

Charity Number SC052130

The Pear Tree Fund for Music
Charity Number SC052130
Trustees' Annual Report and Financial Statements
for the year ended 31 March 2025

The Pear Tree Fund for Music

Charity Number SC052130

Trustees' Report

for the year ended 31 March 2025

The Trustees submit this annual report and financial statements of the charity for the period ended 31 March 2025. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2025, 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.

Constitution and Governing Document

The Pear Tree Fund for Music (the "Trust") was created by a Deed of Trust dated 13 July and 19 September 2022. The Deed of Trust is the governing document. The charity was registered with OSCR from 14 November 2022.

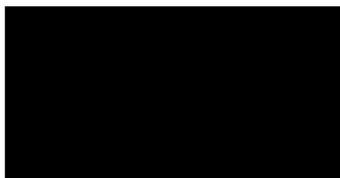
Charitable Aims

The Trust was established with the aims of benefitting or furthering the advancement of music in Scotland, by supporting organisations and institutions which (among other matters):

- a. promote classical music and/or the appreciation of classical music;
 - b. work with children and young people in relation to their appreciation of music;
 - c. promote and/or research the benefits of music in relation to health and mental wellbeing, and
 - d. support musicians based in Scotland,
- and such other similar charitable purposes or charitable institutions in such proportions and manner as the Trustees shall think fit.

Administration

The Trustees serving during the period, and thereafter, were:



Organisation

The trustees noted above are the original trustees. The Deed of Trust provides that trustees shall hold office for a period of up to four years with power to be reappointed for any number of subsequent and consecutive periods of up to four years. Any such reappointment and any new appointment must be approved by all other trustees.

The Trustees review all applications for assistance, and upon the basis of those applications, they determine which grants are to be made. The existence of the Trust and its purposes are advertised, applications are sought on an annual basis between June and August, and all of those received are determined in a unified process between September and November.

The Trustees are the key management personnel. Trustees receive induction and training as required.

Financial Review, Achievements and Plans for future periods

The Trust's funds as at 31 March 2025 amounted to £317,035 (31 March 2024: £285,679). Details are set out in the financial statements below. During the accounting period donations totalling £140,527 (preceding period: £383,830) were received.

Grants paid in the financial year, including prior year commitments now falling due, amounted to £115,830 (preceding period: £56,050.00). Those grants were due to be paid in the year to 31 March 2025 and were paid by that date. There are future commitments of grants payable of £37,300 (preceding period: £50,600.00), as detailed in the financial statements below. The Trustees are pleased to find that there continues to be a more than adequate number of applications to enable distribution of a material proportion of the Trust's funds.

The Trustees plan to continue paying out all the trust assets and income as and when they consider worthwhile projects arise. It is anticipated that further substantial donations will be received. It is also anticipated that the entire trust activities and distribution of donated funds will be completed by 31 March 2034 or thereby.

Reserves policy

As the intention of the Trustees is that all free funds should be distributed by 31 March 2034, the Revenue Reserve reflects both funds required for future commitments and funds which will be used to meet future grants and will fluctuate from time to time depending upon the timing of the receipt of further donations. As at 31 March 2025 the Revenue Reserve showed funds carried forward totalling £317,035 (preceding period: £285,679). This is more than sufficient to meet both the above-mentioned future commitments to grants payable of £37,300 (preceding period: £50,600) and further levels of grant approval similar to those levels approved in the period to 31 March 2025 in each of the ensuing two or three years.

The Deed of Trust provides the Trustees with wide powers of investment, provided always that the investments determined upon are reasonably prudent having regard to the purposes for which the funds of the Trust are held.

Investment powers and policy

The investments held by the Trustees are deemed to be of low to medium risk and are invested to allow for adequate levels of capital growth as well as a reasonable level of income.

Risks

The Trustees consider that the principal risks which they face are inadequate investment performance and a failure to attract an appropriate number and diversity of applications. The risk regarding investments is mitigated through diversification across several asset classes and the retention of expert investment management advice. The risk regarding number and diversity of applications will be monitored during and following each annual determination process. Any apparent deficiencies will be considered and steps in mitigation taken.

