THE MICHAELIS-JENA RATCLIFF PRIZE TRUST

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR TO 5 APRIL 2025

Charity Number SC017154

WHITELAW WELLS
Chartered Accountants

EDINBURGH

THE MICHAELIS-JENA RATCLIFF PRIZE TRUST

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

For the year to 5 April 2025

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REPORT OF THE TRUSTEES

For the year to 5 April 2025

The Trustees present their report along with the financial statements for the Trust for the year ended 5 April 2025. The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the Trust Deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Object and Activities

The purpose of the Trust is to award a prize in the form of a grant to the person who has made the greatest contribution in Folklore and Folklife studies within Great Britain and Ireland each year. The Trustees usually also make one or two smaller awards to applicants whose works receive special commendation from the judging panel.

Grant Making Policy

The Trustees have continued their policy of making donations to the parties mentioned above, under "Object and activities", whose purposes falls within the spectrum of the Trust deed. Applications are assessed by a panel of judges, who then meet and advise to whom the Prize and commendations should be awarded. The Trustees then make their awards based on the advice given by the panel of judges.

Achievements and Performance

Due to a lack of applications, a prize has not been awarded for the year.

Financial Review

During the year the charity awarded grants of £nil (2024: £nil) and generated a surplus of £1,965 (2024: surplus of £2,160) before unrealised and realised losses on investments of £554 (2024: gains of £10,664).

As at 5 April 2025 the Trust held investments with a market value of £177,475 (2024: £179,689) and net current assets of £13,829 (2024: £10,204). The total funds of the Trust as at 5 April 2025 were £191,304 (2024: £189,893), comprising £26,308 (2024: £24,343) of unrestricted general funds and £164,996 (2024: £165,550) of permanent endowment funds.

Investment Policy and Performance

In accordance with the Trust deed, the Trustees have the power to invest in such stocks, shares, investments and property in the United Kingdom or abroad as they, in their sole discretion, think fit. Investec Wealth & Investment act as investment managers on behalf of the Trust.

The Trustees' investment policy is geared towards a balanced return between capital and income. In the year to 5 April 2025 capital values have decreased by 0.31% (2024: increased by 6.33%).

Reserves Policy

It is the policy of the Trustees to distribute the income of the Trust in the form of grants and donations after allowing for annual running costs. It is intended that any surplus unrestricted general funds at the close of the account would be distributed in a following year.

The permanent endowment fund is maintained at such a level as to generate sufficient income to meet running costs and allow for meaningful charitable grants on an annual basis.

Risk Management

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

As the Trust relies on investment returns in order to make grants, the principal risk relates to the performance of its investments. The Trustees have mitigated this risk by retaining professional investment managers to advise them and by holding a diversified portfolio.

Plans for the Future

The Trustees plan to continue the activities of the Trust as outlined above, subject to sufficient income being available.

Structure, Governance and Management

The Michaelis–Jena Ratcliff Prize Trust was set up by Trust Deed dated 23 August 1989. The Trust does not actively fundraise but seeks to continue its work through careful stewardship of its existing resources.

The Trustees are appointed by the existing board of Trustees. They meet periodically throughout the year to agree the broad strategy of the Trust, including consideration of grant making, investment, reserves and risk management policies and performance. The Trust has no employees; the day-to-day administration is performed by Drummond Miller LLP. The induction process for new Trustees involves meeting the existing Trustees, who will brief the new Trustee on the role and operation of the Trust and present them with a copy of the Trust Deed.

