

THE HUGH FRASER FOUNDATION

Scottish Charity No : SC009303

Report of the Trustees and Audited Financial Statements

For year to 31 March 2026

THE HUGH FRASER FOUNDATION
General Information and Report of the Trustees
for the year ended 31 March 2026

The Trustees present their annual report and financial statements for the charity for the year ended 31 March 2026. 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 the 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 (FRS 102) (second edition issued October 2019 and effective 1 January 2019).

Objectives and Activities:

Objectives of the Trust

The Foundation was established on 26 February 1960 by Sir Hugh Fraser, Bt., later Lord Fraser of Allander and endowed by him with shares in House of Fraser and Scottish and Universal Investments (SUITS), the two West of Scotland based companies whose fortunes he directed. It was established for charitable purposes.

The funds of the Foundation, both capital and income, are to be applied at the sole discretion of the Trustees for charitable purposes generally in Scotland and elsewhere.

The Trustees do not engage directly in charitable activities or projects.

It should be noted that the Trustees are not bound to continue supporting organisations in these areas and may in the future favour other areas of benefit whilst remaining within the objectives of the Trust Deed.

Grant Making Policy

The Trustees' policy is to support a broad range of charitable projects particularly in Scotland but also elsewhere at the discretion of the Trustees.

The Trustees consider that grants to large, highly-publicised national appeals are not likely to be as effective a use of funds as grants to smaller and more focused charitable appeals.

The Trustees also consider that better use of funds can be made by making grants to charitable bodies to assist them with their work, than by making a large number of grants to individuals.

The Trustees are prepared to enter into commitments over a period of time by making grants in successive years, often to assist in new initiatives which can maintain their own momentum once they have been established for a few years.

The Foundation makes donations to charities working in many different sectors principally hospitals, schools and universities, arts organisations and organisations working with disabled people, the underprivileged and the aged. The Trustees are nevertheless prepared to consider applications from charities working in other fields.

**Report on the Activities
of the Trust**

The Trustees have received applications from a number of organisations throughout the year.

THE HUGH FRASER FOUNDATION
General Information and Report of the Trustees
for the year ended 31 March 2026

Objectives and Activities:

**Report on the Activities
of the Trust (Contd.)**

In the current year, the Trustees made grants, including future commitments and pledges, of £2,517,241 (2025 £3,302,735) to charities, principally in the field of medical and health, the relief of poverty and assistance to the aged and infirm, education and learning, encouragement of personal development and training of young people and the provision of better opportunities for the less privileged and the vulnerable, and the encouragement of music and the arts. The largest grants paid during the year were to the The Citizens Theatre Ltd (£200,000), Beatson Cancer Charity (£100,000) and the Dundee Museum of Transport (£75,000).

Details of grants, commitments and pledges paid and unpaid are set out on pages 19 to 20, note 8, where tables are laid out, in explanation of the above.

The Foundation does not engage in charitable activities directly.

Achievements and Performance:

**Investment Policy
and Performance**

In accordance with the Trust Deed, the Trustees have the power to invest in such stocks, shares and investments in the United Kingdom or abroad as they in their sole discretion think fit.

The Trustees engaged Evelyn Partners, UBS AG and Cazenove Capital Management as investment advisors.

Evelyn Partners

The Trustees' investment policy with Evelyn Partners is geared towards enhancing capital, with a medium/high risk. In the year to 31 March 2026, capital values increased by 10.25% to £72,788,930 (2025 £66,018,860). This capital increase demonstrates resilience amid the increased volatility from the uncertainty in the Middle East during the period of March. The gross income collected has increased by 7.63% to £2,170,932 (2025 £2,022,402) during the year. This increase is a reflection of the resilience of some stocks through the accounting period, Leading to an increase in the dividend income return.

In October 2025, the Trustees invested approximately £1.7million in the Evelyn Cash Management Service, which generates a good net yield after fees. As at 31 March 2026, the Cash Management Fund held in cash liquidity stocks with a value of £2,943,000, with £9,863 in cash. Dividends received during the year totalled £32,846.

