

**REPORT OF THE JUDICIAL FACTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022
THE ALFRED STEWART TRUST**



CHARTERED ACCOUNTANTS • TAX SPECIALISTS • BUSINESS ADVISORS



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THE ALFRED STEWART TRUST

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**THE ALFRED STEWART TRUST
REPORT OF THE JUDICIAL FACTOR
FOR THE YEAR ENDED 30 NOVEMBER 2022**

The Judicial Factor presents his report and accounts for the year ended 30 November 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust Deed, 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Trust Deed provides for payment or application of the income/capital of the Trust fund or such part of it as the trustees shall from time to time in their sole discretion decide (all whether in the United Kingdom or elsewhere in the world) to or for the following charitable purposes:-

- (a) the prevention or relief of poverty
- (b) the advancement of education in so far as it promotes the trust's other charitable purposes
- (c) the advancement of health
- (d) the advancement of citizenship and community development
- (e) the advancement of environmental protection and improvement
- (f) the advancement of the arts, heritage, culture or science
- (g) the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage
- (h) to or for such other purposes, funds, societies, organisations or schemes as are charitable for not falling under the proceeding purposes
- (i) (any one or all of such purposes, funds societies, organisations and schemes being individually or collectively referred to in the deed as charities) in such manner and in such shares and proportions and at such times as the trustees shall in their sole discretion from time to time decide.

It will make grants, donations, loans and gifts to individuals or organisations which meet the objectives of the Trust and there has been no change in these policies during the year.

The Judicial Factor has paid due regard to guidance issued by the Office of the Scottish Charity Regulator in deciding what activities the Trust should undertake.

Achievements and performance

In furtherance of the foregoing charitable purposes, the trustees will principally endeavour to provide financial provision and support for projects carried out at the Scottish Photodynamic Therapy Centre (Medi-Lase Trust) at Ninewells Hospital, Dundee but will also support projects in Fife (with particular focus on Dunfermline) in order to develop and improve the quality of life of the people in those areas.

The Trust has continued to fund its core charitable activities, being donations of £120,000 to the Medi-Lase Trust at Ninewells Hospital.

Financial review

The Trust had incoming resources of £3,077,976, (2021 - £0)

The total income included the legacy from the Executry of the late Alfred Stewart, which consisted of land and property and loans assigned, net of the assignment of the loan by the subsidiary, Alfred Stewart Property Foundation Limited, to the Executry.

The Trust will distribute its income as donations. Funds may be carried from one year to another. The investments of the Trust will be equivalent to its reserves. It does not maintain a separate reserve fund, however this will be subject to review when the Judicial Factor is replaced by new and permanent trustees.

**THE ALFRED STEWART TRUST
REPORT OF THE JUDICIAL FACTOR
FOR THE YEAR ENDED 30 NOVEMBER 2022**

The principal source of income will continue to be dividends from the Trust's subsidiary company, although no dividends were received in the year to 30 November 2022. The Executry of the estate of the late Alfred Stewart has forwarded sufficient funds to enable the Trust to continue its ongoing donations to the Medi-Lase Trust.

The Judicial Factor plans to take professional investment advice and have its funds managed according to the Trust's investment policy, which is to generate income on a low risk profile.

The Judicial Factor has assessed the major risks to which the Trust is exposed, and is satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

The Trust will continued to make monthly payments to the Medi-Lase Trust at Ninewells Hospital. No other charitable payments are likely to be made.

Structure, governance and management

The Alfred Stewart Trust was established as a charitable trust by Trust Deed in 2010.

The trustees who were in office during the year were:

[REDACTED]

Judicial Factor

[REDACTED]

Whilst the above Trustees were in office, they did not act in the affairs of the Trust during the period.

When the Judicial Factor is discharged, new Trustees will be appointed. Discussions are well advanced for new trustees to be appointed. New Trustees will be responsible for policy setting and strategic decisions, and their duties imposed by statute.

The Trust has run the whole year under the governance of the Judicial Factor.

Group Structure

The group consists of the following entities:

- The Alfred Stewart Trust (the parent) which is separately managed.
- Alfred Stewart Property Foundation Limited - this is a wholly owned trading subsidiary, acquired at 1 June 2012. The principal activity of the company during the year has been property development and investment. The company itself has a subsidiary, Alfred Stewart Properties Limited. It is the intention that the Trust will obtain funding via dividends on the shareholding in the company. During the period to 30 November 2022 the company recorded a loss of £638,136. At 30 November 2022, the aggregate capital and reserves of the company were £5,817,001.
- Alfred Stewart Properties Limited - this is a wholly owned subsidiary of Alfred Stewart Property Foundation Limited which ceased to trade at 25 November 2013 and has prepared dormant company accounts.

