The Sir Iain Stewart Foundation
(Charity No: SC013800)

Annual Report and Financial Statements

for the year ended 5 April 2026

The Sir Iain Stewart Foundation

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Trustees
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J D T Greenall
S M Masterton
J F M Stewart
N J M Stewart

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Scottish Charity Number
SC013800

The Sir Iain Stewart Foundation

Trustees' Report
for the year ended 5 April 2026

The Trustees present their annual report and independently examined financial statements for the year ended 5 April 2026.

Objectives

The Objectives of the Trust are to invest the Trust Funds and apply the income or capital for charitable benevolent or philanthropic purposes. The beneficiaries may be either institutions, funds or individuals.

Review of Activities and Future Developments

During the year the Trustees continued to receive investment income and deposit interest and to apply this income in making donations to charitable organisations.

Financial Information

The financial position of the Trust is disclosed in the financial statements on pages 5 to 13.

The Trustees confirm that the assets of the Trust disclosed in the Balance Sheet are available to fulfil any of its obligations and that the financial position is satisfactory in relation to the Trust's future plans and commitments.

Reserves Policy

The Trust has no identified minimum reserve requirement. In order to be able to meet commitments as they fall due, the Trustees may take into account market volatility and predicted income receipts in determining the reserve funds to be held. Actual "free reserves", excluding fixed asset investments, at the year-end were £7,228 (2025: £873).

Grant Making Policy

The Trust invites applications for funding from both mainstream but particularly non-mainstream bodies. Applications are reviewed by the Trustees and recommended for approval when they meet their criteria.

Investment Policy and Performance

For the year ended 5 April 2026, the portfolio returned 25.02% over the year to 5 April 2026, that is total return and after Rathbones fees. This compares to the Rathbones benchmark (Risk Level 4) which returned 15.43% over the same period.

Rathbone Investment Management Limited continues to monitor the possible impact of the current widespread economic uncertainty and how this is influencing stock market fluctuations. This may have an effect, as yet unquantifiable, on the amount of grant money which the Trustees distribute in the next financial year.

Taxation

The Trust is a charity and is recognised as such by the Inland Revenue for taxation purposes. As a result there is no liability to taxation on any of its income.

Constitution

The Trust was constituted by a Deed of Trust by Sir Iain M Stewart dated 6 April 1977 and presented for registration in the Books of the Lords of Council and Session on 22 June 1977.

Trustee Appointment

Trustees are appointed according to the Trust Deed, which states that appointment of Trustees is by Sir Iain Maxwell Stewart during his lifetime, and thereafter the power to appoint additional Trustees is given to the existing Trustees.

Trustees' Responsibilities Statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping 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 requirements of the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Susan Masterton

Mrs Susan M Masterton **5 August 2026**

Trustee

Independent Examiner's Report to the Trustees on the Unaudited Financial Statements of The Sir Iain Stewart Foundation

I report on the financial statements for the year ended 5 April 2026 set out on pages 5 to 13.

Respective responsibilities of trustees and independent examiner

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

Basis of independent examiner's statement

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

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; and
    - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met; or

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

Findlay Paul

Findlay Paul, CA **5 August 2026**
Independent Examiner

MHA
6 St Colme Street
Edinburgh
EH3 6AD

The Sir Iain Stewart Foundation

Statement of Financial Activities
for the year ended 5 April 2026

	Notes	Unrestricted 2026 £	Unrestricted 2025 £
Income from:			
Investments	2	19,659	21,901
Other income	3	250	-
Total income		19,909	21,901
Expenditure on:			
Raising funds	4	5,538	5,500
Charitable activities	5	45,180	44,912
Total expenditure		50,718	50,412
Net expenditure before gains and losses on investments		(30,809)	(28,511)
Net gains/ (losses) on investment assets	8	135,077	(20,053)
Net income/ (expenditure) and net movement in funds		104,268	(48,564)
Funds at 6 April 2025	11	629,625	678,189
Funds at 5 April 2026	11	733,893	629,625

