

The Blackadder Houston Charitable Trust

Scotland · Charity number SC048904

Details

Status	Not Submitted
Legal form	Trust (founding document is a deed of trust) (other than educational endowment)
Registered	2018-12-13
Register	View on the OSCR register

Contact

Address Morton Fraser MaRoberts Trustees Limited
Morton Fraser MacRoberts LLP
Level 5
9 Haymarket Square
Edinburgh
EH3 8RY

Activities

Activities: 'It makes grants, donations, loans, gifts or pensions to individuals','It makes grants, donations or gifts to organisations'

Purposes: 'the advancement of education','the advancement of the arts, heritage, culture or science'

Beneficiaries: 'No specific group, or for the benefit of the community','Other charities or voluntary bodies'

Objectives: Trust Purposes The purposes of the Trust are, for the benefit of the public in Scotland and elsewhere, for payment or application of the whole free income and if the Trustees think fit having regard to the specific nature of any project or proposal they have been asked to support, the capital of the Trust Fund from time to time in the Trustees' charge for any of the aftermentioned purposes, namely:- 1.1 The advancement of education by primarily, though not exclusively, supporting, encouraging and providing financial assistance, bursaries and grants to established charities and aspiring artists. 1.2 The advancement of the arts, heritage, culture or science by primarily, though not exclusively, supporting, encouraging and providing financial assistance, bursaries and grants to established charities and aspiring artists, and making works of art available for exhibitions to increase public exposure to arts.

Geography

- **Main operating location:** City of Edinburgh
- **Geographical spread:** UK and overseas

Finances

Period end	Income	Expenditure	Assets	Employees
2024-03-31	£0	£0	-	0
2023-03-31	£13,139	£78,340	-	0
2022-03-31	£135,297	£141,645	-	0
2021-03-31	£4,828	£18,986	-	0
2020-03-31	£6,539,917	£14,508	-	0

The Blackadder Houston Charitable Trust

Scotland - Charity number SC048904

Accounts

Charity No.SC048904

THE BLACKADDER HOUSTON CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2023

Whitelaw Wells
Chartered Accountants and Statutory Auditors
9 Ainslie Place
Edinburgh
EH3 6AT

BLACKADDER HOUSTON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

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BLACKADDER HOUSTON CHARITABLE TRUST

REPORT OF THE TRUSTEES

REFERENCE AND ADMINISTRATION

For the year ended 31 March 2023

Legal and administrative information

Trustees

Kevin Reid

Guy Peploe - Resigned 20 February 2023

Morton Fraser MacRoberts Trustees

Limited:

AER Bell

SE Hunter - resigned 31 October 2025

CMA Beveridge

CMR MacPhail

JM Kerr

MA Barclay

EJ Wood

Registered Office

Level 5

9 Haymarket Square

Edinburgh

EH3 8RY

Auditors

Whitelaw Wells

Chartered Accountants and Statutory Auditor

9 Ainslie Place

Edinburgh EH3

6AT

Solicitors

Moton Fraser MacRoberts LLP

Level 5

9 Haymarket Square

Edinburgh

EH3 8RY

Bankers:

Barclays

83 Argle Street

Glasgow

G2 8BJ

Charity Number:

SC048904

BLACKADDER HOUSTON CHARITABLE TRUST

REPORT OF THE TRUSTEES

For the year ended 31 March 2023

The trustees present their annual report and financial statements of the charity for the period 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 charity's 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 financial statements in accordance with the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS102)(effective 1 January 2019).

Objectives and aims

The Trust Fund shall be held for the benefit of the public in Scotland and elsewhere, for payment or application of the whole free income and if the Trustees think fit, the capital of the Trust Fund from time to time in the Trustees' charge for any of the aforementioned purposes, namely:-

(1) The advancement of education by primarily, though not exclusively, supporting, encouraging and providing financial assistance, bursaries and grants to established charities and aspiring artists.