**THE ALFRED STEWART TRUST
REPORT OF THE JUDICIAL FACTOR
FOR THE YEAR ENDED 30 NOVEMBER 2022**

Approved by the Judicial Factor:



Date: 12 April 2024

**THE ALFRED STEWART TRUST
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2022**

Judicial Factor

[REDACTED]

Charity number (Scotland)

SC041929

Principal address

[REDACTED]

Auditor

Hogg & Thorburn
Chartered Accountants
Statutory Auditor
Moat House
14 Gala Park
GALASHIELS
Scottish Borders
TD1 1EX

Bankers

Handelsbanken
18 Charlotte Square
EDINBURGH
EH2 4DF

**THE ALFRED STEWART TRUST
STATEMENT OF JUDICIAL FACTOR'S RESPONSIBILITIES
FOR THE YEAR ENDED 30 NOVEMBER 2022**

The Judicial Factor is responsible for preparing his 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 Judicial Factor to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that year.

In preparing these financial statements the Judicial Factor is 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 Judicial Factor is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable him to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust deed. He is 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.

AUDITORS

The auditors, Hogg & Thorburn, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by the Judicial Factor [REDACTED] on 12 April 2024

[REDACTED]

REPORT OF THE INDEPENDENT AUDITORS TO THE JUDICIAL FACTOR OF THE ALFRED STEWART TRUST

Opinion

We have audited the accounts of The Alfred Stewart Trust for the year ended 30 November 2022 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, and the notes to the accounts, 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 group's and of the parent charity's affairs as at 30th November 2022 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 Judicial Factor'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 Trust'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 Judicial Factor with respect to going concern are described in the relevant sections of this report.

Other information

The Judicial Factor is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF THE ALFRED STEWART TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Judicial Factor.

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 Judicial Factor's 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; or

Responsibilities of Judicial Factor

As explained more fully in the Statement of Judicial Factor's Responsibilities, the Judicial Factor is 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 Judicial Factor determines 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 Judicial Factor is responsible for assessing the Trusts' 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 Judicial Factor either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities 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.

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

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF THE ALFRED STEWART TRUST

We obtain and update our understanding of the charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Trust is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Trust that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with the Judicial Factor, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, environmental, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the Judicial Factor and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with relevant regulators .

We assessed the susceptibility of the Trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of the Judicial Factor as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

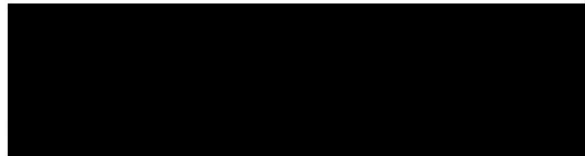
- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
THE ALFRED STEWART TRUST**

Use of our report

This report is made solely to the charity's trustees 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 Hogg & Thorburn
Chartered Accountants & Statutory Auditor

Moat House
14 Gala Park
GALASHIELS
Scottish Borders
TD1 1EX

Date: 12 April 2024

Hogg & Thorburn is eligible for appointment as auditor of the Trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ALFRED STEWART TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 NOVEMBER 2022

		2022	2021
	Notes	£	£
INCOME FROM			
Donations and legacies	3	3,077,050	-
Other trading activities	4	65,115	109,545
Investment income	6	<u>2,695</u>	<u>2</u>
Total		<u>3,144,860</u>	<u>109,547</u>
EXPENDITURE ON			
Other trading activities		11,836	(61,517)
Administrative expenses		187,903	127,778
Charitable activities	7		
Grants awarded		120,000	120,000
Administrative activities		<u>75,720</u>	<u>24,416</u>
Total		<u>395,459</u>	<u>210,677</u>
Net gains/(losses) on investments		<u>(505,280)</u>	<u>-</u>
Net income /(expenditure)		2,244,121	(101,130)
Net movement in funds			
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>6,467,085</u>	<u>6,568,215</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>8,711,206</u></u>	<u><u>6,467,085</u></u>

THE ALFRED STEWART TRUST
CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 NOVEMBER 2022