Sir Iain Stewart Foundation

Balance Sheet
at 5 April 2026

	Notes	2026 £	2025 £
Investments	8	726,665	628,752
Current Assets			
Debtors	9	2,727	2,855
Cash on deposit		13,633	7,556
		16,360	10,411
Liabilities: Creditors falling due within one year	10	(9,132)	(9,538)
Net current assets		7,228	873
Net assets		733,893	629,625
Represented by :			
Unrestricted funds	11	733,893	629,625

Approved by the Board of Trustees on 5 August 2026 and signed on their behalf by:

Susan Masterton

Mrs Susan M Masterton
Trustee

1 **Accounting Policies**

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

Basis of preparation and assessment of going concern
The financial statements are prepared on a going concern basis under the historical cost convention with items recognised at cost or transaction values unless otherwise stated in the relevant notes to the financial statements.

The financial statements are presented in sterling which is the functional currency of the Trust and rounded to the nearest £.

The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended), 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) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and UK Generally Accepted Accounting Practice.

The Sir Iain Stewart Foundation constitutes a public benefit entity as defined in FRS 102.

The Trustees consider there are no material uncertainties about the Trust's ability to continue as a going concern. Trustees will continue to ensure grant awards are given only where there are sufficient funds available to do so. Trustees are satisfied these efforts are sufficient and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Income
All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust. This is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividends have been declared and notification has been received of the dividend due.

Expenditure
Expenditure is recognised as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Expenditure on raising funds includes costs associated with generating income for the Trust through its investment portfolio. Expenditure on charitable activities includes costs incurred in delivery of the Trust's objectives. It includes both the direct costs of grant making and those costs of an indirect nature necessary to support them.

1 **Accounting Policies (continued)**

Expenditure (continued)
Donations payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the award. This notification gives the recipient a reasonable expectation that they will receive the grant.

Support costs are allocated between governance costs and other support costs. Governance costs comprise those costs involving the public accountability of the Trust and therefore include the cost of Independent Examination. Other support costs relate to the administration costs of running the Trust.

Fixed asset investments
Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Trust is that of volatility in investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Debtors
Debtors are measured at their recoverable amount and included when reasonable certainty exists over their receipt.

Cash
Cash at bank includes cash and highly liquid short term investments with a maturity of three months or less from the date of opening of the deposit or similar account.

Creditors
Creditors are recognised when the charity 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.

Funds structure
Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds can include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Sir Iain Stewart Foundation

Notes to the Financial Statements
for the year ended 5 April 2026

1 **Accounting Policies (continued)**

Judgements in applying the 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 values 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 Trustees do not consider there to be any significant judgements in accounting policies, or key sources of estimation or uncertainty requiring disclosure.

2 **Investment income**

	2026	**2025**
	£	**£**
Dividends	19,506	21,788
Bank interest	110	113
Cash Fraction	43	-
	19,659	21,901

3 **Other income**

	2026	**2025**
	£	**£**
Donation refund	250	-
	250	-

4 **Expenditure on raising funds**

	2026	**2025**
	£	**£**
Investment management fees	5,538	5,500

5 **Cost of charitable activities**

	2026	**2025**
	£	**£**
Donations payable (note 6)	39,100	37,950
Support Costs:		
Secretarial fees (80% share)	2,688	3,535
Bank charges	270	245
Other professional fees	50	-
Governance costs	3,072	3,182
	45,180	44,912

5 Cost of charitable activities (continued)

	2026 £	2025 £
Governance costs comprise:		
Independent examiner's fees	2,400	2,298
Secretarial fees (20% share)	672	884
	3,072	3,182

