

Charity registration number SC016854 (Scotland)

BARNS-GRAHAM CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2025

BARNS-GRAHAM CHARITABLE TRUST

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BARNS-GRAHAM CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2025

The trustees present their annual report and financial statements for the year ended 5 April 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objects of the charity are inter alia to support artwork exhibitions in museum or commercial third party premises; to establish a dedicated research space and to support charitable bodies with the primary purpose of advancing the education and training of persons who require assistance to further their education and training in the Arts.

The trustees consider how best to meet public benefit when reviewing the charity's aims and objectives, in planning future activities for the year ahead and beyond.

Monitoring achievement

The trustees monitor the progress of their activities in various ways. An annual forecast is prepared and reviewed at the quarterly meetings of trustees.

Financial review

The charity's work relies upon the income from its investments and from sales of art works. Quarterly reports are received from charity investment advisers setting out key factors to be considered and projecting levels of income and investment management charges. The strategy of the trustees is to budget to apply all forecast income in pursuit of the charitable purposes whilst protecting the capital invested so as to preserve future income levels and so sustain the activity level of charity.

The results of the year are as set out in the Statement of Financial Activities. Income amounted to £101,807 (2024 - £100,796) with expenditure on charitable activities of £401,257 (2023 - £362,599) and £14,652 (2024 - £15,280) on investment management fees.

Investment policy and performance

The trustees are empowered to invest any surplus funds as they deem appropriate subject to law under the terms of the Trust charitable deed.

The investment policy of the trustees is regularly reviewed. At present it is to follow a conservative approach whilst strategic plans are developed. The trustees are satisfied with the amount of income from investments received in the year.

The trustees are satisfied with the total return from their investments measured against agreed performance indicators with their investment advisers.

BARNS-GRAHAM CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

The trustees regularly discuss the major risks to which the charity is exposed. The risk discussion consider the procedures in place to address and minimise the risks and changes are applied as appropriate.

The principal risks faced by the charity lie in the performance of its investments and operational risks from ineffective grant making policy as well as the capacity of the charity to provide other appropriate activities in pursuit of the charitable objectives and public benefit. A further risk is the ability to recruit able trustees with relevant skills and experience.

The trustees consider the variability of investment returns from the portfolio to be the charity's major financial risk. The risk is mitigated by the appointment of expert professional advisers with considerable experience in the charity sector. Taking professional advice into consideration the trustees seek to maintain a diversified portfolio providing a predictable level of income to sustain the programme of charitable activities and services.

The risk of ineffective grant making is addressed by maintaining close contact with current beneficiaries and potential applicants and seeking appropriate references or letters of support from known referees.

The risks of loss or damage to the art collection are addresses by ensuring that is is stored in specialised premises with temperature and humidity controls, appropriate security and adequate insurance cover.

Reserves policy

The trustees aim to maintain free or liquid reserves at a level which equates to approximately six months of unrestricted normal charitable expenditure with a further amount retained as a contingency to meet any unforeseen costs.

Total reserves at the year end amounted to £18,460,183 (2024 - £18,331,603). Net current assets at the year end amounted to £140,535 (2024 - £103,602). This current level of free or liquid reserves is approximately equal to three months of normal charitable expenditure and is adjusted during the year as appropriate.

Plans for future periods

The charity is a lasting testimony to the generosity and charitable concerns of the donor, [REDACTED]. The trustees are committed to ensuring that they move forward with their core activities of the bursary and scholarship programme, supporting students at art colleges and universities and operating an artist in residence programme in future years.

Structure, governance and management

The Trust is a registered charity and is constituted under a trust deed. The charity is administered under the supervision of the trustees who meet regularly and correspond in between meetings as needed. There were four Trustees meetings in the year: 25 June, 8 October and 2 December 2024 and 21 March 2025. The day to day administration is carried out by the chair, director, bookkeeper and other trustees as required. At their meetings the trustees agree the strategy and areas of activity for the charity, including consideration of the core programme, policy for investment management, required levels of reserves and risk management policies. The performance of the charity is reviewed at each meeting.