		2022	2021
	Notes	£	£
INCOME FROM			
Donations and legacies	3	3,077,050	-
Other trading activities	4		
Investment income	6	<u>926</u>	<u>-</u>
Total		<u>3,077,976</u>	<u>-</u>
 EXPENDITURE ON			
Charitable activities	7		
Grants awarded		120,000	120,000
Administrative activities		<u>75,720</u>	<u>24,416</u>
Total		<u>195,720</u>	<u>144,416</u>
 Net income /(expenditure)		2,882,256	(144,416)
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>12,048</u>	<u>156,464</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>2,894,304</u></u>	<u><u>12,048</u></u>

THE ALFRED STEWART TRUST (REGISTERED NUMBER: SC162581)

**CONSOLIDATED BALANCE SHEET
30TH NOVEMBER 2022**

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed Assets					
Investments	12	-	-	100	100
Investment Property	13	1,875,000	2,380,280	-	-
		1,875,000	2,380,280	100	100
CURRENT ASSETS					
Debtors	14	192,641	1,314,921	-	-
Inventories		4,646,810	545,041	4,005,114	-
Cash at bank		2,098,945	2,579,036	724,648	917,282
		6,938,396	4,438,998	4,729,762	917,282
CREDITORS					
Amounts falling due within one year	15	(102,191)	(352,193)	(7,680)	(294,334)
NET CURRENT ASSETS		6,836,205	4,086,805	4,722,082	622,948
Total Assets Less Current Liabilities		8,711,205	6,467,085	4,722,182	623,048
CREDITORS					
Amounts falling due after more than one year	16	-	-	(1,827,878)	(611,000)
PROVISIONS FOR LIABILITIES		-	-	-	-
Net Assets		8,711,205	6,467,085	2,894,304	12,048
Funds					
Unrestricted funds		8,711,205	6,467,085	2,894,304	12,048
TOTAL FUNDS		8,711,205	6,467,085	2,894,304	12,048

The financial statements were approved by the Judicial Factor on 12 April 2024.



Judicial Factor

THE ALFRED STEWART TRUST

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(259,088)</u>	<u>44,093</u>
Net cash provided by operating activities		<u>(259,088)</u>	<u>44,093</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	-
Purchase of fixed asset investments		-	-
Sale of fixed asset investments		-	-
Interest received		2,695	2
Rental income received		<u>65,115</u>	<u>109,545</u>
Net cash (used in)/provided by investing activities		<u>67,810</u>	<u>109,547</u>
Cash flows from financing activities			
Income attributable to loan from related party		-	288,814
Income attributable to loan from related party		-	486,339
Expenditure attributable to loan repayment to related party		<u>(288,814)</u>	<u>-</u>
Net cash provided by financing activities		<u>(288,814)</u>	<u>775,153</u>
Change in cash and cash equivalents in the reporting period		<u>(480,092)</u>	<u>928,793</u>
Cash and cash equivalents at the beginning of the reporting period		<u>2,579,036</u>	<u>1,650,243</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,098,495</u></u>	<u><u>2,579,036</u></u>

THE ALFRED STEWART TRUST

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	2,244,121	(101,130)
Adjustments for:		
Losses/(gain) on investments	505,280	-
Interest received	(2,695)	(2)
Income from rents	(65,115)	(109,545)
Income from legacy		
Decrease (increase) in stocks	(4,101,769)	(70,205)
Decrease/(increase) in debtors	(94,600)	402,065
(Decrease)/increase in creditors	38,812	(77,090)
Net cash provided by operations	<u>(259,088)</u>	<u>44,093</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.12.21 £	Cash flow £	At 30.11.22 £
Net cash			
Cash at bank	<u>2,579,036</u>	<u>(480,092)</u>	<u>2,098,495</u>
	<u>2,579,036</u>	<u>(480,092)</u>	<u>2,098,495</u>
Total	<u>2,579,036</u>	<u>(480,092)</u>	<u>2,098,495</u>

THE ALFRED STEWART TRUST
CHARITY CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2022

Notes	2022 £	2021 £
Cash flows from operating activities		
Cash generated from / (used in) operations	(1,121,624)	(144,416)
Net cash provided by (used by) operating activities	(1,121,624)	(144,416)
Cash flows from investing activities		
Interest received	926	-
Net cash (used in)/provided by investing activities	926	-
Cash flows from financing activities		
Income attributable to loan from related party	1,216,878	288,814
Income attributable to loan from subsidiary	-	120,000
Income attributable to loan from related party	-	486,339
Income attributable to loan from subsidiary	-	80,000
Expenditure attributable to loan from subsidiary	(288,814)	-
Net cash provided by financing activities	928,064	975,153
Change in cash and cash equivalents in the reporting period	(192,634)	830,737
Cash and cash equivalents at the beginning of the reporting period	917,282	86,545
Cash and cash equivalents at the end of the reporting period	724,648	917,282