(2) The advancement of the arts, heritage, culture or science by primarily, though not exclusively, supporting, encouraging and providing financial assistance, bursaries and grants to established charities and aspiring artists, and making works of art available for exhibitions to increase public exposure to arts.

Grant making

The benefits of the Trust's work are the provision of grants in furtherance of the objectives of the Trust. The Trustees have opted for a policy of making donations to those organisations they feel require most support and whose purposes fall within the spectrum of the Trust Deed.

Achievement and Performance

Charitable activities

The main focus has been investing funds to establish the Trust on a firm financial footing. Distributions will be made in future years in furtherance of the charitable purposes.

Financial Review

Considering the underlying market conditions and charitable commitments, the trustees are comfortable with the financial position.

All funds are unrestricted. The closing balance of funds is £6,423,476 (2022: £6,534,056).

BLACKADDER HOUSTON CHARITABLE TRUST

REPORT OF THE TRUSTEES (cont)

For the year ended 31 March 2023

Financial Position

The income and expenditure accounts shows net expenditure for the reporting year of £110,580 (2022: net expenditure £4,842).

Investment policy and objectives

In accordance with the Trust Deed, the Trustees have power to invest in such stocks, shares, investments and property in the United Kingdom or abroad as they in their sole discretion think fit. The Trustees have engaged RBC Brewin Dolphin as investment managers. The Trustees investment policy is geared towards capital growth, with a medium degree of risk. Income received from investments is held by RBC Brewin Dolphin, on behalf of the Charity. Any expenditure is approved by the Trustees. Morton Fraser MacRoberts will only distribute funds on the instruction of the Trustees. The Trustees are satisfied with investment performance during the year.

Reserves policy

The Trust's policy is to maintain a level of reserves sufficient to generate adequate investment income to enable the Trust to maintain its activity in the medium to long term.

At 31 March 2023 total unrestricted funds amount to £6,423,476 (2022: £6,534,056) which includes £5,944,940 in artworks. The balance of reserves held is considered necessary to fund future operations.

Future developments

The trustees intend that the Trust funds are invested in such a way to produce sufficient income to enable them to carry out their grant making policies so that the charity can make a difference to other people lives wherever this is possible.

Structure, governance and management Governing document

The Trust is a Charitable Trust as set out in the Declaration of Trust dated 6 December 2018. The Trust was awarded charitable status on 13 December 2018. The charity is controlled by its governing documents, a Deed of Trust, and constitutes an unincorporated charity.

Recruitment, appointment and training of trustees

The initial Trustees were appointed under the Declaration of Trust. Additional or replacement Trustees may be appointed by the Trustees. The Trustees are, independently, Charity Trustees of other Charitable Trusts and are, apart from any specific advice and updates on the ongoing implementation of the Charity and Trustee Investment (Scotland) Act 2005, well acquainted with its effect and of their duties and responsibilities as Charity Trustees. Trustees are assisted in their understanding of the law by the Trustees' Solicitors, Messrs Morton Fraser MacRoberts LLP, who will continue to give advice on an ad hoc basis.

BLACKADDER HOUSTON CHARITABLE TRUST

REPORT OF THE TRUSTEES (cont)

For the year ended 31 March 2023

Risk management

The trustees have a duty to identify and review the risk to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees meet regularly and as part of those meetings identify and review the major risks to which the charity is exposed. The steps being taken to minimise risks are kept under review and decisions to implement changes made as appropriate.

The principal risks identified are as follows:-

- Loss or damage to the art collection
- Ineffective grant making and inability to meet the charitable objectives
- Poor performance of investments

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

The risks of ineffective grant making and inability to meet the charitable objectives are addressed by maintaining close contact with beneficiaries and potential applicants and seeking appropriate advice from experts operating in the art market.

The risk of poor performance of investments is addressed by ensuring appropriate professional advisors with considerable experience in the charity sector are engaged to advise on the management of the funds invested and the performance and risk profile is regularly reviewed.

