

Charity registration number SC044208 (Scotland)

PROVOST JAMES RAE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

PROVOST JAMES RAE TRUST

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PROVOST JAMES RAE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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 trust'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)".

Objectives and activities

To provide financial support for the advancement of the arts, heritage and culture or for the advancement of education to include financially supporting young artists, emerging artists of any age and struggling artists working in Scotland as well as facilitating exhibitions of work of artists working in Scotland. During the year, the Trustees have placed a greater emphasis on supporting late career artists. This reflects a recognition that artists at this stage can face increasing financial and professional pressures, and that targeted support can have a meaningful impact on the continuation and visibility of their practice.

Achievements and performance

During the year the Trust continued to support artist development through Fellowships at the Ballinglen Arts Foundation in County Mayo, Ireland. Murray Robertson undertook his residency from 28 January to 20 February 2023. Earlier in the programme Ian McNicol completed his fellowship from 12 May to 9 June 2022, followed by Claire Forsythe who carried out her residency from 17 October to 13 November 2022. Each fellowship provided dedicated time and space for the artists to focus on new work, research and thoughtful insight into their practice, strengthening the impact of our grant funding across the year.

Financial review

There are net total assets of £896,651 (2022: £760,305) and net current assets of £664,682 (2022: £519,736). The Trust received income of £240,263 (2022: £102,704) including a donation of £240,035 (including gift aid) during the financial period (2022: £102,640 including gift aid). No future commitments were agreed during this financial statement.

Reserves policy

It is the policy of the Trustees to use the funds of the Trust to both make grants and donations and to support the charitable activities of the Trust. The Trustees will consider the need to retain reserve balance at the close of each financial year for its future activities having regard to their duties as charitable trustees. The Trustees intend that any surplus cash following this assessment will be distributed in a following year,

The funds of the Trust are wholly unrestricted and are represented by mainly the works of art but also funds held in a bank account. the Trustees have the power to draw upon the fund in furtherance of the Trust's objectives whilst retaining sufficient funds to meet any commitments they may undertake.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to mitigate our exposure to the major risks.

As the Trust relies on the donations from the Settlor in order to make its donations and to meet running costs, the principal risk faced by the Trust is whether donations are made to the Trust.

However, the Trustees believe that sufficient funds from disposal of investments can be realised to meet running costs and any award of donations will be made only where funds permit.

Plans for future periods

Trustees are reviewing insurances, applications or bursaries and financial support and forthcoming exhibitions and in furtherance of the objects of the Trust.

PROVOST JAMES RAE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Founding Document	Deed of Trust dated 17 th June 2013 and registered in the Books of the Lords of Council and Session on 18 th June 2013.
Appointment of New Trustees	Reserved to the Settlor provided they retain sufficient capacity to do so, whom failing, the Trustees in office.
Decision making	All Trustees are actively involved in the decision making process. Requests for funding are reviewed by the Trustees.
Employees	The Trust has no employees (2022: none). The Trustees have engaged Turcan Connell to undertake the administration of the Trust, remuneration for which is recorded in the financial statements.
Related Parties	During the period the Trust received donations of £164,213, including gift aid repayment (2022: £96,140 including gift aid) from Trustees paid expenses of £nil (2022: £1,000) on behalf of the charity, all of which was outstanding at the year end.
Management	All Trustees are active in the management of the Trust.
Scottish Charity Number	SC044208
Address	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE
Solicitors	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE
Independent Examiners	Thomson Cooper 3 Castle Court Carnegie Campus Dunfermline Fife KY11 8PB
Trustees	Mr D Connell Ms K Watt Ms B Rae Mr F Hoskins

PROVOST JAMES RAE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 trust and of the incoming resources and application of resources of the trust 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 trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Ms K Watt

Karyn Watt

17 April 2026

PROVOST JAMES RAE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PROVOST JAMES RAE TRUST

I report on the financial statements of the trust for the year ended 31 March 2023, which are set out on pages 5 to 13.

Respective responsibilities of trustees and examiner

The trust's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trust trustees consider that the audit requirement of Regulation 10(1)(a)-(c) of the Charities Accounts (Scotland) Regulations 2006 does not apply.

It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1)(a) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006, and
- to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

The matter that has come to my attention is that, in the course of my examination of the accounting records of the charity, it was noted that sufficient accounting records were not kept/there was a lack of supporting documentation for some transactions. The charity trustees are aware of the importance of maintaining full records going forward.

Jacqueline Whyte

Jacqueline Whyte FCCA
Thomson Cooper
3 Castle Court
Carnegie Campus
Dunfermline
KY11 8PB

17 April 2026

PROVOST JAMES RAE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income and endowments from:			
Donations and legacies	3	240,035	102,640
Investments	4	90	64
Other income	5	138	-
Total income		240,263	102,704
Expenditure on:			
Charitable activities	6	113,018	56,340
Total expenditure		113,018	56,340
Net gains/(losses) on investments	11	-	1,000
Net income		127,245	47,364
Other recognised gains and losses:			
Other gains on sale of property	13	9,101	-
Net movement in funds	9	136,346	47,364
Reconciliation of funds:			
Fund balances at 1 April 2022		760,305	712,941
Fund balances at 31 March 2023		896,651	760,305

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

PROVOST JAMES RAE TRUST

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		231,969		240,569
Current assets					
Debtors	15	19,229		19,285	
Investments	16	305,000		305,000	
Cash at bank and in hand		345,565		205,098	
		669,794		529,383	
Creditors: amounts falling due within one year	17	(5,112)		(9,647)	
Net current assets			664,682		519,736
Total assets less current liabilities			896,651		760,305
The funds of the trust					
Unrestricted funds	18		896,651		760,305
			896,651		760,305

The financial statements were approved by the trustees on 17 April 2026


Ms K Watt
Karyn Watt


Mr F Hoskins
Frank Hoskins

PROVOST JAMES RAE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Provost James Rae Trust is a trust registered at 28 Anderson Place, Edinburgh, EH6 5FR.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the trust'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 trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

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.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Investment income is included in the financial statements in the year which the Trust becomes entitled to it, it can be reliably determined and there is a probability of receipt.