The charity does not operate any sub committees but instead trustees discuss all ongoing and strategic matters at their meetings. Expert advice is obtained regarding various matters from time to time. The trustees have personal knowledge of the art world and several have current or past experience with other charities. In seeking to appoint new trustees the relevant skills required are carefully considered.

BARNS-GRAHAM CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

The trustees who served during the year and up to the date of signature of the financial statements were:



Recruitment and appointment of trustees

The Board of Trustees appoints trustees to fill vacancies at any time by a majority vote at a board meeting and no one can be a member unless they are also a charity trustee of the organisation. Each charity trustee will be appointed for 3 years and are eligible for re-appointment for a further 2 terms of 3 years.

Statement of trustees' responsibilities

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

The law applicable to charities in Scotland 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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; and
- 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 sufficient 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 and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 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.

Auditor

In accordance with the company's articles, a resolution proposing that Thomson Cooper be reappointed as auditor of the company will be put at a General Meeting.

BARNS-GRAHAM CHARITABLE TRUST

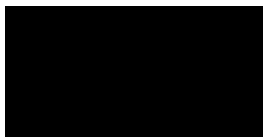
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Trustee

Date: 22-12-25.....

BARNS-GRAHAM CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BARNS-GRAHAM CHARITABLE TRUST

Opinion

We have audited the financial statements of Barns-Graham Charitable Trust (the 'charity') for the year ended 5 April 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 5 April 2025 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 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 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 we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 (Scotland) Regulations 2006 requires 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
- proper 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.

BARNS-GRAHAM CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BARNS-GRAHAM CHARITABLE TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: existence and timing of recognition of income, valuation of the art collection, posting of unusual journals along with complex transactions and non-compliance with laws and regulations. We discussed these risks with management, designed audit procedures to test the timing and existence of revenue, challenged the assumptions and judgements made by management in relation to the valuation of the art collection and tested a sample of journals to confirm they were appropriate. In addition, we reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including applicable charity and company law and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the charity.

We communicated identified laws and regulations and potential fraud risks throughout our team and remained alert to any indications of non-compliance or fraud throughout the audit. However the primary responsibility for the prevention and detection of fraud rests with the trustees.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

BARNS-GRAHAM CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BARNS-GRAHAM CHARITABLE TRUST


A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

The financial statements of the Barns-Graham Charitable Trust for the year ended 5 April 2024 were audited by Henderson Black & Co who expressed an unmodified opinion on those statements on 12 December 2024.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the 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.



For and on behalf of Thomson Cooper, Statutory Auditor
Chartered Accountants
3 Castle Court
Carnegie Campus
Dunfermline
Fife
KY11 8PB
Date: 22-12-25.....

BARNS-GRAHAM CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income and endowments from:			
Donations and legacies	3	312	15,668
Charitable activities	4	14,968	9,961
Investments	5	50,765	58,100
Other income	6	35,762	17,067
Total income		101,807	100,796
Expenditure on:			
Raising funds	7	14,652	15,280
Charitable activities	8	401,257	362,599
Total expenditure		415,909	377,879
Net gains/(losses) on investments	13	42,698	-
Net expenditure		(271,404)	(277,083)
Other recognised gains and losses:			
Revaluation of tangible fixed assets		399,984	568,794
Net movement in funds		128,580	291,711
Reconciliation of funds:			
Fund balances at 6 April 2024		18,331,603	18,039,892
Fund balances at 5 April 2025		18,460,183	18,331,603

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

BARNS-GRAHAM CHARITABLE TRUST

BALANCE SHEET

AS AT 5 APRIL 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	15		9,373		13,114
Heritage assets	16		16,536,687		16,181,442
Investments - Portfolio of marketable securities	17		1,773,588		2,033,445
			<u>18,319,648</u>		<u>18,228,001</u>
Current assets					
Stocks	19	46,340		23,898	
Debtors	20	36,354		36,422	
Cash at bank and in hand		92,452		56,637	
		<u>175,146</u>		<u>116,957</u>	
Creditors: amounts falling due within one year	21	(34,611)		(13,355)	
Net current assets			<u>140,535</u>		<u>103,602</u>
Total assets less current liabilities			<u><u>18,460,183</u></u>		<u><u>18,331,603</u></u>
The funds of the charity					
Unrestricted funds	23		<u>18,460,183</u>		<u>18,331,603</u>
			<u><u>18,460,183</u></u>		<u><u>18,331,603</u></u>

The financial statements were approved by the trustees on 22-12-25.....