THE ALFRED STEWART TRUST

**NOTES TO THE CHARITY CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	2,882,256	(144,416)
Adjustments for:		
Interest received	(926)	-
Decrease/ (increase) in stocks	(4,005,114)	-
Decrease/(increase) in debtors	-	-
(Decrease)/increase in creditors	<u>2,160</u>	<u>-</u>
Net cash provided by (used in) operations	<u>(1,121,624)</u>	<u>(144,416)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.12.21	Cash flow	At 30.11.22
	£	£	£
Net cash			
Cash at bank	<u>917,282</u>	<u>(192,634)</u>	<u>724,648</u>
	<u>917,282</u>	<u>(192,634)</u>	<u>724,648</u>
Total	<u>917,282</u>	<u>(192,634)</u>	<u>724,648</u>

THE ALFRED STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

1. Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Judicial Factor is 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2. Accounting policies

Charity information

The continuing activity of The Alfred Stewart Trust is the prevention of poverty and the advancement of education, health, community development, arts, heritage, culture, science, environmental protection and relief of those in need by reason of age, ill health, disability, financial hardship or disadvantage.

The Trust is incorporated in Scotland and its registered number is SC041929. The Trust's registered address is 11a Dublin Street, Edinburgh, EH1 3PG

The Trust meets the definition of a public benefit entity.

2.1 Accounting convention

The accounts have been prepared in accordance with the Trust's Deed, 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)" (as amended for accounting periods commencing from 1 January 2016). The Trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

The Judicial Factor is of the opinion that the Trust can continue to meet its obligations as they fall due for the foreseeable future. As a consequence the Judicial Factor has prepared the financial statements on the going concern basis.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Judicial Factor in furtherance of the charitable objectives unless the funds have been designated for other purposes.

THE ALFRED STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2022

2. ACCOUNTING POLICIES - continued

2.4 Recognition and allocation of income

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the trust.

Other trading activities

Trading income is recognised once the service is performed or the product is delivered to the customer.

Investment income

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

2.5 Recognition and allocation of expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Support costs include central functions

Governance costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs relate to statutory audit and accounting fees. There is no apportionment of overhead costs.

2.6 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/ (expenditure) for the year.

A subsidiary is an entity controlled by the Trust. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as property, plant and equipment.

THE ALFRED STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2022

2. ACCOUNTING POLICIES - continued

2.7 Inventories

Inventories are valued at the lower of cost and estimated net realisable value. The inventory of the company consists of land held for resale which is the accumulation of the cost of the land purchased, professional costs incurred obtaining planning permission on such land and costs incurred in preparing the land for sale.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

2.8 Trade and other receivables

Accrued income is amounts due for services already provided by the charity but not yet claimed. Accrued income is recognised at the undiscounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.10 Creditors and other payables

Creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

2.11 Financial instruments

Financial assets

Basic financial assets, including trade and other debtors and bank balances, are initially recognised at transaction price.

At the end of each reporting period financial assets measured at cost are assessed for evidence of impairment. Any impairment loss is recognised in the Statement of Financial Activities.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

Financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are classed as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

THE ALFRED STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2022

2. ACCOUNTING POLICIES - continued

2.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2.14 Taxation

The charity is exempt from corporation tax on its charitable activities.

In respect of the subsidiary taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Current or deferred taxation assets and liabilities are not discounted. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3. DONATIONS AND LEGACIES

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Legacies	3,077,050	-	3,077,050	-
	<u>3,077,050</u>	<u>-</u>	<u>3,077,050</u>	<u>-</u>

The charity was left a legacy by the Late Alfred Stewart, being land and buildings and any residual estate. The value placed on the land and property was £4,005,114 at the point of transfer. Along with the transfer, the loan to the Executry was assigned to the Trust (£288,314) and the Trust assumed the liability due by the Estate of the Late Alfred Stewart to the subsidiary company, Alfred Stewart Property Foundation Limited (£1,216,878).

THE ALFRED STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2022

4. OTHER TRADING ACTIVITIES

The trading activity continued to be the development of land and property for sale. There was no trading income in the year. Other operating income was in respect of rents received from property held with a view to realising by sale or development.