Key management personnel remuneration

The trustees consider the Board of Trustees as comprising the key management personnel of the Trust in charge of directing and controlling operations on a day-to-day basis. The Trust has no employees. No trustees were paid remuneration as a trustee during the period. Details of related party transactions are enclosed in note 14 of the financial statements. Administration services are provided by Morton Fraser MacRoberts LLP.

BLACKADDER HOUSTON CHARITABLE TRUST

REPORT OF THE TRUSTEES (cont)

For the year ended 31 March 2023

Statement of Trustees' responsibilities

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

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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.

Statement as to Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each Trustee has taken all the steps he or she ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the trustees on the 6th May 2026 and signed on their behalf by:

Emma Wood as Director of Morton Fraser MacRoberts Trustees Limited

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

BLACKADDER HOUSTON CHARITABLE TRUST

For the year ended 31 March 2023

Opinion

We have audited the financial statements of Blackadder Houston Charitable Trust (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) 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 (FRS102) (effective 1 January 2019).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

BLACKADDER HOUSTON CHARITABLE TRUST (CONT)

For the year ended 31 March 2023

Other information

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

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

We have nothing to report in this regard.

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 and Trustees Investment (Scotland) Act 2005 and 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 Trustees' annual report;
- 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5 the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable trust or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
BLACKADDER HOUSTON CHARITABLE TRUST
(CONT)**

For the year ended 31 March 2023

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We carried income testing and grants payable testing which was designed to identify any irregularities as a result of simple mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We carried out testing on investment and stock assets which was designed to ensure the charity had the right to these assets and that they were fairly stated in the financial statements. From this audit testing it was determined that the risk of material misstatement in this regard was low.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

**BLACKADDER HOUSTON CHARITABLE TRUST
(CONT)**

For the year ended 31 March 2023

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

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 auditors' 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 its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Whitelaw Wells
Chartered Accountants and Statutory Auditor
9 Ainslie Place
Edinburgh
EH36AT

Date: 6th May 2026

Whitelaw Wells is eligible to act as auditor in terms of section 1212 of the Companies Act 2006 .

BLACKADDER HOUSTON CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

As at 31 March 2023

	Notes	2023 £	2022 £
Income from			
Investment income	2	10,630	7,120
Income from other trading activities	3	<u>2,509</u>	<u>128,177</u>
Total Income		<u>13,139</u>	<u>135,297</u>
Expenditure on:			
Cost of charitable activities	4	73,495	136,375
Cost of raising funds (investment manager fees)		<u>4,845</u>	<u>5,270</u>
Total expenditure		<u>78,340</u>	<u>141,645</u>
Net income/expenditure before			
other recognised gains/losses		(65,201)	(6,348)
Realised Loss/Gains from sale of Investments	9	(16,106)	3,164
Unrealised Gains on revaluation of Investments	9	<u>(29,273)</u>	<u>(1,658)</u>
Net Income/ (expenditure) for the reporting year		(110,580)	(4,842)
<u>Reconciliation of Funds:</u>			
Total funds brought forward		6,534,056	6,538,898
Total funds carried forward		<u>6,423,476</u>	<u>6,534,056</u>

The charity has no recognised gains or losses other than the results for the year set out above.

All funds are unrestricted in the current and previous years

The notes on pages 12 to 19 form part of these financial statements.

BLACKADDER HOUSTON CHARITABLE TRUST

BALANCE SHEET

As at 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Investments	9	404,952	457,493
Current Assets			
Artworks	10	5,944,940	5,949,740
Debtors	11	438	351
Cash at bank and in hand		109,436	169,572
		<u>6,054,814</u>	<u>6,119,663</u>
Liabilities			
Creditors: amounts due within one year	12	(36,290)	(43,100)
Total assets less current liabilities		<u>6,423,476</u>	<u>6,534,056</u>
Income funds			
Unrestricted funds - general		<u>6,423,476</u>	<u>6,534,056</u>
Total charity funds	13	<u>6,423,476</u>	<u>6,534,056</u>

Approved by the Trustees and signed on their behalf on 6th May 2026

Morton Fraser MacRoberts Trustees Limited

The notes on pages 12 to 19 form part of these financial statements.

BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March 2023

1. Accounting policies

Charity information

Blackadder Houston Charitable Trust is an unincorporated charity and is registered with Office of the Scottish Charity Regulator (OSCR).

The registered office is:

Level 5
9 Haymarket Square Edinburgh
EH3 8RY

Public Benefit Entity

The charity meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated otherwise in the relevant accounting policy note(s).

Accounting convention

The financial statements have been prepared in accordance with 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 2019). 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 freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern

The trustees are considering the long term future of the Trust but expect to donate or sell the artworks carried on the Balance Sheet in the medium term then wind down the Trust thereafter. At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. There is no material difference between preparing accounts on a break up basis from a going concern basis thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (cont)

As at 31 March 2023

Accounting policies (continued)

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.

Dividend and interest from investments are included in the accounts when the security is declared ex-dividend by the year-end and is shown gross, inclusive of recoverable tax. This is normally upon notification by the investment manager. All purchases and sales of interest-bearing securities are recorded net of accrued interest which is recognised as revenue.

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.

Any donations and legacies are recognised when the trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is referred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that those conditions will be fulfilled in the reporting period.

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 settlement will be required, and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. This apportionment is based on a staff cost allocation model which is reviewed annually.

Charitable activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (cont)

As at 31 March 2023

Accounting policies (continued)

Charitable funds

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

Fixed asset investments

Investments are a form of basic financial instrument and are Initially recognised at their transaction value and subsequently measured at their fair value (which is considered to be the same as market value) as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Bonds and gilts are valued excluding accrued interest which is recognised as revenue.

Realised and unrealised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

Artworks

It consists of artworks gifted to the Trust at its inception. Artworks are accounted for based on independent valuations at the time of the gift and are assessed on a regular basis by the Trustees to ensure they are not carried at more than net realisable value. Reductions in value are recognised in the Statement of Financial Activities.

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.

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.

BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (cont)

As at 31 March 2023

1 Accounting policies (continued)

Basic financial liabilities, including creditors and bank loans 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Critical accounting estimates and judgments

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.

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.

BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (cont)

As at 31 March 2023

2. Investment income			2023	2022	
			£	£	
Dividends			9,702	7,120	
Bank interest received			928	-	
			<hr/>	<hr/>	
			10,630	7,120	
			<hr/> <hr/>	<hr/> <hr/>	
3. Income from other trading activities			2023	2022	
			£	£	
Sale of artwork			-	128,177	
Refund of VAT			2,509	-	
			<hr/>	<hr/>	
			2,509	128,177	
			<hr/> <hr/>	<hr/> <hr/>	
4. Cost of Charitable Activities			2023	2022	
			£	£	
Cost of selling artwork			-	109,481	
Support Costs			73,495	26,894	
			<hr/>	<hr/>	
			73,495	136,375	
			<hr/> <hr/>	<hr/> <hr/>	
5. Analysis of charitable expenditure					
	Grant making	Support	Governance	Total	Total
	activities	Costs	Costs	2023	2022
	£	£	£	£	£
Audit Fees	-	-	8,340	8,340	8,340
Legal and Professional fees	-	-	27,576	27,576	7,200
Storage Costs	-	12,759	-	12,759	5,529
Insurance	-	-	-	-	5,825
Registers of Scotland	-	20	-	20	-
Charitable Donations	24,800	-	-	24,800	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	24,800	12,779	35,916	73,495	26,894
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (cont)

As at 31 March 2023

6. Salary costs

There were no employees during the year (2022: Nil). In addition to this, no remuneration was paid to the Trustees (2022: £Nil) and no reimbursement of expenses was paid in the current year to any Trustees (2022:£nil).

