
	958,529	715,773

	2021 £	2020 £
Grant commitments due within one year		
General unrestricted funds	951,177	703,477
Restricted fund	-	-
	951,177	703,477

18 Creditors: Amounts falling due after more than one year

	2021 £	2020 £
General unrestricted funds		
Grants payable (note 5)	598,688	683,276

19 Operating lease commitments

At 31 December 2021 the Trust had the following future minimum lease payments under non-cancellable operating leases as follows:

Land & Buildings - for the rental of offices in Stricklandgate House, Kendal.
Annual rental will be £13,298 and the lease can be terminated at any time with 6 months notice.
Other - for the rental of a photocopier, the term of which is from 1 January 2020 to 31 December 2023.

	Land & Buildings		Other	
	2021 £	2020 £	2021 £	2020 £
Expiry date:				
Within one year *	6,649	5,882	809	971
Two to five years	-	-	-	971
Over five years	-	-	-	-
	6,649	5,882	809	1,942

* 6 months' costs

20 Restricted fund

	2021 £	2020 £
Goodacre Benevolent Fund - donation made on closure of fund for distribution in Kendal.	45,000	45,000
	45,000	45,000

Notes to the financial statements for the year ended 31 December 2021 (continued)

21 Reconciliation of net movement in funds to net cash flow from operating activities	2021 £	2020 £
Net movement in funds	2,952,450	3,263,358
Deduct dividend and income shown in investing activities	-454,753	-530,845
(Deduct) gains on investments	-4,053,940	-4,085,500
Decrease / (increase) in debtors	22,457	-22,283
Increase in creditors	158,168	44,218
Net cash used in operating activities	-1,375,618	-1,331,052

22 Analysis of changes in net debt

	1 January 2021 £	Cash flows £	Other non-cash changes £	31 December 2021 £
Cash and cash equivalents				
Cash	379,209	85,507		464,716
Investment cash	1,287,921	-1,185,679	322,089	424,331
	1,667,130	- 1,100,172	322,089	889,047
Borrowings	-	-		
Total	1,667,130	-1,100,172	322,089	889,047

Notes to the financial statements for the year ended 31 December 2021 (continued)

23 Grants

	Commitments made in the year ended 31.12.21	Commitments made in the year ended 31.12.20
	£	£
Achieve Change and Engagement	23,600	47,700
Always Another Way Cumbria Ltd	30,000	-
Aspatria Dreamscheme	42,000	-
Autus Cumbria Limited	51,800	-
Barrow AFC Community Trust	10,000	4,000
Barrow Foodbank		(15,000)
Better Tomorrows	150,000	-
Birchall Trust	80,000	-
Blue Owl	(1,039)	-
Brathay Trust	-	30,000
Carer Support South Lakes	-	40,000
Carlisle Key	-	60,000
Christ Church Night Shelter	10,000	-
Copeland Youth Network	45,000	-
Creative Studios Cumbria	-	10,000
Cumbria Alcohol & Drug Advisory Service	3,860	50,000
Cumbria Community Foundation	-	50,000
Cumbria CVS	-	65,000
Cumbria Development Education Centre	10,700	-
Cumbria Family Support	90,000	-
Cumbria Federation of Young Farmers Clubs	47,600	-
Cumbria Youth Alliance	4,000	-
Distington Club for Young People	36,800	-
Eden Ventures	3,950	-
Egremont Youth Partnership	-	45,000
EmuesUK CIC	-	30,000
Friends of Morecambe Bay	-	3,500
Families Matter	-	60,000
Friends of Bram	10,000	
Furness Multicultural Community Forum	47,100	-
Gilcrux Village Hall	1,000	-
Greenbank Community Association	1,000	-
Howgill Family Centre	30,400	-
James Rennie PTFA	-	30,000
Kepplewray Trust	25,000	-
Lancaster District CVS	-	20,000
Liverpool Charity and Voluntary Services	-	15,600
Moore Arts : Millom	31,200	-
North Allerdale Development Trust	60,000	-
Owl Blue Children's Charity	-	32,400
Panathlon	2,000	-
Peter Scott Award - Howgill Family Centre	2,500	-
Peter Scott Award - South Workington Youth Partnership	-	2,500
Phoenix Youth Project	-	45,000
PiNC	-	30,000
Promoting Autonomy and Change Ltd - PAC	-	32,500

Notes to the financial statements for the year ended 31 December 2021 (continued)

23 Grants (continued)

	Commitments made in the year ended 31.12.21	Commitments made in the year ended 31.12.20
	£	£
React Foundation	-	17,700
SAFA Cumbria	22,000	20,000
Shackles Off Youth Project	-	45,000
Signal Film & Media	11,000	-
South Whitehaven Youth Partnership	-	50,000
Strawberry Fields Training	45,000	-
Stricklandgate House	4,000	-
The Happy Mums Foundation CIC	-	14,700
The Growing Club CIC	-	9,700
The Laal Collective	2,000	-
Time to Share Bereavement Youth Sevices CIC	40,200	4,000
Together We CIC	60,000	-
Voluntary Arts	-	3,950
Walney Community Trust	6,530	-
West Cumbria Domestic Violence Support	-	35,000
Whitehaven Community Trust	-	58,000
Whitehaven Harbour Youth Project	-	30,000
Whitehaven Sea Cadet Corps	-	10,000
Wise Up Workshops CIC	13,000	-
Women's Community Matters	-	70,000
Young Cumbria	-	30,000
Young Cumbria	-	(30,000)
Young Enterprise	30,000	-
Youthability Youth Services	56,700	-
TOTAL	**1,138,901**	**1,056,250**
Total number of grants excluding refunds & cancellations	**39**	**35**

FRANCIS C SCOTT CHARITABLE TRUST

England & Wales - Charity number 232131

Accounts

Registered Charity No. 232131

THE FRANCIS C SCOTT CHARITABLE TRUST

(Dated 1st October 1963)

TRUSTEES' ANNUAL REPORT

and

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st DECEMBER 2020

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 – Registered Charity No. 232131