5. INCOME EARNED TRADING ACTIVITIES

The wholly owned trading subsidiary The Alfred Stewart Property Foundation Limited is incorporated in the United Kingdom (company number SC363663). The charity owns the entire share capital of 100 ordinary £1 shares.

	2022 £	2021 £
Turnover	-	-
Other operating income	65,115	109,545
Investment Income	1,769	2
Cost of sales & Administrative Expenses	(209,945)	(56,056)
Other gains and losses	(505,280)	-
Net Profit (loss)	(648,341)	53,491
Taxation	10,205	(10,205)
Retained in subsidiary	(638,136)	43,286

The assets and liabilities of the subsidiary were:

Non -current assets	1,875,000	2,380,280
Current assets	4,036,512	4,132,716
Current liabilities	(94,511)	(57,859)
Deferred tax	-	-
Total net asset	5,817,001	6,455,137
Aggregate share capital and reserves	5,817,001	6,455,137

6. INVESTMENT INCOME

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Deposit account interest	2,695	2	926	-
	2,695	2	926	-

7. CHARITABLE ACTIVITIES COSTS

Group & Charity

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Grants paid (note 8)	120,000	120,000	120,000	120,000
Support costs (note 9)	75,720	24,416	75,720	24,416
	195,720	144,416	195,720	144,416

THE ALFRED STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2022

8. GRANTS PAID

Group & Charity

During the year an amount of £120,000 (2021 - £120,000) was paid to Medi-Lase Research Fund.

All the costs relate to one charitable activity of the charity, to provide grant funding to the Scottish Photodynamic Therapy Centre (Medi-Lase) Trust at Ninewells Hospital, Dundee.

No grants were awarded to individuals during the year.

9. ADMINISTRATIVE ACTIVITIES

Net income/(expenditure) is stated after charging/(crediting) the following support costs:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Management				
Legal and professional fees	62,522	14,390	62,522	14,390
Communication support	8,639	7,816	8,639	7,816
Governance				
Auditor's remuneration	2,159	1,105	2,159	1,105
Auditor's remuneration (non audit work)	2,400	1,105	2,400	1,105
	<u>75,720</u>	<u>24,416</u>	<u>75,720</u>	<u>24,416</u>

10. JUDICIAL FACTOR REMUNERATION AND BENEFITS

Neither the Judicial Factor (nor any persons connected with him) received any remuneration or expenses during the year (2021- nil). The commission paid to the Judicial Factor is determined by the Accountant of Court.

11. EMPLOYEES

The average monthly number of employees during the period was as follows:

	Group 2022	Group 2021	Charity 2022	Charity 2021
Total	-	-	-	-

No employees received emoluments in excess of £60,000.

The key management personnel of the Trust is the Judicial Factor. None of the trustees were remunerated for their duties as trustees during the period.

The key management personnel of the subsidiary are the directors. The directors receive remuneration under contracts for services.

THE ALFRED STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2022

12. FIXED ASSET INVESTMENTS

Group

The fixed asset investments are shares in the subsidiary, owned 100% by the Trust.

Charity	% Shares in group undertakings	Profit/(loss) £	Capital and reserves £
Name of undertaking			
Alfred Stewart Property Foundation Limited	100	(638,136)	5,817,001
At 30th November 2022	100	(638,136)	5,817,001

There were no investments assets outside the UK.

The Trust's subsidiary undertaking is registered in Scotland. It's principal activity is that of buying and selling real estate, and the development of it's land portfolio for the benefit of the parent trust.

The Directors of Alfred Stewart Property Foundation Limited have confirmed that the company will continue to support the Trust.

13. INVESTMENT PROPERTY

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
FAIR VALUE				
At 1 December	2,380,280	2,380,280	-	-
Revaluation	(505,280)	-	-	-
At 30th November	1,875,000	2,380,280	-	-
NET BOOK VALUE				
At 30th November	2,380,280	2,380,280	-	-

Investment property comprises various land and buildings purchased by the company over the years. The fair value of the investment property has been arrived at on the basis of a valuation carried out by Bidwells LLP Property Consultants based in Cambridge, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

Fair value at 30th November 2022 is represented by

Cost	£ 2,380,280
Valuation adjustment in November 2022	(505,280)
At 30 th November 2022	<u>1,875,000</u>