UBS AG

The Trustees' investment policy with UBS is for the portfolios to be managed for maximum capital growth, with a high overall risk level within the context of the portfolios. As for the investment preference, this has been agreed to be a global strategy.

At present, the asset allocation in the original fund is approximately 2.31% in cash and 97.69% in equities. At the Trustees' September Meeting, they concluded that they wished to close the Sustainable/ESG Fund and move the assets into the main portfolio. In the year to 31 March 2026, capital values increased by 47.45% to £15,922,888 (2025 £10,799,048). The capital value increase has been mainly attributed to changes made to the portfolio during the year, with some strong stock values in March amid the global uncertainty, along with the transfer of the ESG fund to this portfolio. The gross income collected has increased by 19.58% to £182,859 (2025 £152,914) during the year.

THE HUGH FRASER FOUNDATION
General Information and Report of the Trustees
for the year ended 31 March 2026

Achievements and Performance:

**Investment Policy
and Performance**

UBS AG

In September 2025, the Trustees agreed that they wished to close the UBS Sustainable/ESG Fund and move the assets to the main portfolio. As at 31 March 2026, there was a very small cash balance remaining in the portfolio, which was transferred shortly after the account year end.

By the end of November 2025, all of the assets within the portfolio had been transferred to the main portfolio. The gross income collected during the period that the portfolio held those assets was £22,847 (2025 £10,825 for the full year).

Cazenove Capital Management

The Trustees' investment policy with Cazenove Capital Management is to maximise total return with due regard to risk to be achieved through investment in a global equity portfolio.

At the Trustees' September Meeting, they also concluded that they wished to close the Sustainable/ESG Fund and move everything into the main portfolio, along with moving this portfolio into a directly invested global equity strategy. In the year to 31 March 2026, capital values increased by 43.92% to £13,829,492 (2025 £9,609,377). The capital value increase has been mainly attributed to changes made to the portfolio during the year, along with the transfer of the ESG fund to this portfolio. The gross income collected has also increased by 0.73% to £125,428 (2025 £124,523) during the year.

In September 2025, the Trustees agreed that they wished to close the Cazenove Sustainable/ESG Fund and move the assets to the main portfolio. As at 31 March 2026, the portfolio was completely closed.

By the end of October 2025, all of the assets held within this portfolio had been realised and the proceeds were transferred to the main portfolio. The gross income collected during the period that the portfolio held those assets was £94,924.04 (2025 £126,902.92 for the full year).

Financial Review:

Financial Report

The Foundation's ability to make meaningful donations is reliant on income and investment returns from its investment portfolio.

As at 31 March 2026, the Foundation held investments with a market value of £105,484,310 (2025 £92,689,484) and held net assets of £105,251,221 (2025 £94,454,633).

The Trust received income of £2,726,148 (2025 £2,701,384) during the financial year. The Trustees also provided grants of £1,847,641 (2025 £1,967,674), made new future commitments of £287,000 (net) (2025 £444,430 (net)), paid out future commitments committed in previous years of £448,127 (2025 £414,227), made new pledges of £1,089,954 (2025 £1,205,072) and paid out pledges of £1,232,754 (2025 £944,563).

Reserves Policy

It is the policy of the Trustees to distribute the income of the Trust in the form of grants and the Trustees are prepared to enter into commitments over a period of time by making grants in successive years. The Trustees are also prepared to pledge funds to organisations, with a date for the payment to be released still to be agreed. It is anticipated that any surplus income at the year end would be distributed in the following year.

THE HUGH FRASER FOUNDATION
General Information and Report of the Trustees
for the year ended 31 March 2026

Financial Review:
Reserves Policy

As the Foundation does not provide direct charitable services, the Trustees believe that normal expenditure can be met from income generated. The funds of the Foundation are wholly unrestricted and are represented by a portfolio of investments and cash balances. The Trustees are advised by Evelyn Partners, UBS AG and Cazenove Capital Management. The Trustees have power to draw upon the fund in furtherance of the Foundation's objectives whilst retaining sufficient funds to meet any commitments they may undertake.

As the assets of the Foundation are held in a ready realisable form, the Trustees do not therefore consider it necessary to maintain specific reserves.