6 Donations payable

	2026 £	2025 £
Age Scotland	-	1,500
Alzheimer Scotland	-	500
Art in Healthcare	-	1,500
Aruka	500	-
B Healthy Together	-	500
Braw Clan: Soup & A Story Project	-	500
Canine Partners	500	1,700
Chest Heart & Stroke Association	800	400
Community One Stop Shop	1,500	-
Crew 2000	-	500
Cricketer's Trust	-	200
DEBRA	1,200	600
Dr Bell's Family Centre	-	500
Edinburgh Young Carers	2,000	400
Feltor Youth Club	-	500
Fife Young Carers	500	-
Hearts & Minds	-	500
Heriot Watt University Access Bursary	-	1,500
Hillhouse	-	1,500
Home Link	2,000	500
Hutcheson's Grammar	500	500
Impact Arts	-	1,500
Interloch Transport	-	1,500
Into Work	-	1,500
Jura Music Festival	2,000	600
Lightlab Project	1,500	-
Motor Neurone Disease	1,400	700
Muirhead Outreach	-	500
MYPAS	-	500
National Youth Orchestra of Scotland	1,500	750
Outer Hebrides Fisheries Trust	1,500	-
Pain Concern	500	-
Parkinson's UK	500	-
Pavillion	1,500	-
C/fwd	19,900	21,350

6 Donations payable (continued)

	2026	2025
	£	£
B/fwd	19,900	21,350
Playlist for Life	1,000	-
Play Works	-	1,500
Red Chair Highland	-	1,500
Reeds School Foundation	2,000	400
Regional Screen Scotland	1,500	1,500
Riding for the Disabled	2,000	400
Rosebery Centre	1,000	-
Saints and Sinners Club of Scotland	2,000	1,000
Salvation Army Christmas Present Appeal	-	1,500
Samaritans Scotland	600	300
Scottish Chamber Orchestra	1,000	500
Scottish Huntington's Association	1,000	500
Shaper Caper	500	-
Smart Works	-	500
Strange Town Theatre	-	1,500
Super Power Agency	500	-
Teapot Trust	-	500
The David Shepherd Wildlife Foundation	1,000	500
The Good Morning Service	-	500
The Shed Project	-	1,500
The Tall Ships Trust	600	500
The Touring Network	1,000	-
The Yard	-	500
Therapet (Canine Concern)	-	500
Tourette Scotland	1,500	-
Winchester College	2,000	500
Wings for Warriors	-	500
	39,100	37,950

7 Trustees' Remuneration

No trustee received any remuneration or was reimbursed expenses during the year (2025: £Nil).

8	**Investments**	**2026**	**2025**
		£	**£**
	Market value at 5 April 2025	627,924	673,810
	Add: Acquisitions at cost	59,514	53,140
	Less: Disposal proceeds	(116,557)	(78,973)
	Net (losses)/gains on revaluation	135,077	(20,053)
		705,958	627,924
	Cash held by brokers – capital account	20,707	828
	Market value at 5 April 2025	726,665	628,752
	Historical cost of investments at 5 April 2026	457,366	495,033

Investments over 5% portfolio value:	**Market Value 2026**	**Market Value 2025**
	£	**£**
Jupiter Asset Manager Merian North American Equity	39,858	31,926
Findlay Park	34,975	40,792
National Grid	45,101	35,249
Rio Tinto	42,612	-
T Rowe Price Funds	-	32,594

9	**Debtors**	**2026**	**2025**
		£	**£**
	Dividends receivable	2,477	2,855
	Donation refund	250	-
		2,727	2,855

10 Liabilities: creditors falling due within one year

	2026	2025
	£	£
Independent Examiner's fees	2,400	2,298
Portfolio management fees	1,372	1,321
Secretarial fees	3,360	4,419
Grant payable	2,000	1,500
	9,132	9,538

11 Analysis of movement in funds

	At 6 April	Income	Expenditure	Gains/(losses)	At 5 April
	£	£	£	£	£
Unrestricted 2025/26	629,625	19,909	(50,718)	135,077	733,893
Unrestricted 2024/25	678,189	21,901	(50,412)	(20,053)	629,625

12 Related party transactions

The firm of Blair Cadell LLP of which Mrs Susan M Masterton is a partner, received a fee of £3,360 (2025: £4,419) including VAT in respect of administration and secretarial services provided during the year. Creditors at the year-end included £3,360 (2025: £4,419) in respect of these fees.