Trustee

Trustee

BARNS-GRAHAM CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(333,532)		(328,016)
Investing activities					
Purchase of tangible fixed assets		(2,103)		(342)	
Purchase of heritage assets		-		(13,566)	
Proceeds from disposal of heritage assets		111,063		67,414	
Proceeds from disposal of investment property		57,198		-	
Purchase of other investments		(378,698)		(419,820)	
Proceeds from disposal of other investments		531,122		502,292	
Investment income received		50,765		58,100	
Net cash generated from investing activities			369,347		194,078
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			35,815		(133,938)
Cash and cash equivalents at beginning of year			56,637		190,575
Cash and cash equivalents at end of year			92,452		56,637

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2025

1 Accounting policies

Charity information

Barns-Graham Charitable Trust is a Trust (founding document is a deed of trust) (other than educational endowment). The charity's registered address is [REDACTED]

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of heritage assets and investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. With respect to the next reporting period, 2025-26, the most significant areas of uncertainty that affect the carrying value of assets held by the charity are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information). At the time of approving the financial statements, the trustees' have a reasonable expectation that the charity has sufficient resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. Thus the trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Charitable funds

All of the charity funds are unrestricted. Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Dividends and other investment income is recognised once it has been declared and notification has been received. This is normally upon notification by the charity investment adviser of the dividend yield of the investment portfolio. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or investment adviser.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual basis.

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

1 Accounting policies

(Continued)

Cost of raising funds

The cost of generating funds consist of investment management costs.

Charitable activities

Costs of charitable activities, include grants made and governance costs, are shown in note 10.

Grant making

Grants payable are made to third parties in furtherance of the charitable objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant is outside the control of the charity.

1.6 Tangible fixed assets

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged on a straight-line basis over estimated useful lives of the assets from the year of acquisition when first brought into use at the following rates:

Website	10%
Furniture and equipment	10%
Computer equipment	25%
No depreciation is provided on land.	

1.7 Fixed asset investments

The art collection is included at the fair value. The collection is not depreciated as the assets are deemed to have indeterminable lives.

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

1.8 Stocks

Stocks consist of limited edition books, catalogues and regular editions and are carried at the lower of cost, as reflected in the original legacy or subsequent purchase price, and net realisable value determined by the trustees.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Irrecoverable VAT

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

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these financial statement, the Trustees have made the following judgements:

- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Tangible fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.
- Investments in the art collection and property are measured at fair value taking into account advice from experts in the field and current market conditions. They are also assessed for any impairment due to physical condition or obsolescence.
- Other investments consist of listed investments which are measured at fair value at year end based on the valuation report provided by the investment advisors.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	312	15,668

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Exhibitions and sales of merchandise	14,968	9,961

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Investment income	50,765	58,100

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Royalties	31,209	16,461
Electricity recharge and contribution towards building costs	1,553	606
Patrons scheme	3,000	-
	<u>35,762</u>	<u>17,067</u>

7 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Investment management costs	<u>14,652</u>	<u>15,280</u>