Legal and Administrative Information

Registered Charity Number SC052130


Principal Address

Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh EH3 9EE

Accountants

G S King & Associates
42 Craighleith Crescent
Edinburgh EH4 3LB

Examiner


Hollis Accounting Limited
3 Melville Crescent
Edinburgh EH3 7HW

Solicitors

Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh EH3 9EE

Investment Managers and Bankers

Evelyn Partners

177 Bothwell Street
Glasgow G2 7ER

Statement of Trustees' Responsibilities

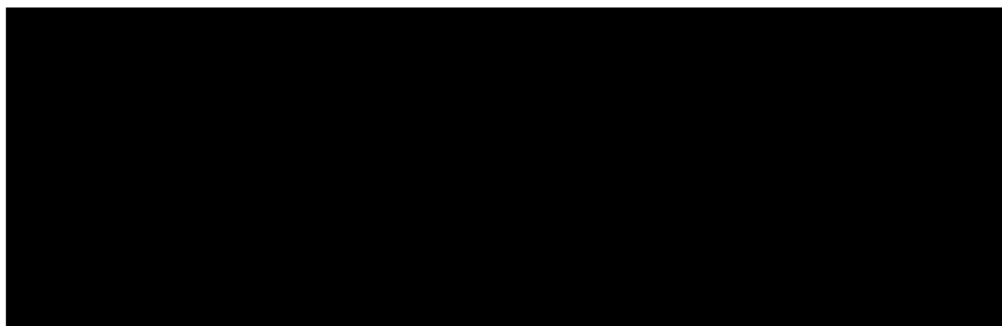
The Trustees are responsible for preparing this Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust, of the incoming resources and of the application of the resources of the Trust for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping 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 (as amended) and the provisions of the Trust's founding 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.

Financial Statements preparation

The Trustees confirm that the financial statements for the year ended 31 March 2025 have been prepared so as to comply with current statutory requirements, the Charity SORP and the Trust's own governing document.



Independent Examiner's Report to the Trustees of the Pear Tree Fund for Music

I report on the accounts of the charity for the period ended 31 March 2025 which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act 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 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks 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 accounts.


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 2005 Act and Regulation 4 of the 2006 Accounts Regulations
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

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



Hollis Accounting Ltd
3 Melville Crescent
Edinburgh
EH3 7HW

Date:

20/10/25

The Pear Tree Fund for Music

Statement of Financial Activities

for the year ended 31 March 2025

	Note	Total Funds 2025 £	Total Funds 2024
Income and endowments from:			
<i>Donations</i>		140,527	383,830
Investment income	3	7,350	6,825
Total income		147,877	390,655
Expenditure on:			
<i>Raising funds:</i>			
Investment management costs	4	2,504	2,118
<i>Charitable Activities</i>			
Grants Awarded		102,530	106,650
Cost of grant making		102,530	106,650
Other Management costs	5	10,990	8,178
Total expenditure		116,024	116,946
Net Income/(Expenditure) and net movement in funds before gains and losses on investments		31,853	273,709
Net gains/(losses) on disposals		(3,039)	(52)
Net gains/(losses) on investments		2,542	12,022
Net Income/(Expenditure)		31,356	285,679
Transfers between Funds		0	0
Net movement in Funds		31,356	285,679
<i>Funds reconciliation</i>			
Total Funds brought forward		285,679	0
Total Funds carried forward		317,035	285,679

All funds in both years were unrestricted.

All income and expenditure included in the statement derive from continuing activities.

The notes on pages 8 to 11 form part of these financial statements.

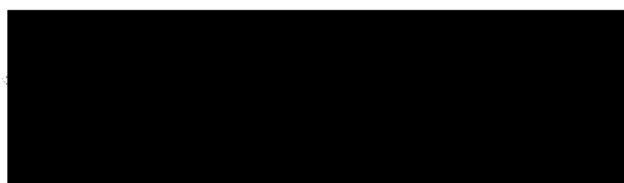
The Pear Tree Fund for Music

Balance Sheet as at 31 March 2025

	Note	Total Funds 2025	Prior Year 2024
		£	£
Fixed Assets			
Tangible assets	7	0	0
Investments	8	312,355	318,357
Total Fixed Assets		<u>312,355</u>	<u>318,357</u>
Current Assets			
Debtors	9	43,843	15,738
Cash at bank and in hand		1,697	5,244
Total Current Assets		<u>45,540</u>	<u>20,982</u>
Liabilities			
Creditors falling due within one year	10	(34,860)	(28,360)
Net Current Assets/(Liabilities)		<u>10,680</u>	<u>(7,378)</u>
Total Assets less Current Liabilities		323,035	310,979
Creditors: Amounts falling due after more than one year	10	(6,000)	(25,300)
Provisions for liabilities and charges		0	0
Net Assets		<u><u>317,035</u></u>	<u><u>(32,678)</u></u>
The funds of the charity:			
Unrestricted funds	11	317,035	285,679
Restricted funds		0	0
Total Charity Funds		<u><u>317,035</u></u>	<u><u>285,679</u></u>

All funds in both years were unrestricted.