Risk Management

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

The Trustees consider variability of the investment returns on the Fund to constitute one of the charity's major risks. The Trustees therefore receive advice and reports from Evelyn Partners, UBS AG and Cazenove Capital Management on an ongoing basis, in order to monitor the performance of the portfolio and to therefore minimise the risk of income loss.

A memorandum, reviewed annually by the Trustees, details the risks considered.

Going Concern

The Foundation has considerable financial resources, both liquid and investments, that can be readily converted to cash. The Trustees also have no material uncertainties as to the Foundation's ability to continue as a going concern. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Structure, Governance & Management:

Founding Document

Dated 26 February 1960 and registered in the Books of Council and Session on 19 May 1960.

Appointment of New Trustees

The Trustees in office have the power to appoint new Trustees.

Decision making

All Trustees are actively involved in the decision making process. The Trustees meet four times a year, where they review any requests for funding received during the preceding months.

Conflict of Interest

From time to time the Trustees will be asked to consider an application for financial support from a charity which one or more of the Trustees supports in either a professional or personal capacity. In such circumstances the Trustee(s) with an interest in the relevant charity declares their interest at the outset of the Trustee meeting at which the application is to be considered.

Trustees' Training

All Trustees are encouraged to attend training in both governance and specific areas of interest and relevance to their role within the charity.

Employees

The Foundation has no employees (2025 None). The Trustees have engaged Turcan Connell to undertake the administration of the Foundation, remuneration for which is recorded in the financial statements.

THE HUGH FRASER FOUNDATION
General Information and Report of the Trustees
for the year ended 31 March 2026

Structure, Governance & Management:

Key Management The Trustees consider that the charity's Trustees, assisted by Turcan Connell, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

Reference and Administrative Details:

A Scottish Charity Reference No. SC009303

Address Turcan Connell
 180 St. Vincent Street
 Glasgow
 G2 5SG

Trustees Miss Patricia Lydia Fraser
 Dr Kenneth George Chrystie
 Mrs Belinda Ann Hanson
 Andrew Harrow

<u>Advisers</u>	<u>Clerks and Solicitors</u> Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE	<u>Independent Auditor</u> Armstrong Watson Audit Ltd Statutory Auditor Chartered Accountants Caledonia House 89 Seaward Street Glasgow G41 1HJ
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<u>Investment Advisors</u> Evelyn Partners 130 St Vincent Street Glasgow G2 5SE UBS AG 1 Curzon Street London W1J 5UB	Cazenove Capital Management 100 Wood Street London EC2V 7ER
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THE HUGH FRASER FOUNDATION
General Information and Report of the Trustees
for the year ended 31 March 2026

Trustees' Responsibilities
Statement in Respect
of the Financial Statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and with the Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland.

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 Foundation and of the incoming resources and application of resources of the Foundation 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 SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and Statements of Recommended Practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will continue on that basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity to 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 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.

The Trustees are responsible for the maintenance and integrity of the charity. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Foundation's auditors are 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 auditors are aware of that information.

Financial statements preparation

The Trustees confirm that the financial statements for the year ended 31 March 2026 have been prepared so as to comply with current statutory requirements, the Charity SORP and the Foundation's own governing document.

Approved by the Trustees and authorised to be type-signed on their behalf on

8th September 2026
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Patricia Fraser
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Trustee

Miss Patricia Lydia Fraser
.....

Full name

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE HUGH FRASER FOUNDATION FOR THE YEAR ENDED 31 MARCH 2026

Opinion

We have audited the financial statements of The Hugh Fraser Foundation (the 'charity') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 FRS 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 2026 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 Charity SORP Regulations (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 within the Annual Report other than the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE HUGH FRASER FOUNDATION FOR THE YEAR ENDED 31 MARCH 2026

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 page seven, the Trustees 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

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:

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the charity's industry sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the SORP, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE HUGH FRASER FOUNDATION
FOR THE YEAR ENDED 31 MARCH 2026**

Our responsibilities for the audit of the financial statements

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the key accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the Charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Auditors.

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. 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 a Report of the Auditors 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.