THE ALFRED STEWART TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2022**

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Related Party loan	-	1,216,878	-	-
Other Debtors	179,475	91,913	-	-
Corporation Tax	10,205	-	-	-
Prepayments	2,962	6,130	-	-
	<u>192,642</u>	<u>1,314,921</u>	<u>-</u>	<u>-</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade Creditors	-	-	-	-
Other related party loan	-	288,814	-	288,814
VAT	27,575	12,937	-	-
Accrued expenses and deferred income	71,866	37,487	7,680	5,520
Corporation Tax	-	10,205	-	-
Other Creditors	2,750	2,750	-	-
	<u>102,191</u>	<u>352,192</u>	<u>7,680</u>	<u>294,334</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Related Party loan	-	-	1,827,878	611,000
	<u>-</u>	<u>-</u>	<u>1,827,878</u>	<u>611,000</u>

THE ALFRED STEWART TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2022

17. LEASING AGREEMENTS - LESSEE

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Within one year	-	10,000	-	-
	-	10,000	-	-

18. LEASING AGREEMENTS - LESSOR

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Within one year	-	53,000	-	-
	-	53,000	-	-

19. RELATED PARTY DISCLOSURES

During the year the company entered into the following transactions with related parties:

██████████ and ██████████ are joint directors in Alfred Stewart Property Foundation Limited and Alfred Stewart Properties Limited.

At the balance sheet date, the balance due to Alfred Stewart Properties Limited by Alfred Stewart Property Foundation Limited was £1 (2020 - £1). There is no interest charged on this loan.

At the balance sheet date, the balance due to Alfred Stewart Property Foundation Limited by the Trust was £1,216,878 This was assigned on the winding up of the Executry in connection with the legacy from the late Alfred Stewart. No interest has been charged on this loan.

During the year £45,645 (2021 - £17,254) for other work including investigations and accountancy work was payable to Aver Corporate Advisory Services Ltd, a company in which ██████████ and ██████████ are directors.

The company has paid Director's fees during the year of £23,747 (2021 - £0) for services provided to the company.

DECLARATION BY CHARITY TRUSTEE/CORPORATE TRUSTEE

If the organisation has a corporate trustee (another organisation which acts as trustee, such as a company) its directors should complete this declaration.

In this form we ask you for some personal information. This information may be used by OSCR for the following purposes:

- to identify charity trustees;
- to carry out checks on information provided to ensure that you are not disqualified from being a trustee;
- to contact you if necessary, for example where we cannot make contact with the person the charity has named as its Principal Contact for OSCR; and
- for any other purpose in line with our [Data Protection and Privacy Policy](#).
- Please find and read our [Privacy Notice](#) for more information relating your data as the Principal contact or a Charity Trustee.

Any personal information provided by you will be held by OSCR in accordance with the Data Protection Act 2018 and the General Data Protection Regulations. We will only use it for the purposes listed above.

The information supplied on this form is for internal purposes only and will not appear on the public Scottish Charity Register, unless you are the principal contact for the charity and the (proposed) charity **does not** have a principal office. In that case your name and address will be displayed.

Section 1 Organisation details

Proposed charity name

Section 2 Personal Details

Title

First name(s)

Last name

Previous names

Home address

<input type="text"/>	
<input type="text"/>	<input type="text"/>

Postcode

Home Tel no.

Mobile no.

Email

Date of birth

Occupation

Are you a trustee of any other charity?

☐

Yes

☐

No

If yes, please provide details of the charity name(s) and charity number (s)

Section 3 Declaration

Please read our [Guidance for Charity Trustees](#) before signing this declaration.

I declare that:

- I am willing to act as a charity trustee of the above named organisation.
- I understand the organisations purposes and rules set out in its governing document.
- I am aware of my duties and responsibilities as a charity trustee in terms of section 66 of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act').
- I am not disqualified from being a charity trustee in terms of the 2005 Act – that is:
 - I am not an undischarged bankrupt
 - I have not granted a Protected Trust Deed (PTD)
 - I do not have an unspent conviction for an offence involving dishonesty
 - I do not have an unspent conviction for an offence under the 2005 Act
 - I have not been removed by the Court of Session under the 2005 Act (or earlier legislation) from being a charity trustee or being concerned in the management or control of any charity or body
 - I have not been removed from being a charity trustee by the Charity Commission or the High Court in England due to misconduct or mismanagement
 - I have not entered into an individual voluntary arrangement (IVA) to pay off debts with creditors. (This only applies to trustees living in England or Wales)
 - I am not disqualified from being a company director.
- **I understand that it is an offence under section 26 of the 2005 Act to knowingly or recklessly provide false or misleading information.**
- **I understand and agree that the personal information I have provided OSCR in this form may be used for the purposes listed above in line with the [Data Protection and Privacy Policy](#).**