Reference and administrative information

Trustees

John McGovern (Chair)
Christine Knipe
Carol Ostermeyer (retired March 12th 2021)
Joanna Plumptre
Alexander Scott
Madeleine Scott
Malcolm Tillyer
Melanie Wotherspoon
Peter Redhead

Director

Helen Carter

Address

Stricklandgate House
92 Stricklandgate
Kendal
Cumbria LA9 4PU

Auditors

Haines Watts Manchester Limited
3rd Floor, Northern Assurance Buildings
Albert Square
9-21 Princess Street
Manchester M2 4DN

Bankers

Barclays Bank plc
9 Highgate
Kendal
Cumbria LA9 4DF

The Charities Official Investment Fund (COIF)
80 Cheapside
London EC2V 6DZ

Investment Advisers

Rothschild Wealth Management (UK) Ltd
New Court, St. Swithin's Lane
London EC4N 8AL

Smith & Williamson (until February 12th 2020)
25 Moorgate
London EC2R 6AY

Sarasin & Partners LLP (from February 12th 2020)
Juxon House, 100 St Paul's Churchyard, London
EC4M 8BU

Solicitors

Currey & Co.
33 Queen Anne Street, London W1G 9HY

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 – Registered Charity No. 232131

Trustees' Annual Report (for the year ended 31st December 2020)

The Trustees present their annual report and audited financial statements for the year ended 31st December 2020. 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 published on 16 July 2014.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Board of Trustees met five times during the year. Five sub-committees of Trustees (outlined below) also met at different times during the year to assist in the efficient administration of the work of the Trust. The Director attends by invitation.

- **Investment Committee**: Peter Redhead (Chair), Melanie Wotherspoon, Malcolm Tillyer
- **Personnel Committee**: John McGovern (Chair until February 2021), Carol Ostermeyer, two Trustees from the Frieda Scott Charitable Trust and one Trustee from the Sir James & Lady Scott Trust. From February 2021 the Committee is Chaired by Alison Alger, a Trustee of the Frieda Scott Trust.
- **Small Grants Committee**: John McGovern and one other Trustee on a rolling basis in consultation with the Director.
- **Nominations Committee**: John McGovern and Alexander Scott.
- **Finance & Risk Committee**: Alexander Scott (Chair) Christine Knipe, two Trustees from the Frieda Scott Trust who meet jointly to review internal controls, risk management and other elements of oversight relevant to both Trusts. The Sir James Scott Trust does not have a representative at the Committee, but considers relevant recommendations.

Two Trustees (Joanna Plumptre and Malcolm Tillyer) also sat on the Aspiring Leaders Programme (ALP) Steering Group which oversees the delivery of this flagship programme for the Trust.

Three part-time staff reported to the Director of the Trust who in turn reported to the Board of Trustees. The Chair of Trustees line managed the Director on behalf of the Trustees and the Director managed all other staff. One staff member spent part of their time working for another grant-giving charity, The Sir James and Lady Scott Trust (1909), a second member of staff worked on behalf of The Frieda Scott Charitable Trust (1962) and the remaining member of staff worked on behalf of the three Trusts, with charges being made accordingly. Two staff members left the Trusts during the year and the Trust re-structured the roles required to carry out the work of the Trust as a result of the 2019 strategic review, creating the new post of Grants and development Officer. This and one other role were successfully recruited for in early 2021. The number of staff working for FCSCT, calculated on a full-time equivalent basis, was 1.46 during the year.

The Personnel Committee meets twice annually and reviews the remuneration, terms and conditions of all staff including the key management roles of Director and Finance Manager. The Committee consider various benchmarks including RPI, CPI, the Average Earnings Index and local market rates. During the year the Director's salary was reviewed following completion of developmental targets agreed at appointment and revised using national benchmarks.

The Trust is a self-perpetuating body responsible for its own appointments/retirements. The Chair of the Trust is responsible for the induction and training of new Trustees. An induction programme is prepared for new Trustees and includes: Copy of the Trust Deed, Grant Distribution Policy, Investment Policy, Strategic Funding briefing, Organisational Chart, Risk Assessment Report, the last 3 Trustees' Meeting Minutes, Trustees' Annual Report & Accounts, History & Purpose paper, Guidelines leaflet and the Terms of Reference for the sub-committees. Further background information, is held on the Trust's website: www.fcsct.org.uk

Trustees held two additional meetings during the year. Once to review the strategic decisions made in 2019 in light of the pandemic, which concluded that these remained valid and relevant. And once to consider the longer-term response to the impact of Covid on the Trust's priority beneficiary group. Trustees engaged with key stakeholders locally to understand current and forecast impacts and recognise that young people within the priority groups may be disproportionately affected over the long term as a result of economic and educational disruption as well as the additional burdens and challenges resulting from prolonged periods under lock down conditions. Trustees confirmed their commitment therefore to work actively in the coming years with grant holders and critical partners to support the availability and accessibility of quality services to young people most at risk of these adverse effects of the pandemic.

A review of Governance, led by the Chair, was undertaken during the year. Trustees agreed to adopt the Charity Code of Governance as a useful reference point and development framework. Other decisions made will be implemented from 2021, including the creation of a Trustee Handbook.

Carol Ostermeyer offered her resignation in December. This was subsequently ratified at the next Trustees meeting on March 12th 2021. Carol was thanked for her contribution during her 7 years on the Board and will be missed.

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 2015 (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

Peter Scott CBE was Chairman of the Provincial Insurance Company Ltd when the Francis C Scott Charitable Trust (FCSCT) was created by Deed of Trust on 1.10.63 with wide powers to distribute funds for charitable purposes. Peter Scott and his sister, Dr Joan Trevelyan, endowed the Trust with significant holdings of the family business (Provincial Insurance Company Ltd) shares between 1963 and 1971.

The Trust was named after their father, Francis C Scott, in recognition of his philanthropic work, and established with the aim of continuing to support the type of causes and projects that he had sponsored

himself; in particular, the development of young people. It is for this reason that the Trust has had an enduring commitment to supporting communities and young people in the north-west of England to promote equity of opportunity and access to positive, developmental experiences, in particular in Cumbria, where the headquarters of the Provincial business was based.