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

8 Expenditure on charitable activities

	2025 £	2024 £
Direct costs		
Costs relating to exhibitions, pictures and promotional merchandise		
Database, website and IT expenses	19,773	19,297
Cost of books, royalties, merchandise and catalogues	10,980	7,878
Marketing and promotional expenses and photography	24,485	7,517
Frame costs and art materials	6,363	1,688
Conservation, archive and research costs	2,384	6,087
Residencies, lectures and other charity projects	29,451	13,500
Film contribution	3,290	25,000
Insurance	11,956	12,230
Other charitable expenditure	6,456	2,537
Property costs		
Rent and rates	35,560	38,241
Insurance	1,346	1,623
Light, heat and water	12,208	10,069
Repairs, maintenance and security	4,869	11,955
Depreciation and impairment	5,844	5,307
Other costs		
Staff costs	146,216	131,028
Telephone and internet	6,981	8,793
Postages, printing, stationery and courier expenses	3,502	1,142
Travelling expenses	8,092	8,319
	<u>339,756</u>	<u>312,211</u>
Grant funding of activities (see note 9)	47,860	43,350
Share of support and governance costs (see note 10)		
Support	3,541	3,538
Governance	10,100	3,500
	<u>401,257</u>	<u>362,599</u>
Analysis by fund		
Unrestricted funds	<u>401,257</u>	<u>362,599</u>

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

9 Grants payable

	2025 £	2024 £
Grants to institutions:		
University College Falmouth	-	5,000
University of Dundee	-	1,000
University of St. Andrews	-	5,000
University of Highlands & Islands	2,500	2,500
The Glasgow School of Art	1,000	1,000
The Leith School of Art	750	1,500
Fife Contemporary	-	5,400
Courtald Institute of Art	1,500	1,500
Society of Scottish Artists	-	2,000
Arts University Plymouth	2,500	2,500
Grays School of Art	-	1,000
Individuals (in specie)	-	950
The British Museum (in specie)	-	14,000
University of Edinburgh	2,500	-
The Royal Scottish Academy	9,500	-
Balmullo Grant - Duncan of Jordanstone College of Art & Design	1,000	
Art in Healthcare (in specie)	26,610	
	<u>47,860</u>	<u>43,350</u>

10 Support costs allocated to activities

	2025 £	2024 £
Governance	<u>13,641</u>	<u>7,038</u>
Governance costs comprise:	2025 £	2024 £
Audit fees	6,300	3,500
Accountancy	1,475	1,480
Legal and professional	3,800	-
Expenses of meetings and sundry costs	2,066	2,058
	<u>13,641</u>	<u>7,038</u>

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

All trustees give their time and expertise without any form of remuneration or other benefit in cash or kind (2024 - £nil). Expenses reimbursed to trustees on submission of receipts for outlays were made to three trustees (2024 - seven) and amounted in total to £521 (2024 - £1,417). Sales of art work and goods to trustees amounted in total to £8,125 (2024 - £nil). Donations from trustees amounted in total to £nil (2024 - £12,500).

The value of the work done by all trustees in giving of their time for meetings and other matters on behalf of the charity is not reflected in the accounts as it cannot be quantified.

12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	4	4

Employment costs	2025 £	2024 £
Wages and salaries	139,063	121,357
Social security costs	3,925	6,831
Other pension costs	3,228	2,840
	<u>146,216</u>	<u>131,028</u>

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	<u>59,805</u>	<u>56,701</u>

The charity considers the key management personnel to comprise the Director and the Chair.

The value of the work done by all trustees in giving of their time for meetings and other matters on behalf of the charity is not reflected in the accounts as it cannot be quantified.

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

13 Gains and losses on investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Gains/(losses) arising on:		
Sale of investment properties	42,698	-

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Furniture & equipment £	Website £	Total £
Cost			
At 6 April 2024	36,211	16,623	52,834
Additions	2,103	-	2,103
Disposals	(3,078)	-	(3,078)
At 5 April 2025	35,236	16,623	51,859
Depreciation and impairment			
At 6 April 2024	28,749	10,971	39,720
Depreciation charged in the year	4,184	1,660	5,844
Eliminated in respect of disposals	(3,078)	-	(3,078)
At 5 April 2025	29,855	12,631	42,486
Carrying amount			
At 5 April 2025	5,381	3,992	9,373
At 5 April 2024	7,462	5,652	13,114

16 Investments - Art Collection and Property

	Art Collection £	Investment Property £	Total £
At 6 April 2024	16,166,942	14,500	16,181,442
Revaluation	399,745	-	399,745
Disposals	(30,000)	(14,500)	(44,500)
At 5 April 2025	16,536,687	-	16,536,687

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

16 Investments - Art Collection and Property

(Continued)

The investment property is an area comprising a former tennis court and walled garden and was valued by D M Hall, Chartered Surveyors in June 2024 on basis that this area was un-developable. The ground was sold during the year.