Approved by the Auditor and authorised to be type-signed on their behalf -

Armstrong Watson Audit Ltd

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Armstrong Watson Audit Ltd

Statutory Auditor

Chartered Accountants

Caledonia House

89 Seaward Street

Glasgow

G41 1HJ

8th September 2026

Date:

THE HUGH FRASER FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2026

	<u>Notes</u>	<u>2026</u> <u>Total</u> <u>£</u>	<u>2025</u> <u>Total</u> <u>£</u>
<u>Income from:</u>			
Investments	4	2,726,148	2,701,384
Total		<u>2,726,148</u>	<u>2,701,384</u>
<u>Expenditure on:</u>			
<u>Raising Funds</u>			
Investment management charges		(288,970)	(211,368)
<u>Charitable Activities</u>			
Grants and donations	8	(2,517,241)	(3,302,735)
Support and Governance Costs	9	(139,698)	(119,572)
Total		<u>(2,945,909)</u>	<u>(3,633,675)</u>
Net expenditure before other recognised (losses)/gains		(219,761)	(932,291)
<u>Other Recognised Gains/(losses)</u>			
Net (Losses)/Gains on Investments	5	11,016,350	454,520
Net Movement in Funds		<u>10,796,589</u>	<u>(477,771)</u>
Reconciliation of funds			
Total funds brought forward		94,454,633	94,932,404
Total funds carried forward		<u><u>105,251,222</u></u>	<u><u>94,454,633</u></u>

Continuing Operations

All income and expenditure has arisen from continuing activities.

Gains and Losses

The Statement of Financial Activities includes all gains and losses recognised in the year.

Funds

All funds are unrestricted.

The notes on pages 14 to 21 form part of these accounts.

THE HUGH FRASER FOUNDATION
BALANCE SHEET AT 31 MARCH 2026

	<u>Notes</u>	<u>2026</u>	<u>2025</u>
<u>Fixed Assets</u>		<u>£</u>	<u>£</u>
<u>Listed Investments with -</u>			
Evelyn Partners	5(a)	72,788,930	66,018,860
Evelyn Partners - Cash Management Fund		2,943,000	-
UBS AG	5(b)	15,922,888	10,799,048
UBS AG - Sustainable/ESG fund		-	3,286,976
Cazenove Capital Management	5(c)	13,829,492	9,609,377
Cazenove Capital Management - Sustainable/ESG fund		-	2,975,223
		<u>105,484,310</u>	<u>92,689,484</u>
<u>Current Assets</u>			
Debtors	2	263,825	289,386
Bank Accounts		1,530,173	4,314,428
Total Current Assets		<u>1,793,998</u>	<u>4,603,814</u>
<u>Liabilities</u>			
Current Liabilities	3	(470,255)	(646,907)
Future Commitments due within one year	3, 8	(374,500)	(468,127)
Pledges due within one year	3, 8	(71,000)	(266,500)
Total Current Liabilities		<u>(915,755)</u>	<u>(1,381,534)</u>
Net Current Assets		878,243	3,222,280
<u>Total Assets less Current Liabilities</u>		106,362,553	95,911,764
<u>Long Term Liabilities</u>			
Future Commitments due after more than one year	3, 8	(106,000)	(173,500)
Pledges due after more than one year	3, 8	(1,005,331)	(1,283,631)
Net assets		<u>105,251,222</u>	<u>94,454,633</u>
<u>The funds of the charity</u>			
Unrestricted Funds		105,251,222	94,454,633
		<u>105,251,222</u>	<u>94,454,633</u>

Approved by the Trustees and authorised to be type-signed on their behalf on
8th September 2026

.....

Patricia Fraser

.....

Trustee

Miss Patricia Lydia Fraser

.....

Full name

The notes on pages 14 to 21 form part of these accounts.