7. Grants Payable

	2023	2022
	£	£
Scolar Fine Art Limited	20,000	-
The Royal Scottish Academy - Gift of Artwork	4,800	-
	<hr/>	<hr/>
	24,800	-
	<hr/> <hr/>	<hr/> <hr/>

8. Auditor's remuneration

The Auditor's remuneration constituted an audit fee of £8,340 (2022: £8,340).

9. Investments

	2023	2022
	£	£
Market value at 1 April	457,493	455,923
Additions at cost	67,587	64,938
Disposal proceeds	(74,749)	(64,874)
	<hr/>	<hr/>
	450,329	455,987
Net (loss)/gain on revaluation at 31 March	(45,379)	1,506
	<hr/>	<hr/>
Market value at 31 March	404,952	457,493
	<hr/> <hr/>	<hr/> <hr/>

Included within the net gain on revaluation for the year ended 31 March 2023 were realised losses of £16,106 (2022: realised gains of £3,164).

Historic cost as at 31 March 407,778

BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (cont)

As at 31 March 2023

10. Artworks

	2023 £	2022 £
At 1 April	5,949,740	5,995,340
Additions	-	-
Gifted	(4,800)	(45,600)
	<u>5,944,940</u>	<u>5,949,740</u>

11. Debtors

	2023 £	2022 £
Accrued Investment Income	-	351
Reimbursement of overpaid invoices	438	-
	<u>438</u>	<u>351</u>

12. Creditors falling due within one year

	2023 £	2022 £
Accruals	36,290	43,100
	<u>36,290</u>	<u>43,100</u>

13. Movement in Funds

	As at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	As at 31 March 2023 £
Unrestricted Revenue Fund	6,534,056	13,139	(78,340)	(45,379)	6,423,476
	<u>6,534,056</u>	<u>13,139</u>	<u>(78,340)</u>	<u>(45,379)</u>	<u>6,423,476</u>

BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (cont)

As at 31 March 2023

13. Movement in Funds (cont)

	As at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	As at 31 March 2022 £
Unrestricted Revenue Fund	6,538,898	135,297	(141,645)	1,506	6,534,056
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,585,898	135,297	(141,645)	1,506	6,534,056
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Unrestricted funds

The Revenue Fund represents income donated or earned by Blackadder Houston Charitable Trust to be used at the discretion of the Trustees to fund any activity which is in furtherance of the Trust's objectives.

14. Related party transactions

Morton Fraser MacRoberts LLP carry out administrative work on behalf of the trust and are deemed to be a related party by virtue of the partners of Morton Fraser being directors of the corporate Morton Fraser MacRoberts Trustee Limited. Total fees payable to Morton Fraser MacRoberts LLP during the year were £25,200 (2022: £7,200) On 31 March 2023 there were no accrued fees due to Morton Fraser MacRoberts (2022: £7,200).

15. Post balance sheet events

After the balance sheet date, The Blackadder Houston Charitable Trust donated artworks with a valuation of £1,742,900 to the Royal Scottish Academy.

The Blackadder Houston Charitable Trust

Scotland - Charity number SC048904

Accounts

Charity No. SC048904

THE BLACKADDER HOUSTON CHARITABLE TRUST
TRUSTEES ♦ ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2022

THE BLACKADDER HOUSTON CHARITABLE TRUST

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Balance Sheet 9

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THE BLACKADDER HOUSTON CHARITABLE TRUST

Legal and Administrative Details

Trustees

[REDACTED]

Registered Office
Level 5
9 Haymarket Square
Edinburgh
EH3 8RY

Auditors
CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Solicitors
Morton Fraser MacRoberts LLP
Level 5
9 Haymarket Square
Edinburgh
EH3 8RY

Bankers:
Barclays
83 Argle Street,
Glasgow
G2 8BJ

Charity number:
SC048904

The Blackadder Houston Charitable Trust

REPORT OF THE TRUSTEES

For the year ended 31 March 2022

The trustees present their third annual report and financial statements of the charity for the year ended 31 March 2022. 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 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 financial statements in accordance with the Financial Reporting Standard 102 applicable in the UK and

[REDACTED]

Republic of Ireland (FRS102).