Signature

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Print name

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Date

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The Alfred Stewart Trust:

30 November 2022:

Going concern – Planning

Following enquiries with those charged with governance (B21-2), we have noted the following points with regards to going concern assessment at planning stage:

Client has confirmed that they assess the trust as a going concern

Industry

E.g has industry been prevented/restricted from trading

Not reliant on trading, but reliant on ongoing support and income from subsidiary. If it were not forthcoming, the trust would not make its usual level of donation, and has the support of its subsidiary.

Company operations

E.g Companies not being able to export goods, lack of demand for goods/services.

Any historical going concern issues?

Any impact from changing controls/processes/software?

As above

Supply chain

Any issues sourcing materials/goods?

Not relevant

Staffing

Any redundancies anticipated? Likely cost?

Not relevant. [REDACTED] continues in post until such time as new Trustees can be found. Continue to operate in same fashion and no issue foreseen.

Legal/contractual issues

If company fails to meet a deadline e.g project completion date, are there any implications?

N/A

Assets held

Are valuations required and if so, are these up to date?

Any indications that charges on assets may be crystallised?

No valuations done as subsidiary valued at book cost. Directors satisfied that historic costs are lower than current market value.

Value of land considered reasonable based on 2021 valuations

Reliability of personnel/accounting records

If management are basing their opinion on accounting records, what are the chances of the records being accurate?

Are management accounts prepared regularly and forecasts reviewed/updated?

Are management knowledgeable enough to draw an opinion on going concern?

If issues are identified at this stage with accuracy/knowledge, risk factors on the sampling size schedule will need adjusted.

Knowledge and accuracy are reliable and informed with the [REDACTED] and Directors qualified chartered accountants/solicitor. However will note to get more tangible evidence on file rather than relying on oral representation

Share capital/reserves

Any indication of restructuring/issue of shares/significant shareholding transfers?

If so, will this impact the day to day operations and if so, how

Any dividends paid since year end or expected in next 12 months?

No dividends paid by subsidiary as waiting on land disposal. Still has sufficient funds to support trust though.

Overall going concern assessment at planning stage

Are the management/those in governance of the opinion that there are any going concern issues?

No going concern matters arising

The Alfred Stewart Trust30 November 2022Accounting Estimates

Objectives To obtain sufficient appropriate evidence about accounting estimates and related disclosures are reasonable in the context of the applicable financial reporting framework. To undertake procedures in relation to accounting estimates as required by ISA 540					
Key Accounting Estimate	Key Risk Area (Assertion)	Review and test process used by Mgt/ How Mgt made the accounting estimate (CONTROLS)	REF to work undertaken	Develop an auditors point estimate or range	Overall evaluation/conclusion
Fixed Asset-Depreciation	Accuracy, Existence, Classification, Presentation & Disclosure, Financial Statement	Review of income and expenditure and other records including correspondence with related parties and ensure correctly identify and classify all transactions	Annual review of all records (Not high level of transactions) and relevant minutes or correspondence. Confirmation from JF if any relevant transactions		Satisfied no significant risk of material error.
Investments	Completeness, Existence, Valuation and rights and obligations, Presentation & Disclosure, Financial Statement	Review of accounts for Alfred Stewart Property Foundation and Alfred Stewart Properties Limited. Valuation is book value of closing balance sheet. Accounts audited by H & T. Working papers reviewed to ensure consistent use of accounting policies and estimates as the trust.	Separate note prepared on review of the subsidiary accounts and consolidation process	Valuation prepared on basis consistent with earlier years. No evidence of Management bias identified.	Satisfied no significant risk of material error.
Stock	Accuracy, Completeness, Cut-off, Existence, Valuation and rights and obligations, Classification, Presentation & Disclosure, Financial Statement	Trust has been assigned land from executry. Recognised at 2021 valuation. Confirm reasonableness with JF	Review valuation and discuss requirements for professional valuations	Reasonable proximity to last valuation	Satisfied no significant risk of material error.
Bad Debt provision	Accuracy, Completeness, Cut-off, Existence, Presentation & Disclosure, Financial Statement	Trust not in habit of making sales. Area not relevant.	No specific work undertaken on this area	N/A	Satisfied no significant risk of material error.

