

Company Registration No. SC546564 (Scotland)
Charity Registration No. SC046889 (Scotland)

Dunard Fund

**Annual report and financial statements
for the year ended 31 March 2021**



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Dunard Fund

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Dunard Fund

Officers and Professional Advisors

Trustees

Dr Carol Colburn Grigor CBE
Colin Liddell WS
Elisabeth Lenz
Catherine Colburn Hogel
Erik Colburn Hogel
Peter Thierfeldt

Company Secretary J & H Mitchell W.S.

Principal Address

Dunard Fund
4 Royal Terrace
Edinburgh
EH7 5AB

Bankers

Adam and Company
25 St Andrew Square
Edinburgh
EH2 1AF

Hampden & Co
9 Charlotte Square
Edinburgh
EH2 4DR

SG Kleinwort Hambros Bank
Capital Building
12-13 St Andrew Square
Edinburgh
EH2 2AF

Solicitors

J & H Mitchell WS
51 Atholl Road
Pitlochry
PH16 5BU

Independent Auditor

Saffery Champness LLP
Edinburgh Quay
133 Fountainbridge
Edinburgh
EH3 9BA

Dunard Fund

Report of the Trustees

The Trustees present their report along with the audited financial statements of the charity for the year ended 31 March 2021.

Structure, governance and management

Dunard Fund is a registered charity in Scotland (number SC046889) and was incorporated on 29 September 2016 under Scottish company number SC546564. It was originally established, under a deed of Trust, in 1986. The Trustees who have served during the year are set out on the Officers and Professional Advisors page. The Articles of Association state that the number of Trustees shall be no fewer than three nor more than six and that the power of appointing new or additional Trustees vests with Carol Colburn Grigor during her lifetime, whilst she is able to do so.

When new Trustees are appointed, they are given an introduction to the work of the charity and provided with the information they need to fulfil their roles. All existing Trustees have experience of being a Charity Trustee. In addition, one of the Trustees is a retired accredited specialist in Charity Law.

Trustees are also Directors in terms of Company Law, and are also referred to as Charity Trustees.

The Trustees consider that the principal risks faced by Dunard Fund include:

- a. An operational risk of dependence on one primary source of income. This is mitigated by the Trustees' knowledge of that source, and the assurances which have been given to them that donations are likely to continue. Notwithstanding this, the Trustees intend, over time, to add more funds to the unrestricted investment portfolio (labelled as the 'Endowment Fund').
- b. The operational risk of Trustees having conflicts of interest. This is mitigated by the Trustees having a thorough understanding of conflicts of interest, which they declare when any potential or real conflict arises and through thorough management of that conflict, whereby any Trustee actually or potentially conflicted does not take part in any discussion or decision where such conflict could have an implication.
- c. A financial risk relating to potential failure of financial institutions in which the charity's funds are held. In this respect, the Trustees recognise good practice to spread risk and to seek as high rates of return as appropriate. They now have accounts with three banks but, because of the expending nature of their funds, the Trustees know that they need to keep a reasonable amount of readily-accessible funds with forward planning of only one to three years. This makes it less likely that, apart from the unrestricted Endowment Fund, the Trustees can invest in the Stock Market.
- d. A financial risk of failing to ensure that grants are spent correctly. This risk is mitigated by the Trustees knowing most of their recipients well, by entering into formal Donation Agreements where appropriate, and by ensuring that fulsome feedback is received from recipients which enable assessment of the grants being spent correctly and completely.
- e. A financial risk as a result of the Covid-19 pandemic. In this respect, Trustees have been assured that the influx of annual funding from an external source is unlikely to be adversely affected. The Trustees have, in turn, considered the implications of the pandemic upon the operations of some of the charities which it regularly funds and has provided additional financial support to them as appropriate and, mostly, on a pro-active basis.

The key management personnel are the Trustees. The Trustees received no remuneration during the year. Refer to note 12 for related party remuneration arrangements.

Dunard Fund is administered on a day-to-day basis by staff seconded from Dunard Limited. All expenditure is approved by the Trustees.

The Trustees confirm that they have referred to the guidance provided by OSCR on public benefit when reviewing Dunard Fund's charitable purposes, strategy and in planning future activities.

Dunard Fund

Report of the Trustees (continued)

Consolidated financial statements

The Trustees of Dunard Fund have the power to appoint 5 out of the 6 Trustees of the Royal High School Preservation Trust (RHSPT), a charitable company limited by guarantee (Scottish Charity number SC045779), which was incorporated on 27 April 2015, and accordingly consolidated financial statements have been prepared to include the results and assets and liabilities of that Trust. Currently two of Dunard Fund's Trustees (Carol Colburn Grigor and Colin Liddell) are also Trustees of the Royal High School Preservation Trust. The Royal High School Preservation Trust was formed to save the former Royal High School buildings at Calton Hill in Edinburgh and to identify and establish a stable and sustainable reuse of those buildings. The net assets and reserves of the Royal High School Preservation Trust are treated as unrestricted reserves in these consolidated financial statements.

Strategic objectives, activities and future plans for the public benefit

In line with their objectives to promote and advance the arts in Scotland, the Trustees of Dunard Fund make donations principally for:

- a. the training and performance of classical music at the highest standard;
- b. the education and display of visual arts at an international standard; and
- c. the rehabilitation of endangered architectural masterpieces and the design and construction of new architectural masterpieces.

The Trustees usually dedicate a very small percentage of their funds each year to certain environmental and other projects.

As a matter of general policy, the Trustees prefer to engage with recipients to enable long-term development of projects and initiatives which have major and lasting significance. They are therefore less inclined to provide one-off donations. They do not accept applications from charities unless they have been involved with them previously, and even then only at the Trustees' discretion.

Within these parameters, the Trustees endeavour to follow a policy not to discriminate in favour of or against any charity or on the basis of nationality, ethnicity, religion, sexual orientation, or political affiliation.

Dunard Fund's activities consist principally of making donations for the benefit of the areas highlighted above.

Donations are made at the discretion of the Trustees. Donations, and occasionally performance-related investments, are offered subject to conditions determined on a case-by-case basis.

Achievements and performance

The Trustees are satisfied that this year's objectives have been met, as listed above, and that Dunard Fund's expenditure has been made in line with its guidelines.

On its own initiative, Dunard Fund has again provided a number of emergency grants to a number of charities which it regularly funds in order to provide some additional support at a time when each of these faced unprecedented demands as a result of continued operational closure or constraints as a result of the continuing Covid-19 pandemic.