As a grant-giving trust, we believe in the importance of:
- personal development
- nurturing individual talent and organisations as they evolve and being a critical friend
- supporting direct delivery of quality charity and community work
- trusting our beneficiaries and keeping the admin burden light
- listening and learning
- sharing best practice and celebrating success
- our independence, which allows scope for innovation and risk-taking
- long term investment

Current & future Grant-making Policy

Our core purpose is to support charitable organisations that enable young people up to the age of 24 in Cumbria & North Lancashire experiencing challenging circumstances to thrive.

Following the strategic review completed in 2019, the Trust has refocussed it's grant making to reflect the learning and understanding gained through the review,

Following the strategic review concluded in November 2019 work to implement key decisions (outlined below) began during the year and will continue into 2021:

- to re frame the priority categories to adopt a more positive, asset balanced framework based on the development of assets rather than the elimination of deficits.
- to be more deliberate in the funding of early intervention and preventative programmes as opposed to crisis support or emergency relief.
- to reconsider the use of deprivation statistics to consider those experiencing difficulties/barriers to thriving, rather than solely those living in areas of deprivation
- adapt the use of the 8-year funding model to enable more strategic working with social enterprise organisations (such as CICs) and give consideration to longer term relationships with grant holding charitable organisations.
- develop a more collaborative approach to how we work both with other funders and other key stakeholders within and outside the voluntary sector.
- Be pro-active in supporting the sector through engagement with infrastructure bodies and local and regional authorities.
- Expand the Step Change programme to maximise bespoke developmental support for local charities with potential but experiencing challenges or wishing to make significant developments.

Activities

The Trust endeavours to deal with all enquiries and applications to the Trust in an efficient and professional manner. Potential applicants are encouraged to liaise with the Trust's staff prior to submitting a funding request and all eligible applications are considered by Trustees. Communication, both with applicants and grant holders, is mostly undertaken electronically with the majority of application forms submitted having been downloaded from the Trust's website.

The Director and a Trustee visit every applicant for funding that is considered at the main Trustee meetings. During the year this practice continued, but utilised online tools and video conferencing to facilitate this, in lieu of making physical visits. Trustees were unable to make field visits during the year, but the use of online facilities to meet grant applicants enabled all Trustees to engage directly with applicants. This has proved an effective and valuable tool and it is likely that a blend of physical and virtual visits will be adopted beyond the lock down period. Additionally, the Director regularly attends various forums, funding fairs and conferences to keep abreast of relevant issues, trends and current needs both nationally and in our beneficial area. Similarly, these were all conducted online during the year. The following 'Review of the Year' summarises the degree to which the Trust met its own charitable aims as stated above.

The Trust commits to offering constructive, supportive feedback to unsuccessful applicants in the context of further enabling the development of all organisations who apply for a grant to achieve positive change. One applicant unsuccessful to the main grant panel was offered access to bespoke consultancy to help them address challenges in their Governance or operations. They have since accepted and are making good progress towards a new business plan and preparing to convert from a Community Interest Company (CIC) to a Charitably Incorporated Organisation (CIO).

ACHIEVEMENTS & PERFORMANCE

Review of the year

The Trust's investment portfolio is managed on a total return basis, with the management split approximately in half between two investment managers with different investment approaches to aid diversification. Investment income received during the year was £1,165,960 with £630.6k of that figure coming from capital drawdown (2019: £995k & £326.5k respectively).

It is Trustees' strategic intent to ensure that current levels of expenditure are sustainable in the long term. The amount of grants paid in the year was £1.006m (2019: £1.023m). There were no restricted grants made during the year (2019: £7.7k)

The table below illustrates the size and number of grants committed in the year, the majority of which are for multi-year grants. The Trust also owns property that is occupied by the Brathay Trust on a long-term lease at a peppercorn rent (as shown in note 2). It is the view of Trustees that this represents an 'in-kind' contribution to the Brathay Trust at a current annual value of £110k.

GRANTS COMMITTED	**FY2020**	FY2019	***Average grant size FY2020***	*Average grant size FY2019*
Main grants (Trustees)	**£1.090m (32)**	£848k (29)	***£34k***	*£29.2k*
Small grants (Chair)	**£11,450 (3)**	£62.7k (18)	***£3.8k***	*£3.5k*
Aspiring Leaders Programme (ALP4)	**-**	£379k (1)	**-**	-
TOTAL	**£1.101m (35)**	£1.289m (48)	***£31.5k***	*£26.9k*

The most significant single project supported by the Trust is the ongoing Aspiring Leaders Programme (ALP) with ALP3 concluding in the year, with 15 participants successfully graduating and a further two on track to complete their studies in 2021. Recruitment for the fourth cohort of ALP participants began in February, but was paused at the outset of the pandemic, later resuming during the Autumn with 18 applicants securing a

place and beginning their ALP journey in January 2021. This innovative project was a key outcome from the Trustees' 2010 Strategic Review and is seeking to enhance the leadership capability of our local not-for-profit sector. Following a commissioning process, Brathay Trust was awarded the contract to deliver the programme in partnership with the University of Cumbria (who have created a BSc (Hons) in Social Enterprise Leadership specifically for ALP) and Common Purpose.

Whilst all grants remain focussed on supporting organisations whose work enables young people to flourish, after accounting for ALP, grants directly supporting youth work still remained the largest area of giving by both number of grants (14) and by volume £425k. See page 29 for details.

During the year the Trust received funding requests of over £1.4m in 2020 (£1.3m in 2019) with 75% of applicants to the main grants programme being successful (84% in 2019) albeit not always to the level requested. 60% of applicants to the small grants programme were successful. The most notable change to the pattern of requests compared to previous years is a significant drop in applications to the small grants committee.

The Covid-19 health pandemic placed extraordinary burdens on individuals, families and communities. Charities and community groups have played an enormous role in providing support throughout the crisis. In March Trustees agreed the release of emergency funds for distribution via trusted local partners, the Cumbria Community Foundation (CCF) and Lancaster Council for Voluntary Services (CVS). Both organisations have the requisite infrastructure, local intelligence and resources to distribute funds at scale and pace to those in the local area responding to the crisis. Our thanks to those organisations for facilitating the effective and efficient distribution of these vital funds under such difficult circumstances. The Director was also released for up to a day a week to join the CCF Covid-19 panel. The panel met weekly between April and June and fortnightly for the reminder of the year, considering emergency grant applications.