Objectives and aims

The Trust Fund shall be held for the benefit of the public in Scotland and elsewhere, for payment or application of the whole free income and if the Trustees think fit, the capital of the Trust Fund from time to time in the Trustees' charge for any of the aforementioned purposes, namely: -

- (1) The advancement of education by primarily, though not exclusively, supporting, encouraging and providing financial assistance, bursaries and grants to established charities and aspiring artists.
- (2) The advancement of the arts, heritage, culture or science by primarily, though not exclusively, supporting, encouraging and providing financial assistance, bursaries and grants to established charities and aspiring artists, and making works of art available for exhibitions to increase public exposure to arts.

Grant making

The benefits of the Trust's work are the provision of grants in furtherance of the objectives of the trust.

Achievement and Performance

Charitable activities

The main focus has been investing funds to establish the Trust on a firm financial footing. Distributions will be made in future years in furtherance of the charitable purposes.

Financial Review

Considering the underlying market conditions and charitable commitments, the trustees are comfortable with the financial position.

All funds are unrestricted. The closing balance of funds is £6,534,056 (2021: £6,538,898).

Financial Position

The income and expenditure accounts show net expenditure for the reporting year of £4,842 (2021: net surplus £13,489).

Investment policy and objectives

RBC Brewin Dolphin manage the Charity's investment funds and have appropriate financial controls in place. Income received from investments is held by RBC Brewin Dolphin, on behalf of the Charity. Any expenditure is approved by the Trustees. Morton Fraser MacRoberts will only distribute funds on the instruction of the Trustees.

Reserves policy

The Trust's policy is to maintain a level of reserves sufficient to generate adequate investment income to enable the Trust to maintain its activity in the medium to long term.

At 31 March 2022 total unrestricted funds amount to £6,534,056 (2021: £6,538,898), which includes £5,949,740 in artworks. The balance of reserves held is considered necessary to fund future operations.

Future developments

The trustees intend that the Trust funds are invested in such a way to produce sufficient income to enable them to carry out their grant making policies so that the charity can make a difference to other people lives

wherever this is possible.

The Blackadder Houston Charitable Trust

REPORT OF THE TRUSTEES (continued)

For the year ended 31 March 2022

Structure, governance and management

Governing document

The Trust is a Charitable Trust as set out in the Declaration of Trust dated 6 December 2018. The Trust was awarded charitable status on 13 December 2018. The charity is controlled by its governing documents, a deed of trust, and constitutes an unincorporated charity.

Recruitment and appointment of trustees

The initial Trustees were appointed under the Declaration of Trust. Additional or replacement Trustees may be appointed by the Trustees.

Risk management

The Trustees have a duty to identify and review the risk to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees meet regularly and as part of those meetings identify and review the major risks to which the charity is exposed. The steps being taken to minimise risks are kept under review and decisions to implement changes made as appropriate.

The principal risks identified are as follows: -



Loss or damage to the art collection



Ineffective grant making and inability to meet the charitable objectives



Poor performance of investments

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

The risks of ineffective grant making and inability to meet the charitable objectives are addressed by maintaining close contact with beneficiaries and potential applicants and seeking appropriate advice from experts operating in the art market.

The risk of poor performance of investments is addressed by ensuring appropriate professional advisors with considerable experience in the charity sector are engaged to advise on the management of the funds invested and the performance and risk profile is regularly reviewed.