Dunard Fund

Report of the Trustees (continued)

Financial review

Donations of £8.7 million were received in the year and £8.4 million was expended on charitable activities. Dunard Fund has unrestricted reserves of £32.4 million as at 31 March 2021 (2020: £29.3 million) and restricted reserves held for special projects of £42.7 million (2020: £43.0 million). In addition, there were unrestricted reserves of £0.8 million held in respect of the RHSPT (2020: £0.9 million).

There are no restrictions on Dunard Fund's power to invest. Any excess funds are deposited in a monthly money market fund or fixed term deposit managed by its bankers.

Dunard Fund is intentionally building up its funds so as to be able to provide significant financial support towards two major projects in Edinburgh. The first of these is to support IMPACT Scotland (Scottish Charity Number SC046904) to create a new performance centre at 36 St Andrew Square, for which a decision on an amendment to its existing Planning Permission is awaited. The second of these is to support the Royal High School Preservation Trust (Scottish Charity Number SC045779) to protect and preserve the former Royal High School buildings at Calton Hill.

Post balance sheet events

In relation to the Royal High School Preservation Trust, there has been an important development since 31 March 2021. Following the rejection by Scottish Ministers of plans to convert the former Royal High School buildings into an international hotel in 2020, the City of Edinburgh Council, as the buildings' owners, initiated a competitive process to identify a new use for the building, on the basis of a 125 year lease. The Royal High School Preservation Trust's proposal to develop the buildings as a National Centre for Music, incorporating a new home for St. Mary's Music School, was unanimously approved by the Council's Finance and Resources Committee on 7th October 2021, subject to the negotiation of detailed lease terms.

Covid-19

As stated above, the Trustees have considered the impact of Covid-19 on the charity and have concluded that any adverse effect will be relatively low.

Details of post balance sheet investment movements are disclosed in note 16 to the financial statements.

The Trustees are of the view that it will have sufficient resources to continue to operate and meet debts as they fall due for the foreseeable future. The financial statements have therefore been drawn up on a going concern basis.

Reserves policy

Because the Trustees usually engage in longer-term relationships with recipients, they will often wish to maintain a reasonable level of free reserves to enable them to provide significant support to the development of certain projects and initiatives which have major and lasting significance. In addition, the Trustees set aside funds to build up the Endowment Fund as and when they decide.

Report of the Trustees (continued)

Statement of Trustees' responsibilities

The Trustees (who are also directors of Dunard Fund for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the Trustees are required to:

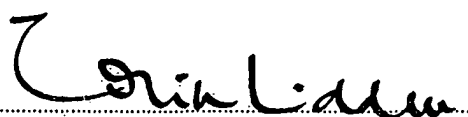
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles set out in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report, incorporating the Strategic Report, was approved by the Board and signed on its behalf by:



Colin Liddell
Trustee.

Date:

10/11/21

Dunard Fund

Independent Auditor's Report to the Members and Trustees of Dunard Fund

Opinion

We have audited the financial statements of Dunard Fund (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the Dunard Fund statement of financial activities, the consolidated balance sheet, the Dunard Fund balance sheet, the statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2021 and of the group and parent charitable company incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 group or the parent charitable company'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 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.

Dunard Fund

Independent Auditor's Report to the Members and Trustees of Dunard Fund (continued)

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

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 4 and 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 group and the parent charitable company'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members and Trustees of Dunard Fund (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

Dunard Fund

Independent Auditor's Report to the Members and Trustees of Dunard Fund (continued)

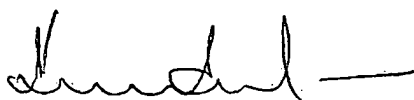
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company'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 parent charitable company'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 parent charitable company, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kenneth McDowell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP
Chartered Accountants

Edinburgh Quay
133 Fountainbridge
Edinburgh
EH3 9BA

Date: 19 November 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Dunard Fund

Consolidated Statement of Financial Activities
For the year ended 31 March 2021

		Unrestricted	Restricted - Special Projects	Unrestricted RHSP	2021	2020
	Note	£	£	£	£	£
Income from:						
Donations		8,676,373	-	-	8,676,373	9,000,000
Bank interest received		133,324	195,317	2,180	330,821	623,540
Dividend income		294,886	-	-	294,886	296,303
Total income		9,104,583	195,317	2,180	9,302,081	9,919,843
Expenditure on charitable activities:						
Classical music		5,424,198	-	-	5,424,198	4,529,947
Visual arts		2,565,967	-	-	2,565,967	3,738,264
Architectural		8,807	301,000	115,777	425,585	20,737,797
Humanitarian and environmental		10,293	-	-	10,293	-
Total expenditure	3	8,009,264	301,000	115,777	8,426,042	29,006,008
Net gains/(losses) on investments		3,080,104	-	-	3,080,104	(1,762,786)
Net income/(expenditure)		4,175,423	(105,683)	(113,597)	3,956,143	(20,848,951)
Other recognised gains/(losses):						
Foreign exchange (losses)/gains		(1,288,882)	-	-	(1,288,882)	636,620
Net movement in funds		2,886,541	(105,683)	(113,597)	2,667,261	(20,212,331)
Transfer between funds		145,697	(145,697)	-	-	-
Total funds brought forward	10	29,339,738	42,982,292	891,947	73,213,977	93,426,308
Total funds carried forward	10	32,371,976	42,730,912	778,350	75,881,238	73,213,977

The notes on pages 17 to 37 form part of these financial statements

Dunard Fund

Dunard Fund Statement of Financial Activities For the year ended 31 March 2021

		Unrestricted	Restricted - Special Projects	2021	2020
	Note	£	£	£	£
Income from:					
Donations		8,676,373	-	8,676,373	9,000,000
Bank interest received		133,324	195,318	328,642	617,837
Dividend income		294,886	-	294,886	296,302
Total income		<u>9,104,583</u>	<u>195,318</u>	<u>9,299,901</u>	<u>9,914,139</u>
Expenditure on charitable activities:					
Classical music		5,424,198	-	5,424,198	4,529,947
Visual arts		2,565,967	-	2,565,967	3,738,264
Architectural		8,807	301,000	309,807	20,674,652
Humanitarian and environmental		10,293	-	10,293	-
Total expenditure	3	<u>8,009,264</u>	<u>301,000</u>	<u>8,310,264</u>	<u>28,942,863</u>
Net gains/(losses) on investments		3,080,104	-	3,080,104	(1,762,786)
Net income/(expenditure)		<u>4,175,423</u>	<u>(105,682)</u>	<u>4,069,741</u>	<u>(20,791,510)</u>
Other recognised gains/(losses):					
Foreign exchange (losses)/gains		(1,288,882)	-	(1,288,882)	636,620
Net movement in funds		<u>2,886,541</u>	<u>(105,682)</u>	<u>2,780,859</u>	<u>(20,154,890)</u>
Transfer between funds		145,697	(145,697)	-	-
Total funds brought forward	10	<u>29,339,738</u>	<u>42,982,291</u>	<u>72,322,029</u>	<u>92,476,919</u>
Total funds carried forward	10	<u><u>32,371,976</u></u>	<u><u>42,730,912</u></u>	<u><u>75,102,888</u></u>	<u><u>72,322,029</u></u>