Total management, administration and governance costs for the year amounted to £158k (£136k in 2019).

Public Benefit
The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities and setting the grant-making policy and are satisfied that FCSCT meets the requirements of the key principles as defined.

Risk Management
An Annual Risk Report is tabled every year for consideration by Trustees that includes 23 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 page 5. This risk is addressed by holding a diversified portfolio of investments with separate fund managers and by having policies in place to adjust distribution levels over time.

Trustees are also aware of the requirements of the Common Reporting Standard and can confirm that all recipients of grant funding during the year were organisations registered in the UK for tax purposes.

FINANCIAL REVIEW

Investment Policy
As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment and have considerable discretion over the investment of the monies of the Trust Fund. Trustees engage two separate investment managers, each with roughly half of the Trust's investment portfolio managed on a total return basis.

The aim of the Trust's Investment Policy is to maintain the real value of the capital whilst providing sustainable returns to distribute as grants. In deciding the amount to be spent on grant-making and operations in the year, Trustees used as a guide an amount that is 3.5% of the total value (on a trailing 13 quarter average) of the investment portfolio. The full investment policy of the Trust is reviewed annually by Trustees who take account of the advice and recommendations of the Investment Committee.

Environmental, Social & Governance
In 2019 Trustees undertook a review of the Management of their Investments in order to integrate a higher standard of Environmental, Social and Governance (ESG) factors, bringing the investment management in line with their other social responsibilities as a grant-making Trust. For the purposes of managing the portfolio towards ESG integration, Trustees have adopted the UNPRI definition as "the explicit and systematic inclusion of ESG issues in investment analysis and investment decisions".
Following the ESG review, half of the Trust's investments were transferred to a new manager, Sarasin Partners LLP. The transfer was subsequently completed on 12.02.20.
Trustees consider this the start position for a journey towards greater alignment of investments with the Trusts values and objectives.

Performance against Investment Policy
The portfolio as a whole produced a total return of 11% in 2020, with Sarasin producing a 10.5% return and Rothschild a 12.5%. This compares to the ARC Charity Steady Growth Index of 3.54%.

Reserves Policy
As allowed by the Trust Deed, Trustees treat the capital of the Trust as expendable endowment. The capital is held primarily as an investment fund to generate income for the charity's grant-making programme. As at 31.12.20 there was a negative balance on unrestricted funds (free reserves) of £1.023m (2019: £971.2k). This arises because of the inclusion in the financial statements of grant commitments of £1.1m (2019: £1.289m) over the next 3 years that are not due to be paid until after future investment returns are received. Forward commitments are made within a calculation which 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.

PLANS FOR FUTURE PERIODS

Trustees are very much aware that these remain challenging times for many charities in the Trust's beneficial area, with continued uncertainty in particular for young people leaving school or college and transitioning to independent adult lives. As a long-term funder, FCSCT will continue providing multi-year funding to charitable projects within its defined areas of benefit and is exploring new ways of working to expand the ways in which productive and positive support can be offered. The Trust is working pro-actively with grant holders and others to encourage a planned approach to emergence from lock down, ensuring capacity to meet an increase in need is in place.

Going concern
The Trustees have considered the effect of the Covid-19 crisis on the Trust's financial position. Though a significant impact on the investment values was experienced during the first half of 2020, the fund value has made a healthy return to £38,424,162 at the year end. Based upon this large fund value, along with diverse portfolios and fund managers, 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 on July 9th 2021.



John McGovern (Chair of Trustees)

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 – Registered Charity No. 232131

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

Opinion

We have audited the financial statements of The Francis C Scott Charitable Trust (the 'charity') for the year ended 31 December 2020 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 December 2020, 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 doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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 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 pages 3 and 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.

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:

- identifying and assessing the design and effectiveness of controls that management has in place to prevent and detect fraud;
- identifying and testing journal entries, in particular any journals we considered to be unusual;
- reviewing internal control reports of fund managers to assess reliance;
- performing sample testing on valuations of investments and dividends received to external sources e.g. stock market;
- assessing external correspondence from grant recipients and minutes for grants committed;
- reviewing of minutes and cross-referencing to figures were applicable;
- assessing the extent of compliance with applicable laws and regulations

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-andassurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-foraudit.aspx. This description forms part of our auditor's report.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 – Registered Charity No. 232131

Independent Auditors' report to the Trustees of The Francis C 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.



Haines Watts Manchester Limited, Statutory Auditor

Date: 15 July 2021

3rd Floor, Northern Assurance Buildings, Albert Square, 9-21 Princess Street, Manchester, M2 4DN

Haines Watts Manchester Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of financial activities
For the year ended 31 December 2020

	Notes	Expendable endowment	Restricted	General unrestricted	Total year ended 31 December 2020	Total year ended 31 December 2019
		£	£	£	£	£
Income						
Investment income	2	-	-	530,845	530,845	668,673
Donation	19	-	45,000	1,600	46,600	-
Transfer to income	3	- 630,630	-	630,630	-	-
Total income		-630,630	45,000	1,163,075	577,445	668,673
Expenditure						
Costs of raising funds						
Investment management costs	4	-185,080	-	-	-185,080	-127,646
Expenditure on charitable activities						
Grant making						
Grants committed	5/22	-	-	-1,101,250	-1,101,250	-1,289,039
Grant commitments cancelled	5/22	-	-	45,000	45,000	16,464
Grant related support/governance costs	5/6/7	-	-	-158,257	-158,257	-135,983
		-	-	-1,214,507	-1,214,507	-1,408,558
Total expenditure		-185,080	-	-1,214,507	-1,399,587	-1,536,204
Net expenditure	8	-815,710	45,000	-51,432	-822,142	-867,531
Transfers between funds		-	-	-	-	-
Net gains on investments	13	4,085,500	-	-	4,085,500	4,169,632
Net movement in funds		3,269,790	45,000	-51,432	3,263,358	3,302,101
Reconciliation of funds						
Total funds brought forward		35,279,372	-	-971,241	34,308,131	31,006,030
Total funds carried forward		38,549,162	45,000	-1,022,673	37,571,489	34,308,131