Key management personnel remuneration

The trustees consider the Board of Trustees as comprising the key management personnel of the Trust in charge of directing and controlling operations on a day-to-day basis. No trustees were paid remuneration as a trustee during the period. Details of related party transactions are enclosed in note 12 of the financial statements.

Administration services are provided by Morton Fraser MacRoberts LLP.

The Blackadder Houston Charitable Trust

REPORT OF THE TRUSTEES (continued)

For the year ended 31 March 2022

Statement of Trustees' responsibilities

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

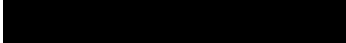
The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently.
- ◆ observe the methods and principles in the Charity SORP;
- ◆ make judgements and estimates that are reasonable and prudent.
- ◆ state whether applicable accounting standard have been followed, subject to any material departures disclosed and explained in the financial statements.
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and decision of fraud and other irregularities.

18 December 2025

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





THE BLACKADDER HOUSTON CHARITABLE TRUST

INDEPENDENT AUDITOR◆S REPORT TO THE TRUSTEES OF BLACKADDER HOUSTON CHARITABLE TRUST

For the year ended 31 March 2022

Opinion

We have audited the financial statements of Blackadder Houston Charitable Trust (the ◆charity◆) for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 ◆The Financial Reporting Standard applicable in the UK and Republic of Ireland◆ (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charity◆s affairs as at 31 March 2022, and of its incoming resources and application of resources, for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities 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 trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE BLACKADDER HOUSTON CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BLACKADDER HOUSTON CHARITABLE TRUST

For the year ended 31 March 2022

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 require us to report to you if, in our opinion:

the information given in the financial statements is inconsistent in any material respect with the trustees' report; or

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.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 4 the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. This included but was not limited to the Charities and Trustee Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulations 2006.

We focused on laws and regulations that could give rise to a material misstatement in the charity's financial statements. Our tests included, but were not limited to:

❖ agreement of the financial statement disclosures to underlying supporting documentation;

❖ enquiries of management;

❖ review of minutes of Trustee meetings throughout the period; and

❖

obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

THE BLACKADDER HOUSTON CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BLACKADDER HOUSTON CHARITABLE TRUST

For the year ended 31 March 2022

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 members and 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.

Signature - CT Audit Limited

CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL
18 December 2025

Date: ..

CT Audit Limited is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

THE BLACKADDER HOUSTON CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

For the year ended 31 March 2022

2022 2021

Notes 2 2

Income from:

Investment income 3 7,120 4,828

Income from other trading activities 4 128,177 -

Total income 135,297 4,828

Expenditure on:

Cost of charitable activities 5 136,375 10,395

Cost of raising funds (investment manager fees) 5,270 8,591

Total expenditure 141,645 18,986

Net (outgoing)/incoming resources before other gains/(losses) (6,348) (14,158)

Realised gain/(loss) from sale of investments 8 3,164 4,780

Unrealised (loss)/gain on revaluation of investments 8 (1,658) 22,867

Net (expenditure)/income for the reporting year (4,842) 13,489

Reconciliation of Funds:

Total funds brought forward 6,538,898 6,525,409

Total funds carried forward 6,534,056 6,538,898 -----

All activities relate to continuing operations and are unrestricted.

The notes on pages 10 to 14 form part of these financial statements.
THE BLACKADDER HOUSTON CHARITABLE TRUST

BALANCE SHEET

As at 31 March 2022

2022
2021

Notes



Fixed assets

Investments

8
457,493 455,923

Current assets

Artworks

9
5,949,740
5,995,340
Debtors

10
351
576
Cash at bank and in hand

169,572
108,703

6,119,663
6,104,619

Liabilities

Creditors: amounts falling due within one year

11
(43,100)
(21,644)

Total assets less current liabilities

6,534,056
6,538,898

=====
=====

Income funds

Unrestricted funds - general

6,534,056
6,538,898

Total charity funds

6,534,056
6,538,898

=====
=====

18 December 2025

The financial statements were approved by the Trustees on    ..    ..   and are signed on their behalf by:



              ..
Morton Fraser MacRoberts Trustees Limited



The notes on pages 10 to 14 form part of these financial statements

THE BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

1

Accounting policies 1.1
Accounting convention

1.2

Going concern

1.3

Charitable funds

1.4

Income

Charity information

Blackadder Houston Charitable Trust is an unincorporated charity and is registered with Office of the Scottish Charity Regulator (OSCR).