The notes on pages 17 to 37 form part of these financial statements


Dunard Fund

**Consolidated Balance Sheet
For the year ended 31 March 2021**

	Note	Unrestricted £	Restricted £	2021 £	2020 £
Fixed assets					
Investments	5	17,988,639	-	17,988,639	11,433,575
Fixed assets	6	4,717,714	-	4,717,714	4,707,025
		<u>22,706,353</u>	<u>-</u>	<u>22,706,353</u>	<u>16,140,600</u>
Current assets					
Debtors	7	107,223	-	107,223	223,530
Cash at bank		29,444,036	42,730,912	72,174,948	79,787,313
		<u>29,551,259</u>	<u>42,730,912</u>	<u>72,282,171</u>	<u>80,010,843</u>
Current liabilities					
Creditors: amounts falling due within one year	8	(1,955,953)	-	(1,955,953)	(5,357,466)
Net current assets		<u>27,595,306</u>	<u>42,730,912</u>	<u>70,326,218</u>	<u>74,653,377</u>
Total assets less current liabilities		50,301,659	42,730,912	93,032,571	90,793,977
Long-term liabilities					
Creditors: amounts falling due after more than one year	8	(17,151,333)	-	(17,151,333)	(17,580,000)
Net assets		<u>33,150,326</u>	<u>42,730,912</u>	<u>75,881,238</u>	<u>73,213,977</u>
Funds					
Unrestricted funds	10	33,150,326	-	33,150,326	30,231,685
Restricted funds	10	-	42,730,912	42,730,912	42,982,292
		<u>33,150,326</u>	<u>42,730,912</u>	<u>75,881,238</u>	<u>73,213,977</u>

The notes on pages 17 to 37 form part of these financial statements.

The financial statements were approved by the trustees on 10/11/21 and are signed on their behalf by:


Colin Liddell
Trustee

Company Registration No. SC546564

Dunard Fund

Dunard Fund Balance Sheet For the year ended 31 March 2021

	Notes	Unrestricted £	Restricted £	2021 £	2020 £
Fixed assets					
Investments	5	17,988,639	-	17,988,639	11,433,575
Fixed assets	6	4,717,714	-	4,717,714	4,707,025
		<u>22,706,353</u>	<u>-</u>	<u>22,706,353</u>	<u>16,140,600</u>
Current assets					
Debtors	7	102,225	-	102,225	223,530
Cash at bank		28,658,034	42,730,912	71,388,946	78,887,620
		<u>28,760,259</u>	<u>42,730,912</u>	<u>71,491,171</u>	<u>79,111,150</u>
Current liabilities					
Creditors: amounts falling due within one year	8	(1,943,303)	-	(1,943,303)	(5,349,721)
Net current assets		<u>26,816,956</u>	<u>42,730,912</u>	<u>69,547,868</u>	<u>73,761,429</u>
Total assets less current liabilities		49,523,309	42,730,912	92,254,221	89,902,029
Long-term liabilities					
Creditors: amounts falling due after more than one year	8	(17,151,333)	-	(17,151,333)	(17,580,000)
Net assets		<u>32,371,976</u>	<u>42,730,912</u>	<u>75,102,888</u>	<u>72,322,029</u>
Funds					
Unrestricted funds	10	32,371,976	-	32,371,976	29,339,738
Restricted funds	10	-	42,730,912	42,730,912	42,982,291
		<u>32,371,976</u>	<u>42,730,912</u>	<u>75,102,888</u>	<u>72,322,029</u>

The notes on pages 17 to 37 form part of these financial statements.

The financial statements were approved by the trustees on 10/11/21 and are signed on their behalf by:


Colin Liddell
Trustee

Company Registration No. SC546564
Charity Registration No. SC046889

Dunard Fund

Statement of Changes in Equity For the year ended 31 March 2021

Group	Unrestricted £	Restricted £	Total £
Balance at 1 April 2019	47,953,517	45,472,791	93,426,308
Year ended 31 March 2020			
Net income/(expenditure)	(17,721,831)	(2,490,500)	(20,212,331)
Balance at 31 March 2020	30,231,686	42,982,291	73,213,977
Year ended 31 March 2021			
Net income/(expenditure)	2,772,943	(105,683)	2,667,261
Transfer	145,697	(145,697)	-
Balance at 31 March 2021	33,150,326	42,730,912	75,881,238
Dunard Fund	Unrestricted £	Restricted £	Total £
Balance at 1 April 2019	47,004,128	45,472,791	92,476,919
Year ended 31 March 2020			
Net income/(expenditure)	(17,664,390)	(2,490,500)	(20,154,890)
Balance at 31 March 2020	29,339,738	42,982,291	72,322,029
Year ended 31 March 2021			
Net income/(expenditure)	2,886,541	(105,682)	2,780,859
Transfer	145,697	(145,697)	-
Balance at 31 March 2021	32,371,976	42,730,912	75,102,888

Dunard Fund

**Consolidated Statement of Cash Flows
For the year ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities	9	<u>(4,752,422)</u>	<u>576,897</u>
Cash flows from investing activities			
Bank interest		330,821	623,540
Dividend income		294,886	296,303
Purchase of fixed assets		(10,689)	(191,643)
Purchase of investments		(3,939,210)	(4,999,548)
Proceeds from sale of investments		464,249	491,038
Net cash used in investing activities		<u>(2,859,943)</u>	<u>(3,780,310)</u>
Change in cash and cash equivalents in the period		(7,612,365)	(3,203,413)
Cash and cash equivalent brought forward		79,787,313	82,990,726
Cash and cash equivalents carried forward		<u><u>72,174,948</u></u>	<u><u>79,787,313</u></u>
Statement of net debt	1 April 2020	Cash-flows	31 March 2021
Cash at bank	<u><u>79,787,313</u></u>	<u><u>(7,612,365)</u></u>	<u><u>72,174,948</u></u>