The notes on pages 16 to 30 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 FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Balance sheet

At 31 December 2020

	Notes	Expendable endowment	Restricted Fund	General unrestricted	Total 31 December 2020	Total 31 December 2019
		£	£	£	£	£
Fixed assets						
Tangible assets	12	125,000	-	-	125,000	125,000
Investments	13	38,424,162	-	-	38,424,162	35,154,372
		38,549,162	-	-	38,549,162	35,279,372
Current assets						
Debtors	14	-	-	42,166	42,166	45,866
Cash	15	-	45,000	334,209	379,209	338,070
		-	45,000	376,375	421,375	383,936
Creditors: Amounts falling due within one year	16	-	-	-715,773	-715,773	-822,757
Net current (liabilities)/assets		-	45,000	-339,398	-294,398	-438,821
Total assets less current liabilities		38,549,162	45,000	- 339,398	38,254,764	34,840,551
Creditors: Amounts falling due after more than one year	17	-	-	-683,276	-683,276	-532,420
Total net assets/(liabilities)		38,549,162	45,000	-1,022,673	37,571,489	34,308,131
Total charity funds		38,549,162	45,000	-1,022,673	37,571,489	34,308,131

Approved by the Trustees on 9th July 2021 and signed on their behalf by:

John McGovern (Chair of Trustees)

Alex Scott (Trustee)

The notes on pages 16 to 30 form part of these financial statements.

THE FRANCIS C SCOTT CHARITABLE TRUST

Dated 1st October 1963 - Registered Charity No. 232131

Statement of Cash Flows
For the year ended 31 December 2020

	Notes	Total Funds 2020	Total Funds 2019
		£	£
Net cash used in operating activities	20	-1,331,052	-1,302,264
Cash flows from investing activities:			
Dividends and interest		557,121	664,349
Net proceeds from sale/purchase of investments		661,324	929,655
Net cash used by investing activities		1,218,445	1,594,004
Change in cash and cash equivalents in the year		-112,607	291,740
Cash and cash equivalents brought forward		1,401,614	1,175,491
Change in cash and cash equivalents due to exchange rate movements		378,123	-65,617
Cash and cash equivalents carried forward	21	1,667,130	1,401,614

Notes to financial statements
For the year ended 31 December 2020

1 Accounting policies

a).Basis of accounting
The Francis C Scott Charitable Trust is a Trust created by Deed of Trust on 1 October 1963 with wide powers to distribute funds for charitable purposes. 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 are prepared under the historical cost convention, with the exception of investments, which are included on a market value basis and properties which are included at prior professional valuation. The financial statements have been prepared in accordance with 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 (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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 (FRS 102) issued on 16 July 2014 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. The Trustees have considered the effect of the Covid-19 crisis on the Trust's financial position as noted in the Trustees' Annual Report.

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

d) Resources expended
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 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.

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 overhead and support costs as shown in note 6.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the uses 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.

Termination payments are charged to the Statement of Financial Activities at the date the employment ceases.

e) Tangible fixed assets
Individual fixed assets are capitalised where the purchase cost exceeds £10,000.

Tangible fixed assets are valued at cost or valuation, net of depreciation and any provision for impairment.

No depreciation is provided on land. Freehold properties have not been depreciated as the Trustees consider that the amount involved is immaterial.

Notes to financial statements
For the year ended 31 December 2020

1 Accounting policies (cont.)

f) Revaluation of properties
Advantage has been taken of the transitional provisions of FRS 102 to retain the book value of properties which were revalued prior to implementation of that standard. The properties were last revalued on 14 January 1997 and the valuation has not subsequently been updated.

g) Fixed asset investments
Investments are included at their fair value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

h) Foreign currencies
Foreign currency balances have been translated at the rate of exchange ruling at the balance sheet date.

i) Financial instruments
Forward foreign currency contracts are measured at fair value on the date the contract is entered into and are subsequently re-measured at the fair value at the balance sheet date. Changes in the fair value are recognised in the Statement of Financial Activities.

j) 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.

k) Pensions
The Trust operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

l) Operating lease rentals
Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Notes to financial statements (continued)

2 Investment income	31 December 2020 £	31 December 2019 £
General unrestricted		
Stocks and shares	530,070	665,503
Bank interest	213	392
Charities deposit fund interest	437	1,006
Interest on balances with fund managers	123	1,771
	530,844	668,672
Rental income (Brathay Trust)	1	1
	530,845	668,673
Expendable endowment		
Interest on balances with fund managers	-	-
Restricted fund		
	-	-
	530,845	668,673

3 Transfers from expendable endowment to income

A transfer of capital of £630,630 was made in the year (2019: £326,502). The total amount of unrestricted income available for spending in the year was £1,163,075 (2019: £995,175).

4 Investment management costs	31 December 2020 £	31 December 2019 £
Fund managers' fees comprise:		
Rothschild	121,655	124,577
Rothschild rebate of fees	-	-59,148
Smith & Williamson	35	92,226
Sarasin	63,390	-
Blackrock rebate of fees	-	-30,009
	185,080	127,646

The Total Expense Ratio for 2020 was 0.68% (2019: 1.18%) for Rothschild and 0.55% (2019: £nil) for Sarasin.

Notes to financial statements (continued)

5 **Grantmaking**	31 December 2020	31 December 2019
The value of grants to institutions committed in the year, including cancelled grants comprises:	£	£
General unrestricted funds		
Abuse survivors: 1 (2019: 1) grants	35,000	29,000
Homeless: 2 (2019: 0) grants	118,000	-
Mental health: 7 (2019: 8) grants	257,300	172,110
Care leavers: 0 (2019: 0) grant	-	-
Job support: 2 (2019: 2) grants	27,400	38,500
Youthwork: 14 (2019: 22) grants	425,000	425,707
Poverty: 0 (2019: 2) grants	-	25,395
Criminal Justice System: 0 (2019: 1) grants	-	45,000
Other: 9 (2019: 10) grants	238,550	545,614
	1,101,250	1,281,326
Grants cancelled	-45,000	-16,464
	1,056,250	1,264,862
Support costs (notes 6 and 7)	129,748	101,591
Governance costs (notes 6 and 7)	28,509	34,392
	158,257	135,983
	1,214,507	1,400,845
Restricted fund		
Mental health: 0 (2019: 1) grant	-	3,750
Youthwork: 0 (2019: 1) grant	-	3,963
	1,214,507	1,408,558

Full details of the recipients are shown in note 22.