The Alfred Stewart Trust30 November 2022Accounting Estimates

Accruals & Deferred Income	Accuracy, Completeness, Cut-off, Existence,, Presentation & Disclosure, Financial Statement	Generally only accrual is accountancy and audit. Based on time on ledger as evidenced by cost ledger and also if any quote for work provided by H & T. JF fee is recognised when agreed by Accountant of Court and no accrual is provided as only payable when properly approved.	Test on cut off and review of post year end transactions and correspondence	In line with previous year, unless made aware during other audit enquiries	Satisfied no significant risk of material error. No evidence of Management bias identified.
Prepayment	Accuracy, Completeness, Cut-off, Presentation & Disclosure, Financial Statement	Trust not in habit of having prepayments. Risk this could be overlooked, but informed management likely to be aware of any income due to be received and will consider its recognition.	Test on cut off and review of post year end transactions and correspondence	In line with previous year, unless made aware during other audit enquiries	Satisfied no significant risk of material error. No evidence of Management bias identified.

The Alfred Stewart Trust

30 November 2022

Risk Assessment

1. IT

Excel spreadsheet maintained by William Cleghorn cross referenced to documents of income and expenditure. Summarised Profit and Loss and Balance Sheet provided.

Spreadsheet checked for corruption, incorrect formula. No areas previously for concern

2. Financial

Reliance on subsidiary for funds, however not committed to expenditure and loans available until such time as executory is wound up or company has distributable cash. Confirmation from Subsidiary that funds available with no interest and no repayment anticipated until development complete.

3. Management

Informed management, with no changes in period

4. Performance

No income, but supported by executry and subsidiary. Not possible to consider normal KPIs as nature of trust unusual due to historic position

5. Legislative

Review of trust deed and transactions suggest no legislative concerns.

6. Fraud

Judicial Factor supervision and control of funds. Confirmed no known case of fraud and minimal opportunity.

7. Management override

Auditors scepticism to challenge any unusual transactions

PF3-1(2)

Risk Assessment

				(5 Low – 1 High)	(5 Total Reliance – 1 No reliance)	(3 Total Reliance – 1 No Reliance)				
Financial Statement Assertion	Assertions	Value per draft accounts	Materiality	Inherent & Specific Risk Factor	Control Risk Factor	Reliance on Analytical Review	Reason	Audit work required	Sample Size	Ref.
Sales Income	Occurrence, Completeness, Accuracy, Classification, Presentation	0	0	5	1	3	No sales expected			
Rental income	Occurrence, Completeness, Accuracy, Classification, Presentation	0	0	5	1	3	No rental income expected			
Investment Income	Occurrence, Completeness, Accuracy, Classification, Presentation	0	0	5	1	1	Check in total to bank and subsidiary accounts			
Sundry receipts	Occurrence, Completeness, Accuracy, Classification, Presentation	0	0	5	1	3	None anticipated			

Salaries (including social security and pensions)	Completeness, Accuracy, Occurrence	0	0	5	1	3	None anticipated			
Raising Funds	Completeness, Accuracy, Occurrence, Classification	0	0	5	1					
Charitable Activities	Completeness, Accuracy, Occurrence, Classification	195,720	xxx	5			Reconciled to bank and invoices			
Tangible Assets	Existence, Valuation, Rights & Obligations, Completeness	0	0	5	1	3	None anticipated			
Investments	Valuation, Existence, Completeness, Presentation & Disclosure	100	100	5						
Cash/Bank	Existence, Completeness, Accuracy, Cut- off, Valuation and classification	724,648	xxx	5						
Stock	Existence, Valuation,	4,005,114	0	5	1	3	None anticipated			

	Rights & Obligations, Completeness									
Debtors	Valuation, Existence & Occurrence, Completeness, Accuracy, Classification, Presentation & Disclosure	0	0	5	1	3	None anticipated			
Trade Creditors	Completeness, Existence, Accuracy, Classification, Presentation & Disclosure	0	0	5	1	3	None anticipated			
Accruals and deferred income	Completeness, Existence, Right & Obligation, Presentation & Disclosure	7,680	xxxx	5						
Bank Loan	Valuation, Completeness, Accuracy, Classification, Presentation & Disclosure	0	0	5	1	3	None anticipated			
Inter group balances	Completeness, Existence, Accuracy, Right & Obligation,	1,827,878	xxx	5	1	3	Reconcile to subsidiary			

[illegible]