Dunard Fund

**Dunard Fund Statement of Cash Flows
For the year ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities	9	(4,636,552)	739,756
Cash flows from investing activities			
Bank interest		328,642	617,836
Dividend income		294,886	296,303
Purchase of fixed assets		(10,689)	(191,643)
Purchase of investments		(3,939,210)	(4,999,548)
Proceeds from sale of investments		464,249	491,038
Net cash used in investing activities		(2,862,122)	(3,786,014)
Change in cash and cash equivalents in the period		(7,498,674)	(3,046,258)
Cash and cash equivalent brought forward		78,887,620	81,933,878
Cash and cash equivalents carried forward		71,388,946	78,887,620
Statement of net debt	1 April 2020	Cash-flows	31 March 2021
Cash at bank	78,887,620	(7,498,674)	71,388,946

1 Accounting Policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. The financial statements have been prepared in accordance with the Statement of Recommend 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 United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The trust constitutes a public entity as defined by FRS 102.

1.2 Going concern

The financial statements have been prepared on the going concern basis. The Fund has significant unrestricted reserves and the trustees confirm that these are sufficient to support the work of the Fund for at least 12 months from the date of approval of these financial statements.

1.3 Consolidated financial statements

The financial statements consolidate the results of Dunard Fund and the Royal High School Preservation Trust on a line-by-line basis.

1.4 Unrestricted funds

Unrestricted funds are available for use at the trustees' discretion in accordance with the charitable objectives of the charity. The funds of the Royal High School Preservation Trust are treated as unrestricted in these financial statements although they are unavailable for use by Dunard Fund.

1.5 Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

1.6 Donations

All donations are accounted for when the charity is legally entitled to the income, it is probable that it will be received, and the movement can be quantified with reasonable accuracy.

Notes to the financial statements (continued)
For the year ended 31 March 2021

1 Accounting Policies (continued)

1.7 Investment Income

Investment income consists of bank interest and dividend income and is accounted for when receivable. It is allocated to unrestricted or restricted funds based on the balance brought forward at the start of the year.

1.8 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is included on an accruals basis.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised when the conditions attaching are fulfilled. Grants offered subject to conditions within the charity's control and which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Support costs have been apportioned to the four main activity areas on the basis of the value of grant expenditure on each area.

Project costs are allocated against the applicable restricted fund.

1.9 Tangible fixed assets

Fixed assets include heritable land at Findlay Court, which adjoins the National Portrait Gallery in Queen Street, Edinburgh and has been developed as an amenity site. It is low-maintenance and substantially all its value is represented by land. The land is not depreciated.

Fixed assets also include an art collection. The art collection is not depreciated but is reviewed for impairment on an annual basis.

A property at 35 St. Andrew Square, Edinburgh, is owned by the Fund and included within fixed assets. This property is not depreciated.

1.10 Taxation

The fund is a charity and is recognised as such by HM Revenue and Customs for taxation purposes. The Fund is potentially exempt from income and capital gains taxation to the extent that such income or gains are applied exclusively to charitable purposes. The charity is not registered for Value Added Tax and accordingly expenditure includes VAT where appropriate.

1.11 Cash at Bank

Cash at bank includes short term highly liquid investments with a short maturity from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements (continued)
For the year ended 31 March 2021

1 Accounting Policies (continued)

1.12 Debtors

Debtors include bank interest receivable but not credited to the bank account by the year end date. Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.13 Creditors

Creditors are recognised where the Fund has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably or estimated reliably.

1.14 Foreign Currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Foreign currency bank accounts are held at the balance sheet date.

2 Staff costs and trustees' remuneration

Dunard Fund does not directly employ any staff. The charity is administered on a day to day basis by two employees of Dunard Limited. At present, the value of this service is not included in the charity's accounts as the trustees cannot quantify its value with accuracy.

The Trust considers its key management personnel to comprise the trustees. Trustees received no remuneration (2019: £nil) and were not reimbursed for any of their expenses in the year (2019: £nil). No indemnity for trustees' liability has been purchased by the charity.

Royal High School Preservation Trust has no employees and no trustees received any remuneration in the year.

Dunard Fund

Notes to the financial statements (continued) For the year ended 31 March 2021

3 Expenditure on charitable activities

Year ended 31 March 2021

	Grants £	Other Costs £	Dunard Total £	RHSPT £	Total £
Unrestricted					
Classical music	5,270,000	154,198	5,424,198	-	5,424,198
Visual arts	2,493,022	72,945	2,565,967	-	2,565,967
Architectural	-	8,807	8,807	115,777	124,585
Humanitarian and environmental	10,000	293	10,293	-	10,293
	<u>7,773,022</u>	<u>236,242</u>	<u>8,009,264</u>	<u>115,777</u>	<u>8,125,042</u>
Restricted					
Architectural	301,000	-	301,000	-	301,000
	<u>8,074,022</u>	<u>236,242</u>	<u>8,310,264</u>	<u>115,777</u>	<u>8,426,042</u>

Year ended 31 March 2020

	Grants £	Other Costs £	Dunard Total £	RHSPT £	Total £
Unrestricted					
Classical music	4,511,650	18,297	4,529,947	-	4,529,947
Visual arts	3,703,986	34,278	3,738,264	-	3,738,264
Architectural	17,637,209	97,443	17,734,652	63,145	17,797,797
Humanitarian and environmental	-	-	-	-	-
	<u>25,852,845</u>	<u>150,018</u>	<u>26,002,863</u>	<u>63,145</u>	<u>26,066,008</u>
Restricted					
Architectural	2,940,000	-	2,940,000	-	2,940,000
	<u>28,792,845</u>	<u>150,018</u>	<u>28,942,863</u>	<u>63,145</u>	<u>29,006,008</u>

Notes to the financial statements (continued)
For the year ended 31 March 2021

3 Expenditure on charitable activities (continued)

The support costs have been apportioned to the four main activity areas on the basis of the value of grant expenditure on each area. Support costs comprise:

	2021 £	2020 £
Auditor remuneration	14,400	13,070
Accounts fees	4,440	7,860
Legal fees	32,805	27,581
Investment management fees	73,049	55,395
Miscellaneous	111,548	46,112
Total company support costs	236,242	150,018
RHSPT support costs	115,777	63,145
Total support costs	352,019	213,163