	31 December 2020		31 December 2019	
	£	£	£	£
Reconciliation of grants payable:				
Commitments at beginning of period		1,336,396		1,086,396
Commitments made in the period - general unrestricted fund	1,101,250		1,281,326	
Commitments made in the period - restricted fund			7,713	
Grants cancelled or recovered	-45,000		-16,464	
Grants committed for the period		1,056,250		1,272,575
Grants paid during the period	-1,034,393		-1,022,575	
Grant repaid during the period	28,500		-	
		-1,005,893		-1,022,575
Commitments at 31 December		1,386,753		1,336,396
Commitments at 31 December are payable as follows:				
Within one year (note 16)		703,477		803,976
After more than one year (note 17)		683,276		532,420
		1,386,753		1,336,396

Notes to financial statements (continued)

6 Allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Staff costs	119,402	18,978	100,424	Staff time
Office rental and costs	15,144	1,426	13,718	Staff time
Aspiring Leaders Programme				
Recruitment of ALP4	10,477	-	10,477	Usage
Travelling and conferences	1,094	109	985	Staff time
Staff training	3,381	507	2,874	Staff time
Subscriptions	1,956	686	1,270	Usage
	151,454	21,706	129,748	

Governance costs	31 December 2020 £	31 December 2019 £
Staff costs	18,978	13,483
Office rental and costs	1,426	1,710
Travelling and conferences	109	409
Staff training	507	325
Subscriptions	686	720
Professional fees:		
- Strategy review	-	6,112
- Investment review	-	6,000
- HR Management	2,563	729
Audit fee	4,200	4,220
Costs of trustees' meetings	40	242
Trustees' travel expenses	-	407
Sundry	-	35
	28,509	34,392

7 Comparatives for allocation of support 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 £	Governance £	Charitable Activities £	Basis of Apportionment
Staff costs	89,888	13,483	76,405	Staff time
Office rental and costs	20,085	1,710	18,375	Staff time
Travelling and conferences	4,085	409	3,676	Staff time
Staff training	2,171	325	1,846	Staff time
Subscriptions	2,009	720	1,289	Usage
	118,238	16,647	101,591	

8 Net expenditure and net movement in funds before gains and losses on investments

Net expenditure and net movement in funds before gains on investments is stated after charging:	31 December 2020 £	31 December 2019 £
Auditors' remuneration	4,200	4,097
Auditors' remuneration - non audit fees	1,409	-
Operating lease rentals	12,734	13,423

9 Analysis of staff costs and remuneration of key management personnel

	31 December 2020 £	31 December 2019 £
Salaries	144,250	105,620
Social security costs	10,397	6,849
Pension costs	10,947	10,351
	165,594	122,820

The average monthly number of employees during the year was 3 (2019: 4). Calculated on a full time equivalent basis the average number was 2.37 (2019: 2.76). Pension costs are allocated to actvities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The Trust considers its key management personnel comprise the Trustees, the Director and Finance Manager. The total employment benefits including employer pension contributions of the key management personnel were £102,345 (2019: £93,445).

No employee received remuneration amounting to more than £60,000 p.a. in either period.
Staff costs include termination payments of £29,305 (2019: £nil).

Employees worked for 1 or 2 other Trusts, The Frieda Scott Charitable Trust and The Sir James and Lady Scott Trust, operating from the same address. A proportion of their costs, based on the time spent, is recharged to those charities. The amount recharged during the year was £46,192 (2019: £32,932). Madeleine Scott is also a Trustee of The Sir James and Lady Scott Trust.

	31 December 2020 £	31 December 2019 £
Salaries	125,831	122,820
Legal/Other	39,763	-
Staff costs (as above)	165,594	122,820
Less: recharged	-46,192	-32,932
Net cost to the Francis C Scott Charitable Trust	119,402	89,888
Included in charitable activities	100,424	76,405
Included in governance costs	18,978	13,483
	119,402	89,888

The Trust makes contributions to the defined contribution pension schemes of its employees. The assets of these schemes are held separately from those of the Trust in independently administered funds. The pension costs charge represents contributions paid by the Trust to those funds. An Auto-Enrolment compliant scheme was set up with effect from 1 April 2016.

10 Trustees' remuneration

1 Trustee (2019: 2) received expenses totalling £40 in the year (2019: £407) for the cost of travel to Trustees' meetings and on other Trust business. Trustees neither received nor waived any emoluments during the year (2019: £nil). An annual donation of £5,000 was made to the Liverpool Charity and Voluntary Services to be spent on charitable causes at the Chair's discretion.

11 Comparatives for Statement of Financial Activities and Balance Sheet figures

Statement of Financial Activities

	Expendable endowment	Restricted	General unrestricted	Total year ended 31 December 2019
	£	£	£	£
Income				
Investment income	-	-	668,673	668,673
Donation	-	-	-	-
Transfer to income	-326,502	-	326,502	-
Total income	-326,502	-	995,175	668,673
Expenditure				
Costs of raising funds				
Investment management costs	-127,646	-	-	-127,646
Expenditure on charitable activities				
Grant making				
Grants committed	-	-7,713	-1,281,326	-1,289,039
Grant commitments cancelled	-	-	16,464	16,464
Grant related support/governance costs	-	-	-135,983	-135,983
	-	-7,713	-1,400,845	-1,408,558
Total expenditure	-127,646	-7,713	-1,400,845	-1,536,204
Net expenditure and net movement in funds before gains and losses on investments	-454,148	-7,713	-405,670	-867,531
Transfers between funds	-30,009	-	30,009	-
Net losses on investments	4,169,632	-	-	4,169,632
Net movement in funds	3,685,475	-7,713	-375,661	3,202,101
Reconciliation of funds				
Total funds brought forward	31,593,897	7,713	-595,580	31,006,030
Total funds carried forward	35,279,372	-	-971,241	34,308,131