The following Notes to the Accounts on pages 8 to 11 form part of these financial statements.



[1] Accounting Policies**(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability from multi-year grant commitments (see note 1(e) and notes 11 & 12 for more information). With respect to the next reporting period, 2025/26, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the Trustees' annual report for more information).

(b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required in accordance with the requirements of FRS 102.

(c) Funds structure

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

(d) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations, are recognised when the Trust has been notified in of both 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.

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

(e) Expenditure recognition

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 reliably.

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. For more information on this attribution refer to note (g) below.

[1] Accounting Policies (continued)

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

(f) Irrecoverable VAT

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

(g) Allocation of support costs

Support costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These include costs related to statutory audit and legal fees together with an apportionment of overhead.

(h) Costs of raising funds

The costs of generating funds consist of investment management costs and certain legal fees.

(i) Charitable activities

Costs of charitable activities include grants made and support costs as shown in note 5.

(j) Tangible fixed assets and depreciation

There are no tangible fixed assets.

(k) 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 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.

(l) Realised 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 their opening carrying 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 fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

[2] Related party transactions and trustees' expenses and remuneration

All donations have been made by [REDACTED] Gift Aid was claimed on eligible donations and is included in total donations.

The Trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2024: £nil). There were no expenses paid to the Trustees in the year.

[3] Investment income

	2025	2024
	£	£
Dividends - equities	6,278	6,228
Interest - fixed interest securities	920	345
Interest on cash deposits	152	252
	<u>7,350</u>	<u>6,825</u>

[4] Investment management costs

	2025	2024
	£	£
Legal fees	0	0
Investment management fees	2,504	2,118
	<u>2,504</u>	<u>2,118</u>

[5] Allocation of support costs

	2025	2024
	£	£
Trustee expenses	0	0
Consultancy (governance review)	0	0
Examiner's remuneration	660	660
Legal Fees	7,930	5,118
Accounting Fees	2,400	2,400
Costs of meetings	0	0
Other costs	0	0
	<u>10,990</u>	<u>8,178</u>

[6] Analysis of staff costs and remuneration of key management personnel

The average number of employees during the year was Nil (2024:- Nil).

[7] Tangible Fixed Assets Total

There were no tangible fixed assets during the period. (2024 - Nil).

[8] Fixed Asset Investments

	2025	2024
Movement in fixed asset listed investments		
Market value b/f 1 April 2024	318,357	0
Additions to investments at cost	82,829	579,635
Disposals	(91,373)	(273,300)
Increase in value	2,542	12,022
Market value as at 31 March 2025	<u>312,355</u>	<u>318,357</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

[8] Fixed Asset Investments (continued)

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report

The Trust manages investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Trust does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

The Pear Tree Fund for Music Notes to the Accounts Year ended 31 March 2025

[9] Analysis of current assets	2025	2024
	£	£
Prepayments and accrued income	43,843	15,738
Cash at bank and in hand	1,697	5,244
Total	<u>45,540</u>	<u>20,982</u>

Cash at bank balances were as follows: unrestricted funds £1,697 (2024: £5,244)

[10] Analysis of current liabilities and long term creditors

Creditors under 1 year	2025	2024
	£	£
Other creditors	3,560	3,060
Grants payable	31,300	25,300
Total	<u>34,860</u>	<u>28,360</u>

All creditors in 2025 (2024 - £28,360) relate to unrestricted funds.

Creditors over 1 year (including provisions)	2025	2024
	£	£
Other creditors	0	0
Grants payable	6,000	25,300
Total	<u>6,000</u>	<u>25,300</u>

The Trustees have accrued, as a liability, grants payable on funding for 3 years.

All creditors in 2025 (2024 - £25,300) relate to unrestricted funds.

Movement in recognised provisions and funding commitments during the year	Charitable commitments accrued
	£
Grant commitments recognised at the start of the year	50,600
New grant commitments in year	102,530
Grants paid during the year	(115,830)
Amount of grant commitments recognised as at 31 March 2025	<u>37,300</u>

[11] Analysis of charitable funds	Balance b/f	Income	Expenses	Gains & Losses	Fund c/f
	£	£	£	£	£
Fund movements					
Unrestricted funds	285,679	147,878	(116,024)	(498)	317,035
Total	<u>285,679</u>	<u>147,878</u>	<u>(116,024)</u>	<u>(498)</u>	<u>317,035</u>

The unrestricted funds are available to be spent for any of the purposes of the charity.