4 Grants

For the year ended 31 March 2021

	Classical Music £	Visual Arts £	Architectural £	Humanitarian and Environmental £	Total £
Grants paid in the year (4a)	5,020,000	1,331,356	5,549,000	10,000	11,910,356
Grants pledged carried forward (4b)	2,650,000	2,866,667	13,552,000	-	19,068,667
Grants pledged brought forward (4c)	(2,400,000)	(1,705,000)	(18,800,000)	-	(22,905,000)
Total grants expended	5,270,000	2,493,022	301,000	10,000	8,074,022
Of which:	£	£	£	£	£
Unrestricted	5,270,000	2,493,022	-	10,000	7,773,022
Restricted	-	-	301,000	-	301,000
Total grants expended	5,270,000	2,493,022	301,000	10,000	8,074,022

Dunard Fund

Notes to the financial statements (continued)

For the year ended 31 March 2021

4 Grants (continued)

For the year ended 31 March 2020

	Classical Music	Visual Arts	Architectural	Humanitarian and Environmental	Total
	£	£	£	£	£
Grants paid in the year (4a)	2,951,650	2,056,886	3,892,209	-	8,900,745
Grants pledged carried forward (4b)	2,400,000	1,705,000	18,800,000	-	22,905,000
Grants pledged brought forward (4c)	(840,000)	(57,900)	(2,115,000)	-	(3,012,900)
Total grants expended	<u>4,511,650</u>	<u>3,703,986</u>	<u>20,577,209</u>	<u>-</u>	<u>28,792,845</u>
Of which:	£	£	£	£	£
Unrestricted	4,511,650	3,703,986	17,637,209	-	25,852,845
Restricted	-	-	2,940,000	-	2,940,000
Total grants expended	<u>4,511,650</u>	<u>3,703,986</u>	<u>20,577,209</u>	<u>-</u>	<u>28,792,845</u>

Notes to the financial statements (continued)
For the year ended 31 March 2021

4 Grants (continued)

a. Grants paid in the year

	2021	2020
	£	£
Classical music		
City of Birmingham Symphony Orchestra	300,000	450,000
Dunedin Consort	150,000	150,000
Edinburgh International Festival	800,000	400,000
Glyndebourne Music Festival	550,000	-
London Philharmonic Orchestra	450,000	356,650
Monteverdi Choir & Orchestra	400,000	400,000
Music in Lanark	-	2,500
Royal Opera House	500,000	500,000
Scottish Ballet	-	2,500
Scottish Chamber Orchestra	675,000	300,000
Scottish Opera	600,000	150,000
St. Mary's Music School	200,000	240,000
The Marian Consort	45,000	-
Welsh National Opera	300,000	-
Wigmore Hall	50,000	-
Total classical music	5,020,000	2,951,650

Dunard Fund

Notes to the financial statements (continued) For the year ended 31 March 2021

4 Grants (continued)

a. Grants paid in the year

	2021	2020
	£	£
Visual Arts		
Edinburgh International Festival	-	23,986
George Wyllie Foundation	34,872	500,000
Pitlochry Festival Theatre	450,000	500,000
Royal Academy of Arts	641,483	932,900
Runciman Apse Trust	-	50,000
The Birks Cinema Trust	30,000	-
The Garden Museum	50,000	-
Royal Drawing School	25,000	25,000
Wigmore Hall	-	25,000
Yorkshire Sculpture Park	100,000	-
Total visual arts	1,331,356	2,056,886
	2021	2020
	£	£
Architectural		
Abbey Church of Dunfermline	-	15,000
Centre For the Moving Image	300,000	700,000
IMPACT Scotland	49,000	2,940,000
Royal Academy of Arts	2,000,000	-
Pitlochry Festival Theatre	3,200,000	87,209
Yorkshire Sculpture Park	-	150,000
Total architectural	5,549,000	3,892,209

Dunard Fund

Notes to the financial statements (continued)
For the year ended 31 March 2021

4 Grants (continued)

a. Grants paid in the year

	2021 £	2020 £
Humanitarian and environmental		
Refuge	10,000	-
Total humanitarian and environmental	10,000	-
Total grants paid in the year	11,910,356	8,900,745

b. Grants committed for payment in a later year
For the year ended 31 March 2021

	Payable within one year £	Payable after more than one year £	Total £
Classical music			
Dunedin Consort	50,000	50,000	100,000
Glyndebourne	200,000	200,000	400,000
London Philharmonic Orchestra	150,000	1,150,000	1,300,000
Monteverdi Choir & Orchestra	200,000	-	200,000
Royal Opera House	200,000	-	200,000
St. Mary's Music School	200,000	250,000	450,000
	1,000,000	1,650,000	2,650,000
Visual arts			
Pitlochry Festival Theatre	150,000	-	150,000
Royal Academy	333,333	1,333,333	1,666,667
The Garden Museum	50,000	-	50,000
Victoria & Albert Museum	300,000	700,000	1,000,000
	833,333	2,033,333	2,866,667
Architectural			
George Wyllie Foundation	-	1,000,000	1,000,000
IMPACT Scotland	84,000	168,000	252,000
London Philharmonic Orchestra	-	6,500,000	6,500,000
Pitlochry Festival Theatre	-	3,800,000	3,800,000
Royal Academy of Arts	-	2,000,000	2,000,000
	84,000	13,468,000	13,552,000
Total grants committed for payment in a later year	1,917,333	17,151,333	19,068,667

Notes to the financial statements (continued)
For the year ended 31 March 2021

4 Grants (continued)

b. Grants committed for payment in a later year
For the year ended 31 March 2020

	Payable within one year £	Payable after more than one year £	Total £
Classical music			
Dunedin Consort	100,000	50,000	150,000
London Philharmonic Orchestra	1,000,000	-	1,000,000
Monteverdi Choir & Orchestra	400,000	-	400,000
Royal Opera House	200,000	200,000	400,000
St. Mary's Music School	150,000	300,000	450,000
	<u>1,850,000</u>	<u>550,000</u>	<u>2,400,000</u>
Visual arts			
Pitlochry Festival Theatre	150,000	150,000	300,000
Royal Drawing School	25,000	-	25,000
George Wyllie Fund	-	1,380,000	1,380,000
	<u>175,000</u>	<u>1,530,000</u>	<u>1,705,000</u>
Architectural			
Centre for the Moving Image	300,000	-	300,000
London Philharmonic Orchestra	-	6,500,000	6,500,000
Pitlochry Festival Theatre	2,000,000	5,000,000	7,000,000
Royal Academy of Arts	2,000,000	3,000,000	5,000,000
	<u>4,300,000</u>	<u>14,500,000</u>	<u>18,800,000</u>
Total grants committed for payment in a later year	<u><u>6,325,000</u></u>	<u><u>16,580,000</u></u>	<u><u>22,905,000</u></u>