The registered office is:

Level 5
9 Haymarket Square
Edinburgh
EH3 8RY

Public Benefit Entity

The charity meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated otherwise in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with 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 2019). 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 freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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

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.

Dividend and interest from investments are included in the financial statements when the security is declared ex-dividend by the year-end and is shown gross, inclusive of recoverable tax. This is normally upon notification by the investment manager.

All purchases and sales of interest-bearing securities are recorded net of accrued interest which is recognised as revenue.

THE BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

1
Accounting policies (continued) 1.5
Expenditure

1.4 Income (continued)

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.

Any donations and legacies are recognised when the trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that those conditions will be fulfilled in the reporting period.

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 settlement will be required, and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. This apportionment is based on a staff cost allocation model which is reviewed annually.

Charitable activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

1.6 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value (which is considered to be the same as market value) as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Bonds and gilts are valued excluding accrued interest, which is recognised as revenue.

1.7 Realised and unrealised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

1.8 Artworks

It consists of artworks gifted to the Trust at its inception. Artworks are accounted for based on independent valuations at the time of the gift and are assessed on a regular basis by the Trustees to ensure they are not carried at more than net realisable value. Reductions in value are recognised in the Statement of Financial Activities.

THE BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

1 Accounting policies (continued)

1.9 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.

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, including creditors and bank loans 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

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. 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.

THE BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

3 General investments

2022
2021



Investment income

7,120
4,828

=====

=====

4 Income from other trading activities

2022
2021



Sale of artwork

128,177
-

=====

=====

5 Cost of charitable activities

Unrestricted General Funds

2022

Unrestricted General Funds

2021



Cost of selling artwork

109,481

-

Support costs

26,894

10,395

136,375
10,395

=====
=====

6 Analysis of support costs

Support Costs
Governance Costs
2022
2021



Audit fees

-
8,340
8,340
8,340

Legal

-
7,200
7,200
2,040

Bank charges

-
-
-
15

Storage costs

5,529
-
5,529
-

Insurance

5,825
-
5,825
-

11,354
15,540
26,894
10,395

=====
=====
=====
=====

7 Trustees

No reimbursement of expenses was paid in the current year to any Trustees (2021: \pounds nil).
THE BLACKADDER HOUSTON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

8 Investments



Market value at 1 April 2021

455,923
Purchases

64,938
Sales

(64,874)
Realised gain/(loss)

3,164
Unrealised (loss)/gain

(1,658)

Market value at 31 March 2022

457,493

=====

9 Artworks

2022
2021



At 1 April 2021

5,995,340

5,995,340

Additions

-

-

Disposals

(45,600)

-

At 31 March 2022

5,949,740

5,995,340

=====

=====

10 Debtors

2022
2021



Accrued investment income

351

576

351

576

=====

=====

11 Creditors

2022
2021



Accruals
(43,100)
(21,644)

(43,100)
(21,644)

=====
=====

12 Related party transactions

Trustees do not receive any remuneration or pay expenses on behalf of the trust or derive any other benefit.

Morton Fraser MacRoberts LLP carry out administrative work on behalf of the trust and are deemed to be a related party by virtue of the partners of Morton Fraser being directors of the corporate Morton Fraser MacRoberts Trustee Limited. Total fees payable to Morton Fraser during the year were £7,200 (2021: £2,040). On 31 March 2022 £7,200 was accrued with respect to fees due to Morton Fraser MacRoberts (2021: £2,054).