THE HUGH FRASER FOUNDATION**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026**

	2026 £	2025 £
Cash flows from operating activities	(3,731,927)	(3,168,791)
Cash flows from investing activities		
Dividends, interest and rents from investments	2,726,148	2,701,384
Proceeds from sale of investments	30,249,320	12,469,753
Cost of investments acquired	(32,027,796)	(12,364,665)
Net cash provided by /(used in) investing activities	947,672	2,806,472
Change in cash and cash equivalents in the reporting period	(2,784,255)	(362,319)
Cash and cash equivalents at 31st March 2025	4,314,428	4,676,747
Cash and cash equivalents at 31st March 2026	1,530,173	4,314,428
Net movement in funds in the year to 31st March 2026 per Statement of Financial Activities	10,796,589	(477,771)
Adjustments for:		
Dividends interest and rents from investments	(2,726,148)	(2,701,384)
(Profit)/loss on the sale of fixed asset investments	(3,138,243)	(125,776)
(Profit)/loss on the revaluation of fixed asset investments	(7,878,107)	(328,745)
Decrease in debtors	25,561	55,251
Increase/(decrease) in creditors	(811,579)	409,634
Net cash (used in)/provided by operating activities	(3,731,927)	(3,168,791)

The notes on pages 14 to 21 form part of these accounts.

THE HUGH FRASER FOUNDATION
Notes to the Financial Statements

1. Accounting Policies

a) Financial statements preparation

The financial statements of the Foundation are 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 (SORP): Accounting and Reporting by Charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (second edition issued October 2019 and effective 1 January 2019), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Foundation's ability to continue as a going concern and have reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The financial statements are presented in Sterling (£).

b) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date. The Statement of Financial Activities includes the net gains or losses arising on revaluation and disposals throughout the year.

c) Gains and losses

All gains or losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between the 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 gains and losses are combined in the Statement of Financial Activities.

d) Income

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

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

e) Expenditure

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

f) Cost of raising funds

Investment management charges are included on an accruals basis and recognised in full as soon as a constructive obligation exists.

THE HUGH FRASER FOUNDATION
Notes to the Financial Statements

1. Accounting Policies (Cont'd)

g) Support and governance costs

Charges for accounting and regulatory compliance are included in the financial statements and equate to 15% of the overall fees charged by Turcan Connell, with the remainder being Support Costs.

All governance costs are shown in the Statement of Financial Activities, all accountable to income.

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

h) Grants

Grants payable are payments to third parties in 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.

Grants authorised to be paid in respect of the accounting year or future years are provided for in the financial statements.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient.

i) Future Commitments

The Trustees enter into commitments which are unconditional grants that are payable in instalments over a specified period of time. These are provided in full once the commitment is entered into.

As required by FRS 102, the Trustees are required to consider the effects of the time value of money on their multi-year commitments. Having done so, the Trustees are of the opinion that, in relation to the current commitments, any adjustment is not material relative to the income of the Trust and therefore no discounting has been applied.

A provision for a multi-year award is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled conditions and the effect of the discounting is material. In the current economic climate, the Trustees consider a discount rate of 2% to be appropriate.

j) Pledges

The Trustees also have discretion to enter into pledges to make grants or commitments. These pledges are subject to certain conditions being fulfilled. The grants or commitments of this type are provided for in full as soon as the pledge has been entered into as the conditions fall outside the control of the charity. Once the conditions have been met, the grant or commitment will be paid out.

k) VAT

The Foundation is not registered for VAT purposes and all VAT incurred is therefore irrecoverable. Where applied, VAT is included as part of the expense.

l) Taxation

The charity is exempt from taxation provided that its income is used for charitable purposes.

THE HUGH FRASER FOUNDATION
Notes to the Financial Statements

1. Accounting Policies (Cont'd)

m) Financial Instruments

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price and subsequently recognised at amortised cost using the effective interest method, 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.

n) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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.

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 trustees consider that there are no estimates and underlying assumptions which have significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

o) Fund accounting

All funds are unrestricted and can be used in accordance with the charity's objectives at the discretion of the Trustees.