Dunard Fund

Notes to the financial statements (continued)
For the year ended 31 March 2021

4 Grants (continued)

c. Grants pledged in prior years

For the year ended 31 March 2021

	Payable within one year £	Payable later than one year £	Total £
Classical music			
Dunedin Consort	100,000	50,000	150,000
London Philharmonic Orchestra	1,000,000	-	1,000,000
Monteverdi Choir & Orchestra	400,000	-	400,000
Royal Opera House	200,000	200,000	400,000
St. Mary's Music School	150,000	300,000	450,000
	<u>1,850,000</u>	<u>550,000</u>	<u>2,400,000</u>
Visual arts			
Pitlochry Festival Theatre	150,000	150,000	300,000
Royal Drawing School	25,000	-	25,000
George Wyllie Fund	-	1,380,000	1,380,000
	<u>175,000</u>	<u>1,530,000</u>	<u>1,705,000</u>
Architectural			
Centre for the Moving Image	300,000	-	300,000
London Philharmonic Orchestra	-	6,500,000	6,500,000
Pitlochry Festival Theatre	2,000,000	5,000,000	7,000,000
Royal Academy of Arts	2,000,000	3,000,000	5,000,000
	<u>4,300,000</u>	<u>14,500,000</u>	<u>18,800,000</u>
Total grants committed to in a previous year	<u><u>6,325,000</u></u>	<u><u>16,580,000</u></u>	<u><u>22,905,000</u></u>

Notes to the financial statements (continued)
For the year ended 31 March 2021

4 Grants (continued)

c. Grants pledged in prior years

For the year ended 31 March 2020

	Payable within one year £	Payable later than one year £	Total £
Classical music			
Dunedin Consort	50,000	-	50,000
Edinburgh International Festival	100,000	-	100,000
Monteverdi Choir & Orchestra	200,000	400,000	600,000
St. Mary's Music School	90,000	-	90,000
	<u>440,000</u>	<u>400,000</u>	<u>840,000</u>
Visual arts			
Royal Drawing School	50,000	-	50,000
Royal Academy of Arts	7,900	-	7,900
	<u>57,900</u>	<u>-</u>	<u>57,900</u>
Architectural			
Abbey Church of Dunfermline	15,000	-	15,000
Pitlochry Festival Theatre	-	1,000,000	1,000,000
London Philharmonic Orchestra	500,000	500,000	1,000,000
Yorkshire Sculpture Park	100,000	-	100,000
	<u>615,000</u>	<u>1,500,000</u>	<u>2,115,000</u>
Humanitarian and environmental			
Refuge	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total grants committed to in a previous year	<u>1,112,900</u>	<u>1,900,000</u>	<u>3,012,900</u>

Grant contingent liabilities and post balance sheet events

As at 31 March 2021 conditional grant commitments totalled £33m for potential awards where conditions remained to be satisfied. Subsequent to the year end these grant conditions were satisfied and separately the Board approved further conditional grant commitments totalling £14.3m.

Subsequent to the year end, grants totalling £55m to the Royal High School Preservation Trust were formally approved by the Trustees, £45m for its capital development works and a £10m permanent endowment fund for building maintenance.

Dunard Fund

Notes to the financial statements (continued) For the year ended 31 March 2021

5 Investments

Group and Dunard Fund	2021 £	2020 £
At 1 April 2020	11,433,575	8,687,851
Additions	3,939,210	4,999,548
Disposals	(760,491)	(656,464)
Unrealised gains/(losses)	3,376,345	(1,597,360)
At 31 March 2021	<u>17,988,639</u>	<u>11,433,575</u>

Listed investments are included at market value. The original cost of these investments was £17,072,220 (2020: £13,023,327).

6 Fixed assets

Group and Dunard Fund Cost and net book value	Land £	Art Collection £	Buildings £	Total £
As at 1 April 2020	287,000	200,000	4,220,025	4,707,025
Additions	-	-	10,689	10,689
At 31 March 2021	<u>287,000</u>	<u>200,000</u>	<u>4,230,714</u>	<u>4,717,714</u>

Heritable land at Findlay Court, which adjoins the National Portrait Gallery in Queen Street, Edinburgh has been developed as an amenity site. It is low-maintenance and substantially all its value is represented by land. For this reason, the Trustees have decided to retain the asset at cost (£287,000) and not charge depreciation. It is let out on a 100-year lease for a rent of £1 p.a. (all paid up in advance).

The art collection is not depreciated but is reviewed for impairment on an annual basis.

The Fund owns a property at 35 St. Andrew Square, Edinburgh. This property is not depreciated.

7 Debtors

Group	2021 £	2020 £
Accrued bank interest	102,223	223,530
Prepayments	5,000	-
	<u>107,223</u>	<u>223,530</u>

Dunard Fund**Notes to the financial statements (continued)**
For the year ended 31 March 2021**7 Debtors (continued)**

Dunard Fund	2021	2020
	£	£
Accrued bank interest	102,225	223,530
	<u>102,225</u>	<u>223,530</u>

8 Creditors**Amounts due within one year**

Group	2021	2020
	£	£
Grants committed not yet paid (4b)	1,917,333	5,325,000
Accruals	38,620	32,466
	<u>1,955,953</u>	<u>5,357,466</u>

Dunard Fund	2021	2020
	£	£
Grants committed not yet paid (4b)	1,917,333	5,325,000
Accruals	25,970	24,721
	<u>1,943,303</u>	<u>5,349,721</u>

Amounts due over one year

Group and Dunard Fund	2021	2020
	£	£
Grants committed not yet paid (4b)	<u>17,151,333</u>	<u>17,580,000</u>

Dunard Fund**Notes to the financial statements (continued)**
For the year ended 31 March 2021**9 Reconciliation of net income to net cash flow from operating activities**