THE MICHAELIS-JENA RATCLIFF PRIZE TRUST

REPORT OF THE TRUSTEES

For the year to 5 April 2025

Reference and Administrative Information

Registered charity name
Michaelis-Jena Ratcliff Prize

Registered charity number
SC017154

Trustees
Mrs Jane Gallagher
Mrs Tabitha K Bell
Charles Ogilvie

Principal office
c/o Drummond Millar LLP
Glenorchy House
20 Union Street
Edinburgh
EH1 3LR

Independent examiner
Kevin Cattanach CA
Whitelaw Wells
Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

Bankers
Bank of Scotland
11 Earl Grey Street
Edinburgh
EH3 9BN

Investment managers
Investec Wealth & Investment
Quartermile One
15 Lauriston Place
Edinburgh
EH3 9EN

Statement of Trustees' Responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Trust and of the surplus or deficit for that year. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- 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 assume that the company 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 Trust and enable them to ensure that the financial statements comply with the Trust deed and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accounts Preparation

The Trustees confirm that the accounts for the year ended 5 April 2025 have been prepared so as to comply with current statutory requirements, the charity SORP and the Trust's own governing document.

Approved by the Trustees on 26 June 2026

Jane C Gallagher	T K Bell	
J Gallagher, Trustee	**T K Bell, Trustee**	**C Ogilvie, Trustee**

Glenorchy House
20 Union Street
Edinburgh
EH1 3LR

THE MICHAELIS-JENA RATCLIFF PRIZE TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year to 5 April 2025

I report on the accounts for the year to 5 April 2025 set out on pages 7 to 12.

Respective responsibilities of Trustees and independent examiner

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations (as amended) does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

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

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

   - to keep accounting records in accordance with Section 44 (1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
   - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

   have not been met; or

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

Kevin Cattanach
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Kevin Cattanach CA
Whitelaw Wells
Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

26 June 2026

THE MICHAELIS-JENA RATCLIFF PRIZE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 5 April 2025

	Note	Permanent Endowment £	General Fund £	2025 Total £	2024 Total £
INCOME AND ENDOWMENTS FROM:					
Investments:					
Bank interest received		-	267	267	165
Dividends received		-	4,798	4,798	5,355
Total Income		-	5,065	5,065	5,520
EXPENDITURE ON:					
Raising funds:					
Investment management costs		-	1,867	1,867	2,106
Charitable activities		-	1,233	1,233	1,254
Total Expenditure	2	-	3,100	3,100	3,360
Other recognised gains and (losses)	3				
Realised gain on disposal of investments		34	-	34	-
Unrealised (loss)/gain on revaluation of investments		(588)	-	(588)	10,664
		(554)	-	(554)	10,664
Net (expenditure)/income and movement in funds		(554)	1,965	1,411	12,824
Total funds at 5 April 2024		165,550	24,343	189,893	177,069
Total funds at 5 April 2025	6	164,996	26,308	191,304	189,893

All funds are unrestricted in both the current and previous years.

The notes on pages 9 to 12 form part of the financial statements.

THE MICHAELIS-JENA RATCLIFF PRIZE TRUST

BALANCE SHEET

As at 5 April 2025

	Notes		2025		2024
		£	£	£	£
INVESTMENTS	3		177,475		179,689
CURRENT ASSETS					
Cash at bank		17,517		13,653	
CREDITORS					
Amounts falling due within one year	4	(3,688)		(3,449)	
NET CURRENT ASSETS			13,829		10,204
NET ASSETS	6		191,304		189,893
FUNDS					
Permanent Endowment			164,996		165,550
Revenue			26,308		24,343
			191,304		189,893

Approved by the trustees on 26 June 2026

Jane C Gallagher

J Gallagher, Trustee **T K Bell, Trustee** **C Ogilvie, Trustee**

The notes on pages 9 to 12 form part of the financial statements.

1. ACCOUNTING POLICIES

(a) Basis of preparation

The accounts of the Trust are prepared under the historical cost convention, modified to include revaluation of investments, and comply with trust law, the Charities and Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The accounts also comply with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Trust has taken advantage of the exemption from the requirement to prepare a Statement of Cash Flows as permitted under FRS 102 and the Charities FRS 102 SORP.