17 Fixed asset investments

	Portfolio of investments £
Cost or valuation	
At 6 April 2024	2,033,445
Additions	378,698
Valuation changes	(107,433)
Disposals	(531,122)
	<hr/>
At 5 April 2025	1,773,588
	<hr/>
Carrying amount	
At 05 April 2025	1,773,588
	<hr/>
At 05 April 2024	2,033,445
	<hr/>
	2025
	2024
	£
	£
Investments at fair value comprise:	
Inflation linked securities	731,073
Fixed interest securities	257,184
Equities	91,918
	1,684,343
	<hr/>
	1,773,588
	<hr/>
	2,033,445
	<hr/>

All investments are carried at their fair value. Investments are traded either at bid prices for investment funds and unit trust or stock exchange market prices. The basis of fair value is equivalent to market value using bid price or traded market prices. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy sections of the trustees' annual report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Numerous factors including quantitative easing, exchange risk and world wide factors change over time and contribute to fluctuations in markets.

Liquidity risk is anticipated to be low as all assets are traded in markets with good liquidity and high trading volumes. The charity has no material investments in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisers and operating an investment policy that provides for a high degree of diversification of holdings within asset classes. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield return and historic studies have indicated that volatility in any particular five year period will normally be corrected.

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

17	Fixed asset investments	(Continued)	
18	Financial instruments	2025	2024
		£	£
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	1,773,588	2,033,445
19	Stocks	2025	2024
		£	£
	Finished goods and goods for resale	46,340	23,898
20	Debtors	2025	2024
		£	£
	Amounts falling due within one year:		
	Trade debtors	2,748	4,878
	Other debtors	6,528	-
	Prepayments and accrued income	27,078	31,544
		36,354	36,422
21	Creditors: amounts falling due within one year	2025	2024
		£	£
	Other taxation and social security	2,352	4,468
	Trade creditors	20,990	4,047
	Accruals and deferred income	11,269	4,840
		34,611	13,355
22	Retirement benefit schemes	2025	2024
		£	£
	Defined contribution schemes		
	Charge to profit or loss in respect of defined contribution schemes	3,228	2,840

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 6 April 2024 £	Incoming resources £	Resources expended £	Gains and losses £	At 5 April 2025 £
General funds	18,331,603	101,807	(415,909)	442,682	18,460,183
Previous year:	At 6 April 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 5 April 2024 £
General funds	18,039,892	100,796	(377,879)	568,794	18,331,603

24 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	35,741	35,741
Between two and five years	172,541	163,503
In over five years	87,400	133,000
	295,682	332,244

25 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

BARNS-GRAHAM CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

26	Cash absorbed by operations	2025 £	2024 £
	Surplus for the year	128,580	291,711
	Adjustments for:		
	Investment income recognised in statement of financial activities	(50,765)	(58,100)
	Gain on disposal of investment property	(42,698)	-
	Fair value gains and losses on investments	(399,984)	(568,794)
	Donations in specie	26,610	14,950
	Depreciation and impairment of tangible fixed assets	5,844	5,307
	Movements in working capital:		
	(Increase)/decrease in stocks	(22,442)	364
	Decrease/(increase) in debtors	68	(7,769)
	Increase/(decrease) in creditors	21,255	(5,685)
	Cash absorbed by operations	<u>(333,532)</u>	<u>(328,016)</u>

27 Analysis of changes in net funds

The charity had no material debt during the year.