Group	2021	2020
	£	£
Net income/(expenditure) for the year	2,667,261	(20,212,331)
Decrease / (increase) in debtors	116,307	78,156
(Decrease)/increase in creditors	(3,830,179)	19,868,129
Interest received	(330,821)	(623,540)
Dividend income	(294,886)	(296,303)
Net loss/(gain) on investments	(3,080,104)	1,762,786
Net cash provided by operating activities	<u>(4,752,422)</u>	<u>576,897</u>

Dunard Fund	2021	2020
	£	£
Net income/(expenditure) for the year	2,780,859	(20,154,890)
Decrease / (increase) in debtors	121,305	178,155
(Decrease)/increase in creditors	(3,835,084)	19,867,844
Interest received	(328,642)	(617,837)
Dividend income	(294,886)	(296,302)
Net loss/(gain) on investments	(3,080,104)	1,762,786
Net cash provided by operating activities	<u>(4,636,552)</u>	<u>739,756</u>

Dunard Fund

Notes to the financial statements (continued) For the year ended 31 March 2021

10 Funds

For the year ended 31 March 2021

Group	Special					Total
	Unrestricted	Special Project Fund 1	Special Project Fund 2	Project Fund 3	Unrestricted RHSPT	
	£	£	£	£	£	£
At 1 April 2020	29,339,738	4,535,049	10,979,088	27,468,155	891,947	73,213,977
Donations received	8,676,373	-	-	-	-	8,676,373
Investment income	428,210	20,608	49,891	124,819	2,180	625,708
Net gain on investments	3,080,104	-	-	-	-	3,080,104
Loss on foreign exchange	(1,288,882)	-	-	-	-	(1,288,882)
Charitable expenditure	(8,009,264)	(301,000)	-	-	(115,777)	(8,426,042)
Transfer	145,697	(23,716)	(34,833)	(87,148)	-	-
At 31 March 2021	32,371,977	4,230,941	10,994,146	27,505,826	778,350	75,881,239

Dunard Fund	Special				Total
	Unrestricted	Special Project Fund 1	Project Fund 2	Special Project Fund 3	
	£	£	£	£	£
At 1 April 2020	29,339,738	4,535,048	10,979,088	27,468,155	72,322,029
Donations received	8,676,373	-	-	-	8,676,373
Investment income	428,210	20,608	49,891	124,819	623,528
Net gain on investments	3,080,104	-	-	-	3,080,104
Loss on foreign exchange	(1,288,882)	-	-	-	(1,288,882)
Charitable expenditure	(8,009,264)	(301,000)	-	-	(8,310,264)
Transfer	145,697	(23,716)	(34,833)	(87,148)	-
At 31 March 2021	32,371,976	4,230,940	10,994,146	27,505,826	75,102,888

Unrestricted funds

Unrestricted funds are for use in accordance with the general objectives of the charity. Included within Unrestricted funds are investment funds totalling £17,988,639 (2020: £11,433,575) designated by the Trustees as an Endowment Fund. RHSPT is the Royal High School Preservation Trust which is a separate charitable company. The funds of RHSPT are treated as unrestricted although they are unavailable for use by Dunard Fund.

Restricted funds

Special project fund 1 is to be used to support the future construction of a new performance centre in Edinburgh with any unused balance to be used to support the new performance centre's operation.

Dunard Fund

Notes to the financial statements (continued)

10 Funds (continued)

Special project fund 2 is to be used to preserve the buildings of the former Royal High School in Edinburgh.

Special project fund 3 is to be used for both or either music, education and performance projects in Edinburgh, to be used to preserve the buildings of the former Royal High School in Edinburgh or to support the future construction of a performance centre in Edinburgh with any unused balance to be used to support the new performance centre's operation.

For the year ended 31 March 2020

Group	Special					Total
	Unrestricted	Special Project Fund 1	Special Project Fund 2	Project Fund 3	Unrestricted RHSPT	
	£	£	£	£	£	£
At 1 April 2019	47,004,127	7,401,881	10,871,622	27,199,289	949,389	93,426,308
Donations received	9,000,000	-	-	-	-	9,000,000
Investment income	464,640	73,168	107,466	268,866	5,703	919,843
Net loss on investments	(1,762,786)	-	-	-	-	(1,762,786)
Gain on foreign exchange	636,620	-	-	-	-	636,620
Charitable expenditure	(26,002,863)	(2,940,000)	-	-	(63,145)	(29,006,008)
At 31 March 2020	29,339,738	4,535,049	10,979,088	27,468,155	891,947	73,213,977

Dunard Fund	Special				Total
	Unrestricted	Special Project Fund 1	Project Fund 2	Special Project Fund 3	
	£	£	£	£	£
At 1 April 2019	47,004,127	7,401,880	10,871,622	27,199,289	92,476,918
Donations received	9,000,000	-	-	-	9,000,000
Investment income	464,640	73,168	107,466	268,866	914,140
Net loss on investments	(1,762,786)	-	-	-	(1,762,786)
Gain on foreign exchange	636,620	-	-	-	636,620
Charitable expenditure	(26,002,863)	(2,940,000)	-	-	(28,942,863)
At 31 March 2020	29,339,738	4,535,048	10,979,088	27,468,155	72,322,029

Dunard Fund

Notes to the financial statements (continued) For the year ended 31 March 2021

11 Assets split by funds

For the year ended 31 March 2021

Group	Unrestricted £	Special Project			Unrestricted RHSPT £	Total £
		Fund 1 £	Fund 2 £	Project Fund 3 £		
Fixed assets	4,717,714	-	-	-	-	4,717,714
Investment	17,988,639	-	-	-	-	17,988,639
Net current assets	26,821,956	4,230,941	10,994,146	27,505,826	773,350	70,326,221
Long term liabilities	(17,151,333)	-	-	-	-	(17,151,333)
	<u>32,376,976</u>	<u>4,230,941</u>	<u>10,994,146</u>	<u>27,505,826</u>	<u>773,350</u>	<u>75,881,241</u>

Dunard Fund	Unrestricted £	Special Project			Total £
		Fund 1 £	2 £	Project Fund 3 £	
Fixed assets	4,717,714	-	-	-	4,717,714
Investments	17,988,639	-	-	-	17,988,639
Net current assets	26,816,956	4,230,940	10,994,146	27,505,826	69,547,868
Long term liabilities	(17,151,333)	-	-	-	(17,151,333)
	<u>32,371,976</u>	<u>4,230,940</u>	<u>10,994,146</u>	<u>27,505,826</u>	<u>75,102,888</u>