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

The Trustees are not aware of any factors that affect the Trust's ability to continue as a going concern and, as such, have prepared the accounts under the going concern principle. The Trustees going concern assessment considers there to be sufficient funding in place to cover operational costs for at least 12 months from the date of signing.

(b) Funds structure

The Trust has a single permanent endowment fund created from income of royalties on literary works by the late Mrs Ruth Michaelis-Jena Ratcliff. The income generated from the endowment is allocated to the general fund to be used in accordance with the objects of the Trust.

(c) Income

All income is recognised once the Trust has entitlement, it is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

(d) Expenditure and irrecoverable VAT

Expenditure is recognised as soon as there is a legal or constructive obligation. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(e) Costs of raising funds

The costs of raising funds consist of investment management fees.

(f) Charitable activities

Costs of charitable activities include grants awarded and all overheads and support costs of administering the Trust, including governance costs, as shown in note 2.

Grants payable are payments made to third parties in furtherance of the charitable objects of the Trust. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Trust.

1. ACCOUNTING POLICIES (CONTINUED)

(g) Governance costs
Governance costs comprise all costs involving public accountability of the Trust and its compliance with regulation and good practice. These costs include accountancy and independent examination fees.

(h) Financial instruments
Financial instruments comprise financial assets and financial liabilities which are recognised when the Trust becomes a party to the contractual provisions of the instrument. They are classified as “basic” in accordance with FRS102 and are accounted for at the settlement amount due, which equates to the cost. Financial assets comprise cash and other debtors. Financial liabilities comprise accruals.

(i) Taxation
The Trust is recognised as such by HM Revenue & Customs for taxation purposes. As a result, there is no liability to taxation on any of its income.

2. TOTAL EXPENDITURE

	Cost of	Charitable Activities				
	Generating Funds	Grants Awarded	Support Costs	Govern-ance	Total 2025	Total 2024
	£	£	£	£	£	£
Drummond Miller fees	-	-	-	-	-	-
Independent examination fee	-	-	-	1,200	1,200	1,110
Investment management fees	1,867	-	-	-	1,867	2,106
Prize	-	-	-	-	-	-
Other expenses	-	-	33	-	33	144
	1,867	-	33	1,200	3,100	3,360

3. INVESTMENTS

	2025	2024
	£	£
Market value at 5 April 2024	179,689	132,948
Purchased in year	-	36,341
Proceeds on disposal	(1,929)	-
Realised gain on disposals	34	-
Unrealised (loss)/gain on revaluation	(588)	10,664
Movement in cash held	269	(264)
Market value 5 April 2025	177,475	179,689

The historic cost of the investments at 5 April 2025 was £158,815 (2024: £162,777).

Investments held as follows:	2025	2024
	£	£
Fixed interest stock	-	-
UK listed investments	66,757	64,260
Non UK listed investments	110,013	114,993
Cash held by investment manager	705	436
	177,475	179,689

4. CREDITORS

	2025	2024
	£	£
Whitelaw Wells independent examination fees	3,420	3,180
Investec Wealth & Investment management fees	268	269
	3,688	3,449

5. TRUSTEE EXPENSES

No fees or expenses have been paid to the Trustees (2024: £nil). All Trustees act gratuitously. The Trust has no employees.

6. NET ASSETS

At 5 April 2025 as represented by:	Permanent Endowment £	General Fund £	Total 2025 £
Investments	177,475	-	177,475
Net current assets	(12,479)	26,308	13,829
	164,996	26,308	191,304

At 5 April 2024 as represented by:	Permanent Endowment £	General Fund £	Total 2024 £
Investments	179,689	-	179,689
Net current assets	(14,139)	24,343	10,204
	165,550	24,343	189,893

7. RELATED PARTY TRANSACTIONS

The Trustee Charles Ogilvie is a partner in Drummond Miller LLP, who provide legal and administrative services to the Trust. During the year fees totalling £nil (2024: nil) were charged to the Trust. At the year end fees of £nil (2024: £nil) was outstanding.