Donations are included in the financial statements together with associated gift aid, where applicable, when the Trustees have been advised of the donation with notification of both amount and intended settlement date.

1.5 Expenditure

Expenditure is included in the account on an accruals basis and recognised in full as soon as a constructive obligation exists, the sums payable can be reliably measured and there is probability of payment.

Governance and Support Costs:

Fees charged by Turcan Connell for legal and accounting services are included in the financial statements as follows:

Governance (Accountancy Costs) - 25%

Support (Legal and Administrative Costs) - 75%

These are recorded in support and governance in the Statement of Financial Activities.

Independent Examination Fees are recorded in support and governance in the Statement of Financial Activities as appropriate.

All other governance and support costs are recorded in the Statement of Financial Activities as appropriate.

As the charity does not provide services directly but by the way of grants to other organisations, governance and support costs are not allocated against individual grants or donations.

PROVOST JAMES RAE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Assets costing in excess of £500 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10% straight line
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Freehold land and buildings are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

1.8 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Current Asset Investments

The Trust holds a collection of artwork which is currently held with the intention to sell items and use the proceeds to support charitable activities. The collection is reported in the balance sheet at fair value, based on the Trustees' estimated market value.

Expenditure which is required to preserve or prevent deterioration of individual collection items is recognised in the Statement of Financial Activities when it is incurred. All of the artwork is presently being held in a storage unit on behalf of the Trustees.

PROVOST JAMES RAE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

2 Change in accounting policy

In the application of the company'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.

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Depreciation of Fixtures and Fittings

In preparing the financial statements the trustees estimate the useful economic life of the fixtures and fittings in the trust. In the current year this has been reviewed and amended from 4 years to 10 years.

As a result this has affected the depreciation policy for this class of asset, changing it from 4 years straight line to 10 years straight line.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	240,035	102,640

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	90	64

5 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Reimbursement of unused factor float	138	-

PROVOST JAMES RAE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Expenditure on charitable activities

	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
Direct costs		
Cataloguing works of art	3,600	15,001
Property expenditure	2,639	23,470
Other costs	82,082	240
	<u>88,321</u>	<u>38,711</u>
Grant funding of activities (see note 7)	8,908	5,000
Share of support and governance costs (see note 8)		
Support	13,689	10,178
Governance	2,100	2,451
	<u>113,018</u>	<u>56,340</u>
Analysis by fund		
Unrestricted funds	<u>113,018</u>	<u>56,340</u>

7 Grants payable

	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
Grants to individuals	<u>8,908</u>	<u>5,000</u>

8 Support costs allocated to activities

	Unrestricted Funds 2023 £	Total 2022 £
Depreciation	2,000	4,986
Administration	11,689	5,192
Governance	2,100	2,451
	<u>15,789</u>	<u>12,629</u>

PROVOST JAMES RAE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs allocated to activities (Continued)

	2023	2022
	£	£
Governance costs comprise:		
Accountancy	2,100	2,451
	<u>2,100</u>	<u>2,451</u>

9 Net movement in funds

	2023	2022
	£	£

The net movement in funds is stated after charging/(crediting):

Depreciation of owned tangible fixed assets	2,000	4,986
	<u>2,000</u>	<u>4,986</u>

10 Trustees

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

11 Gains and losses on investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Gains/(losses) arising on:		
Sale of investments	-	1,000
	<u>-</u>	<u>1,000</u>

12 Taxation

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

13 Other gains and losses

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Gains/(losses) upon:		
Gain on sale of property	9,101	-
	<u>9,101</u>	<u>-</u>

PROVOST JAMES RAE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	232,350	20,000	252,350
Additions	274,799	-	274,799
Disposals	(281,399)	-	(281,399)
At 31 March 2023	225,750	20,000	245,750
Depreciation and impairment			
At 1 April 2022	-	11,781	11,781
Depreciation charged in the year	-	2,000	2,000
At 31 March 2023	-	13,781	13,781
Carrying amount			
At 31 March 2023	225,750	6,219	231,969
At 31 March 2022	232,350	8,219	240,569

Freehold land and buildings comprises the gallery and office space at Anderson Place, Edinburgh. During the year the charity bought and sold a flat.

15 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	19,229	19,285

16 Current asset investments

	2023 £	2022 £
Fair Value		
At 31 March 2022	305,000	305,000
Add: Donated artwork	5,000	-
Less: Sale	(5,000)	-
At 31 March 2023	305,000	305,000

Investments comprise of works of art that were valued by the Trustees as at 31 March 2023.

Sale proceeds	6,000	-
Book value of disposal	(5,000)	-
Gain on Sale	1,000	-

PROVOST JAMES RAE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	852	7,487
Accruals and deferred income	4,260	2,160
	<u>5,112</u>	<u>9,647</u>

18 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 1 April 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2023 £
General funds	<u>760,305</u>	<u>240,263</u>	<u>(113,018)</u>	<u>9,101</u>	<u>896,651</u>
Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2022 £
General funds	<u>712,941</u>	<u>102,704</u>	<u>(56,340)</u>	<u>1,000</u>	<u>760,305</u>

19 Related party transactions

Transactions with related parties

The Trust has no employees.

During the period, the Trust received donations of £240,035 including gift aid (2022: £96,140 including gift aid) from the Trustees.