For the year ended 31 March 2020

Group	Unrestricted £	Special Project			Unrestricted RHSPT £	Total £
		Fund 1 £	Fund 2 £	Project Fund 3 £		
Fixed assets	4,707,025	-	-	-	-	4,707,025
Investment	11,433,575	-	-	-	-	11,433,575
Net current assets	30,779,138	4,535,048	10,979,088	27,468,155	891,947	74,653,376
Long term liabilities	(17,580,000)	-	-	-	-	(17,580,000)
	<u>29,339,738</u>	<u>4,535,048</u>	<u>10,979,088</u>	<u>27,468,155</u>	<u>891,947</u>	<u>73,213,976</u>

Dunard Fund	Unrestricted £	Special Project			Total £
		Fund 1 £	2 £	Project Fund 3 £	
Fixed assets	4,707,025	-	-	-	4,707,025
Investments	11,433,575	-	-	-	11,433,575
Net current assets	30,779,138	4,535,048	10,979,088	27,468,155	73,761,429
Long term liabilities	(17,580,000)	-	-	-	(17,580,000)
	<u>29,339,738</u>	<u>4,535,048</u>	<u>10,979,088</u>	<u>27,468,155</u>	<u>72,322,029</u>

12 Related party transactions

The charity received various donations of services from Dunard Limited. These included the rent and running costs of the office premises and staff time spent on administration of the charity. The value of these donated services could not be quantified with accuracy and therefore have not been included in these financial statements. Carol Colburn Grigor, Trustee, is both a director and shareholder of Dunard Limited.

All donations received by the charity in the current and prior period were from a trustee or a party related to a trustee.

The charity also received legal services from J & H Mitchell W.S. of Pitlochry, of which Colin Liddell, Trustee, is a consultant, at a total value of £30,955 (2020: £23,740). A written Remuneration Agreement exists between the trustees of Dunard Fund, J & H Mitchell W.S. and Colin Liddell. The firm also provides legal services to the following grant recipients listed: George Wyllie Fund and Pitlochry Festival Theatre. A similar written Remuneration Agreement exists with Royal High School Preservation Trust.

During the year, donations of £8,667,000 (2020: £9,000,000) were received from Edmundson Electrical Limited, a subsidiary of Marlowe Holdings Limited. Carol Colburn Grigor is a director of Marlowe Holdings Limited.

Owing to Trustee representation and funding arrangements, the Trustees consider The International Music and Performing Arts Charitable Trust (IMPACT) Scotland to be a related party. In the year to 31 March 2021, £301,000 was pledged to IMPACT Scotland. Of this, £49,000 was paid prior to the year end and £252,000 is included within creditors.

Whenever a Trustee has a personal or professional involvement in any donation, he or she reuses himself or herself so as to be excluded from all relative discussions and decision-making.

13 Other professional services provided by the auditors

In common with many other entities of its size and nature the charity uses its auditors to assist with the preparation of the financial statements. A separate team from the auditors performs the preparation of the financial statements.

Dunard Fund

Notes to the financial statements (continued) For the year ended 31 March 2021

14 Post balance sheet events

Following the rejection by Scottish Ministers of plans to convert the buildings into an international hotel in 2020, the City of Edinburgh Council, as the buildings' owners, initiated a competitive process to identify a new use for the building, on the basis of a 125 year lease. The Royal High School Preservation Trust's proposal to develop the buildings as a National Centre for Music, incorporating a new home for St. Mary's Music School, was unanimously approved by the Council's Finance and Resources Committee on 7th October 2021, subject to the negotiation of detailed lease terms.

Grant commitments made subsequent to the year end are disclosed in note 4.

15 Prior year consolidated Statement of Financial Activities

	Unrestricted £	Restricted - Special Projects £	Unrestricted RHSPT £	2020 £
Income from:				
Donations	9,000,000	-	-	9,000,000
Bank interest received	314,034	303,803	5,703	623,540
Dividend income	150,606	145,697	-	296,303
Total income	9,464,640	449,500	5,703	9,919,843
Expenditure on charitable activities:				
Classical music	3,529,947	-	-	3,529,947
Visual arts	6,613,264	-	-	6,613,264
Architectural	15,859,652	2,940,000	63,145	18,862,797
Humanitarian and environmental	-	-	-	-
Total expenditure	26,002,863	2,940,000	63,145	29,006,008
Net gains on investments	(1,762,786)	-	-	(1,762,786)
Net income/(expenditure)	(18,301,009)	(2,490,500)	(57,442)	(20,848,951)
Other recognised losses:				
Foreign exchange gains	636,620	-	-	636,620
Net movement in funds	(17,664,389)	(2,490,500)	(57,442)	(20,212,331)
Total funds brought forward	47,004,127	45,472,792	949,389	93,426,308
Total funds carried forward	29,339,738	42,982,292	891,947	73,213,977

Dunard Fund

Notes to the financial statements (continued) For the year ended 31 March 2021

16 Prior year Dunard Fund Statement of Financial Activities

	Unrestricted £	Restricted - Special Projects £	2020 £
Income from:			
Donations	9,000,000	-	9,000,000
Bank interest received	314,034	303,803	617,837
Dividend income	150,605	145,697	296,302
Total income	9,464,639	449,500	9,914,139
Expenditure on charitable activities:			
Classical music	3,529,947	-	3,529,947
Visual arts	6,613,264	-	6,613,264
Architectural	15,859,652	2,940,000	18,799,652
Humanitarian and environmental	-	-	-
Total expenditure	26,002,863	2,940,000	28,942,863
Net losses on investments	(1,762,786)	-	(1,762,786)
Net income/(expenditure)	(18,301,010)	(2,490,500)	(20,791,510)
Other recognised losses:			
Foreign exchange gains	636,620	-	636,620
Net movement in funds	(17,664,390)	(2,490,500)	(20,154,890)
Total funds brought forward	47,004,128	45,472,791	92,476,919
Total funds carried forward	29,339,738	42,982,291	72,322,029

17 Covid-19 and subsequent events

The Trustees have considered the ongoing impact of Covid-19 on the charity and have concluded that, in so far as is possible to see or foresee, there are no direct adverse impacts.

The Trustees have recognised and taken account of some indirect impacts, including their pro-active support to specific charities and their employees in light of the pandemic, as recorded elsewhere in these Accounts, and rising construction costs which will impact some of the major building projects which they are supporting.

The Trustees consider that they will have sufficient resources, available now and in the future, to continue to operate and to meet debts and funding commitments, as they fall due or arise, for the foreseeable future.

The financial statements are therefore drawn up on a 'going concern' basis.