2 Debtors

	<u>2026</u>	<u>2025</u>
	£	£
Accrued Income	312	49,490
Investment Accrued Income	263,513	239,896
	<u>263,825</u>	<u>289,386</u>
<i>All amounts are due within one year</i>		

3 Creditors

Due in less than one year -

	<u>2026</u>	<u>2025</u>
	£	£
Donations paid after the year end	400,025	595,282
Investment management charges	59,100	41,125
Audit Fee	11,130	10,500
<i>Current Liabilities</i>	<u>470,255</u>	<u>646,907</u>
Future Commitments due within one year (Note 8)	374,500	468,127
Pledges due within one year (Note 8)	71,000	253,500
	<u>915,755</u>	<u>1,368,534</u>

THE HUGH FRASER FOUNDATION
Notes to the Financial Statements

3 Creditors*Due after one year -*

Future Commitments due after more than one year (Note 8)

Pledges due after more than one year (Note 8)

106,000	173,500
1,005,331	1,283,631
<u>1,111,331</u>	<u>1,457,131</u>
<u>2,027,086</u>	<u>2,838,665</u>

Total creditors

4 Investment Income

Dividends and Bond Interest

Bank Interest

Miscellaneous receipt

<u>2026</u>	<u>2025</u>
<u>£</u>	<u>£</u>
2,629,836	2,437,568
96,312	262,996
-	820
<u>2,726,148</u>	<u>2,701,384</u>

5 Listed Investments£a) Evelyn Partners

Market Value at 1 April 2025

Purchases

Dividends Reinvested

Sales

Realised Gains

Unrealised Gains

Market Value at 31 March 2026

Historical Cost of Investments at 31 March 2026

66,018,860
891,409
-
(1,914,890)
<u>198,871</u>
65,194,250
<u>7,594,680</u>
<u>72,788,930</u>
<u>42,987,782</u>

Evelyn Partners - Cash Fund

Market Value at 1 April 2025

Purchases

Dividends Reinvested

Sales

Realised Gains

Unrealised Gains

Market Value at 31 March 2026

Historical Cost of Investments at 31 March 2026

-
3,043,000
-
(100,000)
<u>-</u>
2,943,000
<u>-</u>
<u>2,943,000</u>
<u>2,943,000</u>

b) UBS Managed Funds

Market Value at 1 April 2025

Purchases

Dividends Reinvested

Transfer from Sustainable/ESG fund

Sales

Realised Gains

Unrealised Gains

Market Value at 31 March 2026

Historical Cost of Investments at 31 March 2026

10,799,048
12,174,465
51,850
3,339,301
(12,325,616)
<u>974,770</u>
15,013,818
<u>909,070</u>
<u>15,922,888</u>
<u>14,092,520</u>

THE HUGH FRASER FOUNDATION
Notes to the Financial Statements

5 Listed Investments

b) UBS Managed Funds - Sustainable/ESG fund

Market Value at 1 April 2025	3,286,976
Purchases	916,757
Dividends Reinvested	20,639
Sales	(937,889)
Transfer to Main Fund	(3,339,301)
Realised Gains	52,818
	<u>0</u>
Unrealised Gains	(0)
Market Value at 31 March 2026	<u>0</u>
Historical Cost of Investments at 31 March 2026	<u>0</u>

c) Cazenove Managed Funds

Market Value at 1 April 2025	9,609,377
Purchases	14,929,676
Dividends Reinvested	-
Sales	(11,688,780)
Realised Gains	1,604,863
	<u>14,455,136</u>
Unrealised Losses	(625,644)
Market Value at 31 March 2026	<u>13,829,492</u>
Historical Cost of Investments at 31 March 2026	<u>14,455,136</u>

Cazenove Managed Funds - Sustainable/ESG fund

Market Value at 1 April 2025	2,975,223
Purchases	-
Dividends Reinvested	-
Sales	(3,282,145)
Realised Gains	306,922
	<u>-</u>
Unrealised Gains	-
Market Value at 31 March 2026	<u>-</u>
Historical Cost of Investments at 31 March 2026	<u>-</u>

Individual holdings which exceed 5% of the whole portfolio by value, as at 31st March 2026 -

Schroder SSF WM Global Equity Fund

Units	<u>13,829,492.00</u>
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6 Employees

The Foundation has no employees.

7 Trustees' Remuneration

All Trustees act gratuitously and as such receive no payment for their services (2025 £nil). The Trustees received £11,646 (2025 £12,014) for reimbursement for travelling and other expenses incurred in attending meetings and carrying out their duties.