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

Balance Sheet

	Expendable endowment	Restricted Fund	General unrestricted	Total 31 December 2019
	£	£	£	£
Fixed assets				
Tangible assets	125,000	-	-	125,000
Investments	35,154,372	-	-	35,154,372
	35,279,372	-	-	35,279,372
Current assets				
Debtors	-	-	45,866	45,866
Cash		-	338,070	338,070
	-	-	383,936	383,936
Creditors: Amounts falling due within one year	-	-	-822,757	-822,757
Net current (liabilities)/assets	-	-	-438,821	-438,821
Total assets less current liabilities	35,279,372	-	-438,821	34,840,551
Creditors: Amounts falling due after more than one year	-	-	-532,420	-532,420
Total net assets/(liabilities)	35,279,372	-	-971,241	34,308,131
Total charity funds	35,279,372	-	-971,241	34,308,131

12 Tangible fixed assets

	31 December 2020	31 December 2019
	Land & Buildings	
	£	£
Balance at beginning and end of period	125,000	125,000

The properties were valued by Clark Scott-Harden, Chartered Surveyors, Penrith on the basis of open market value with existing use on 14 January 1997. The Trustees consider that this valuation is reasonable as the properties are let under a long lease which only generates a nominal rent. They do not consider it necessary, or in the interests of the Trust, to have the properties revalued at this time.

The properties comprise Brathay Hall and 3 estate cottages all of which are let to the Brathay Trust (Registered Charity No: 1021586) for a nominal rent under a lease which expires in 2049. Brathay Trust currently insure the buildings for £17,728,515 (2019: £17,728,515). The historical cost of the properties at 31 December 2020 was £360,689 (31 December 2019: £360,689) and the current annual rental value foregone has been estimated at £110,000 (2019: £110,000).

Notes to financial statements (continued)

13 Investments

	31 December 2020 £	31 December 2019 £
Market value at beginning of period	34,090,828	30,785,235
Acquisitions at cost	25,524,919	7,691,890
Disposal proceeds	-26,186,243	-8,621,545
Net gains/(losses) on revaluation	3,706,737	4,235,248
Market value at end of period	37,136,241	34,090,828
Uninvested cash and settlements pending - endowment account	1,287,921	1,063,544
	38,424,162	35,154,372

Uninvested cash includes a net currency gain of £378,763 (2019: loss of £65,616). Net gains on the revaluation and disposal of all investments for the year amounted to £4,085,500 (2019: £4,169,632).

Investments at market value comprise

	31 December 2020 £	31 December 2019 £
Equities	29,185,438	25,560,383
Fixed income	4,909,267	5,222,409
Hedge funds	1,355,833	1,233,320
Alternative	1,012,506	1,440,920
Other	673,197	633,796
Property	-	-
	37,136,241	34,090,828
Historical cost at end of period	33,273,929	30,143,515

All investments are either listed on UK or overseas stock exchanges, or valued by reference to such investments.

The Trustees consider individual security holdings in excess of 5% and fund holdings in excess of 10% to be materi
There were no holdings meeting these criteria at the year-end.

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 mid-price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. The difference between the mid-price and bid-price is not material to the accounts. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Notes to financial statements (continued)

14 Debtors

	31 December 2020	31 December 2019
	£	£
General unrestricted funds		
Prepayments and accrued income	16,933	32,920
Other debtors	25,233	12,946
	42,166	45,866
Expendable endowment funds		
Other debtors	-	-
	42,166	45,866

15 Cash

	31 December 2020	31 December 2019
	£	£
General unrestricted funds		
COIF	201,612	284,175
Fund managers	63,043	43,586
Barclays	69,544	10,304
Cash	9	5
	334,209	338,070
Restricted fund		
COIF	45,000	-
	379,209	338,070

16 Creditors: Amounts falling due within one year

	31 December 2020	31 December 2019
	£	£
General unrestricted funds		
Grants payable (note 5)	703,477	803,976
Accruals	12,296	15,638
Other creditors	-	3,143
	715,773	822,757
Expendable endowment funds		
Accruals	-	-
	715,773	822,757

	31 December 2020	31 December 2019
	£	£
Grant commitments due within one year		
General unrestricted funds	703,477	803,976
Restricted fund	-	-
	703,477	803,976

Notes to financial statements (continued)

17 Creditors: Amounts falling due after more than one year

	31 December 2020 £	31 December 2019 £
General unrestricted funds		
Grants payable (note 5)	683,276	532,420

18 Operating lease commitments

At 31 December 2020 the Trust had the following future minimum lease payments under non-cancellable operating leases as follows:

Land & Buildings - for the rental of offices in Stricklandgate House, Kendal.
Annual rental will be £11,763 and the lease can be terminated at any time with 6 months notice.
Other - for the rental of a photocopier, the term of which is from 1 January 2020 to 31 December 2023.

	Land & Buildings		Other	
	31 December 2020 £	31 December 2019 £	31 December 2020 £	31 December 2019 £
Expiry date:				
Within one year *	5,882	5,869	971	971
Two to five years	-	-	971	1,941
Over five years	-	-	-	-
	5,882	5,869	1,942	2,912

* 6 months' costs

19 Restricted fund

	31 December 2020 £	31 December 2019 £
Asset transfer from Indigo CIC to be used for the benefit of young people in Millom and surroundings.	-	7,713
Goodacre Benevolent Fund - donation made on closure of fund for distribution in Kendal.	45,000	-
	45,000	7,713

Notes to financial statements (continued)

20 Reconciliation of net movement in funds to net cash flow from operating activities	31 December 2020 £	31 December 2019 £
Net movement in funds	3,263,358	3,302,101
Deduct dividend and income shown in investing activities	-530,845	-668,673
(Deduct) gains on investments	-4,085,500	-4,169,632
(Increase) / Decrease in debtors	-22,283	275
Increase in creditors	44,218	233,665
Net cash used in operating activities	-1,331,052	-1,302,264