THE HUGH FRASER FOUNDATION
Notes to the Financial Statements

8 Grants Paid

In the year to 31 March 2026 Grants paid which exceeded 2% of the gross income were:-	£
The Citizens Theatre Ltd	200,000
Beatson Cancer Charity	100,000
Dundee Museum of Transport	75,000
In addition, a further 590 Grants to organisations were made totalling	2,768,247
Also, Grants of £6,000 were made to 2 individuals	12,000
	3,155,247
<u>Less:-</u> Commitments provided for in previous years	(448,127)
Pledges provided for in previous years	(856,400)
Donations returned	(3,079)
	1,847,641

In the year to 31 March 2025 Grants paid which exceeded 2% of the gross income were:-	£
Retail Trust	200,000
In addition, a further 661 Grants to organisations were made totalling	2,923,023
Also, Grants of £6,000 were made to 2 individuals	12,000
	3,135,023
<u>Less:-</u> Commitments provided for in previous years	(414,227)
Pledges provided for in previous years	(748,122)
Donations returned	(5,000)
	1,967,674

Analysis of Grants

	<u>Total Number</u>	<u>Grants</u> <u>Total Amount</u>
		£
Medical & Health	96	661,356
Conservation and Environment	43	175,420
Disadvantaged & Disabled	144	637,270
Education & Training	40	162,443
Elderly, Homeless & Hospices	45	271,847
Musical, Theatrical & Visual Arts	107	568,625
Religion	14	68,400
Youth Organisations	48	209,500
Miscellaneous	56	388,386
	593	3,143,247

This analysis of grants excluded ex-gratia payments of £12,000 (2025 £12,000) made to 2 individuals in the year (2025 2 individuals).

THE HUGH FRASER FOUNDATION
Notes to the Financial Statements

8 Grants Paid

<u>Future Commitments (net)</u>		£	£
Opening balance			641,627
<u>Less</u> -	Paid in year to 31 March 2026		(448,127)
			<u>193,500</u>
<u>Add</u> -	New commitments in year to 31 March 2026	2026	216,000
		2027	216,000
		2028	86,000
		2029	10,000
			<u>528,000</u>
<u>Less</u> -	Paid in year to 31 March 2026		(216,000)
	Withdrawn during the year		(25,000)
			<u>287,000</u>
Outstanding commitments as at 31 March 2026			<u>480,500</u>

Amounts paid in the year on new grants are included within grants paid in the Statement of Financial Activities

Future Commitments fall due:		
less than one year		374,500
between one and three years		106,000
		<u>480,500</u>

<u>Pledges (net)</u>		£	£
Opening balance			1,550,131
<u>Less</u> -	Paid in year to 31 March 2026		(856,400)
			<u>693,731</u>
<u>Add</u> -	New pledges made in year to 31 March 2026	1,089,954	
<u>Less</u> -	Pledges made and paid in year to 31 March 2026	(376,354)	
	Pledges made and withdrawn	(5,000)	
	Pledges made and became a Future Commitment	-	
		<u>708,600</u>	
<u>Less</u> -	Pledges committed in previous financial statements, now:		
	- Withdrawn	(212,000)	
	- Became a Future Commitment	(114,000)	
			<u>382,600</u>
Outstanding pledges as at 31 March 2026			<u>1,076,331</u>

Amounts paid in the year on new pledges are included within grants and donations in the Statement of Financial Activities

Pledges falling due:		
less than one year		71,000
more than one year		1,005,331
		<u>1,076,331</u>

The expected payment dates for the outstanding pledges are not yet known as their payment date is subject to certain conditions being fulfilled by the recipients.

THE HUGH FRASER FOUNDATION
Notes to the Financial Statements

9 Support and Governance Costs

	<u>2026</u>		<u>2025</u>	
	£	£		£
<u>Support Costs</u>				
Legal Expenses (including VAT)	97,920		81,855	
Other Costs	12,427		12,723	
Loss on Currency Conversions	<u>641</u>		<u>49</u>	
		110,988		94,627
 <u>Governance Costs</u>				
Audit Fees (including VAT)	11,430		10,500	
Accountancy (including VAT)	<u>17,280</u>		<u>14,445</u>	
		28,710		24,945
		<u>139,698</u>		<u>119,572</u>