21 Analysis of changes in net debt

	1 January 2020 £	Cash flows £	Other non-cash changes £	31 December 2020 £
Cash and cash equivalents				
Cash	338,070	41,138	-	379,209
Investment cash	1,063,544	-153,746	378,123	1,287,921
	1,401,614	- 112,608	378,123	1,667,130
Borrowings	-	-	-	-
Total	1,401,614	-112,608	378,123	1,667,130

Notes to financial statements (continued)

22 Grants

	Commitments made in the year ended 31.12.20	Commitments made in the year ended 31.12.19
	£	£
Category: Abuse Survivors		
West Cumbria Domestic Violence Support	35,000	-
Time to Change (West Cumbria) Project CIC	-	29,000
Total for Abuse Survivors	**35,000**	**29,000**
Total number of grants excluding refunds & cancellations	**1**	**1**
Category: Homelessness		
Carlisle Key	60,000	-
Whitehave Community Trust	58,000	-
Total for Homelessness	**118,000**	**-**
Total number of grants excluding refunds & cancellations	**2**	**-**
Category: Mental Health		
Achieve Change and Engagement	47,700	-
Always Another Way Cumbria Ltd	-	37,600
Cancer Care	-	46,000
Cumbria Alcohol & Drug Advisory Service	50,000	-
Families Matter	60,000	-
Healthy Hopes Cumbria Ltd CIC	-	4,000
Moore Arts : Millom	-	7,500
More Music in Morecambe	-	30,000
Owl Blue Children's Charity	32,400	-
Promoting Autonomy and change Ltd - PAC	32,500	-
Rollercoaster Parent Care Support Group	-	1,000
SAFA Cumbria	20,000	-
Spiral - Preventing the Effects of Bullying	-	4,000
The Happy Mums Foundation CIC	14,700	-
West End Impact	-	-
Wise Guys Training CIC	-	3,760
Wise Up Workshops CIC	-	42,000
Total for Mental Health	**257,300**	**175,860**
Total number of grants excluding refunds & cancellations	**7**	**9**

Notes to financial statements (continued)

22 Grants (continued)

	Commitments made in the year ended 31.12.20	Commitments made in the year ended 31.12.19
	£	£
Category: Job Support		
React Foundation	17,700	-
The Growing Club CIC	9,700	-
The Farmer Network Limited	-	28,500
Together We CIC	-	10,000
Total for Job Support	**27,400**	**38,500**
Total number of grants excluding refunds & cancellations	**2**	**2**
Category: Youth Work		
Barrow and District Society for the Blind	-	22,600
Carlisle Youth Zone	-	41,500
Creative Communities CIC	-	28,000
Cumbria Alcohol & Drug Advisory Service	-	8,000
Cumbria Community Foundation	-	3,500
Cumbria Deaf Association (2 grants committed)	-	16,900
Dalton Community Association	-	5,500
Dogs for Development CIC	-	2,300
Egremont Youth Partnership	45,000	-
EmuesUK CIC	30,000	-
Friends of Morecambe Bay	3,500	-
Furness Future Leaders Academy - Cumbria CVS	-	-15,000
Give a Day to The City	-	2,500
Greenbank Community Association	-	2,000
James Rennie PTFA	30,000	-
Kendal Windows on Art	-	3,400
Lancashire Association of Boys & Girls Clubs	-	3,820
Ludus Dance Centre	-	30,000
Peter Scott Award 2020	2,500	-
Phoenix Youth Project	45,000	-
PiNC	30,000	3,000
PiNC - cancelled	-	-1,464
Project John	-	2,250
Shackles Off Youth Project	45,000	-
Skerton Community Association	-	40,000
South Whitehaven Youth Partnership	50,000	
South Workington Youth Partnership	-	45,000
Stanleys Community Centre	-	44,000
The Ashton Group Theatre	-	29,500
The Rock	-	45,000
Time to Share Bereavement Youth Sevices CIC	4,000	-
Walney Community Trust	-	43,000
Whitehaven Harbour Youth Projct	30,000	-
Whitehaven Sea Cadet Corps	10,000	-
Wigton Youth Station	-	7,900
Women's Community Matters	70,000	-
Young Cumbria	30,000	-
Young Cumbria	- 30,000	
Total for Youth Work	**395,000**	**413,206**
Total number of grants excluding refunds & cancellations	**14**	**23**

22 Grants (continued)

		Commitments made in the year ended 31.12.20	Commitments made in the year ended 31.12.19
		£	£
Category: Poverty			
Lancaster Community Club CIC		-	23,900
Morecambe Bay Foodbank		-	1,495
Barrow Foodbank	-	15,000	
Total for Poverty	**-**	**15,000**	**25,395**
Total number of grants excluding refunds & cancellations		**-**	**2**
Category: Criminal Justice			
Triple A Project		-	45,000
Total for Criminal Justice		**-**	**45,000**
Total number of grants excluding refunds & cancellations		**-**	**1**
Category: Other			
ALP4 Aspiring Leaders Programme 2020-23		-	378,864
Autus Cumbria Limited		-	6,800
Barrow Association Football Club		4,000	-
Barrow Celtic Football Club		-	2,750
Brathay Trust		30,000	-
Carer Support South Lakes		40,000	-
Creative Studios Cumbria		10,000	-
Cumbria Community Foundation		50,000	-
Cumbria CVS		65,000	-
Howgill Family Centre		-	46,000
Lancaster District CVS		20,000	-
Love Barrow Families		-	81,000
Liverpool Charity and Voluntary Services		15,600	-
Marsh Community Centre		-	13,700
Mencap - Carlisle			8,000
Owl Blue Children's Charity		-	3,500
Peter Scott Award		-	2,500
Triple A Project		-	2,500
Voluntary Arts		3,950	-
Total for Other		**238,550**	**545,614**
Total number of grants excluding refunds & cancellations		**9**	**10**
TOTALS FOR ALL GRANT CATEGORIES		**1,056,250**	**1,272,575**
Total number of grants excluding refunds & cancellations		**35**	**48**