

The Ryvoan Trust
Report and Financial Statements
for the year ended 30 September 2014

Charity number: SC040707

The Ryvoan Trust

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The Ryvoan Trust

Legal and Administrative Information

Charity name	The Ryvoan Trust	
Charity registration number	SC040707	
Trustees	Anne McFarlane Alan McFarlane Fiona Burrough Alastair McFarlane James McFarlane	Chair Appointed July 2014
Principal office	41 Northumberland Street Edinburgh EH3 6JA	
Auditors	Alexander Sloan Chartered Accountants 1 Atholl Place Edinburgh EH3 8HP	
Bankers	Adam & Company 22 Charlotte Square Edinburgh EH2 4DF	
Solicitors	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE	

The Ryvoan Trust
Trustees' Annual Report
for the year ended 30 September 2014

The Trustees present their report and the financial statements of the charity for the year ended 30 September 2014.

Trustees

The Trustees serving during the year and since the year end are detailed on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Ryvoan Trust ("the Trust") is an unincorporated charity and is governed by its Trust Deed. The Trust was established on 30 June 2009 and an Endowment Fund was transferred to the Trust on 16 November 2009. The Trust is a Scottish registered charity, No. SC040707.

Appointment of Trustees

The Trust settlor, Alan McFarlane, has power to appoint new Trustees.

Trustees' induction and training

New Trustees are given a copy of the Trust Deed and the policies developed by the Trustees. New Trustees undergo instruction to brief them of their legal obligations under charity law.

Organisational structure

The Trustees are responsible for the management of the Trust and for all decisions on who should benefit from the Trust income. The Trustees serve voluntarily.

Risk management

The Trustees monitor carefully the principal risks facing the Trust including the security and liquidity of its assets, the status of applicants and the receipt of funds allocated by the Trust. The management and security of the Trust assets are considered at each Board meeting. The investment objectives and strategy are detailed in the paragraph below.

OBJECTIVES AND ACTIVITIES

The object of the Trust is to use the income arising from the Endowment Fund to benefit such charitable purposes, objects and institutions as the Trustees think fit and that are in accordance with the Trust Deed.

The Ryvoan Trust
Trustees' Annual Report
for the year ended 30 September 2014

ACHIEVEMENTS AND PERFORMANCE

Awards

During the period under review the Trust made awards totalling £114,250. The recipients and amounts are listed on page 12 of this report. The organisations supported work in the same areas as those supported in the past with emphasis upon organisations working with children living in 'tough realities', a phrase coined by Columba 1400, one of the charities the Trust supported, and others supporting adults with mental or physical challenges.

As in previous years, the Trust has been able to fund charities working with the most vulnerable to give add-on support, therapy and services which are beyond the remit of Social Services.

Award policy

Most charities applying to the Trust find through its website www.ryvoantrust.com and/or word of mouth. The website indicates the kind of projects we are keen to support, those that are inspiring, effective and innovative.

Since starting in 2009, awards have fallen into two broad categories.

By value, most awards made have been less than £5,000, made to smaller, lesser known charities with limited budgets and where a payment from the Trust can make an important contribution.

Larger awards, up to £25,000, are usually made to back pilot projects or other early stage activities. Fundraisers tell us that these can be the most difficult stages to get backing for and so the Trust has been willing to back a number of them.

FINANCIAL REVIEW

Per the Statement of Financial Activities on page 8, the Trust reported Net Outgoing Resources (i.e. a deficit) for the year of £59,759 (2013 - surplus £24,916) and a positive Net Movement in Funds of £41,496 (2013 - positive £30,824) after net unrealised gains on investments totalling £101,255. At 30 September 2014, the Trust had total funds of £5,281,241 (2013 - £5,239,745) of which £5,100,000 was held in the permanent Endowment Fund.

Principal funding sources

The principal source of funds is the income generated from the Endowment Fund.

The Ryvoan Trust
Trustees' Annual Report
for the year ended 30 September 2014

Reserves policy

It is the policy of the Trustees to maintain unrestricted funds, which are the free reserves of the charity, at a level to provide sufficient funds to cover management, administration and support costs. However, the Trustees aim to distribute at least two thirds of the income each year and to build up reserves so that they can commit to make grants over several years.

Income and investment policy

During the year, the majority of the Trust's funds remained on deposit at Bank of Scotland with the interest earned used to make awards. Income from this account declined as interest rates were reduced. After careful consideration and following discussion with advisors, the Trustees decided to commence investment into equity assets in line with the investment policy. The Trust began to invest in the Heriot Global Fund, a UK based global equity fund which is managed for long term dividend and capital growth above inflation. Switches from the Trust's cash deposits into the Heriot Global Fund have been made in increments.

The Trust's principal investment objective is to achieve income growth to keep its spending power intact after taking inflation into account. Given that the Trust's capital is permanent, short term fluctuations in share prices are not too important. However it is hoped that good long term dividend growth will lead to similar returns for the Trust's capital.

At the year end, 49.7% of the Trust's capital was invested in the Heriot Global Fund with 50.3% held at Bank of Scotland.

The Ryvoan Trust

Trustees' Annual Report for the year ended 30 September 2014

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's Trust Deed 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 charity and of the incoming resources and application of resources of the charity 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 accounting 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;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's Trust Deed. 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.

Auditors

A resolution proposing that Alexander Sloan, Chartered Accountants, be reappointed as the Trust's auditors will be put to the Annual General Meeting.

This report was approved by the Trustees on 2 February 2015 and signed on their behalf by



Anne McFarlane
Trustee

The Ryvoan Trust

Independent Auditor's Report to the Trustees of The Ryvoan Trust

We have audited the financial statements of The Ryvoan Trust for the year ended 30 September 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made exclusively 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 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 charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement (set out in the Trustees' Annual Report), the Trustees are responsible for the preparation of the financial statements which give a true and fair view.

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 regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in Note 15 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2014 and of its 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 Charities and Trustees Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Ryvoan Trust

Independent Auditor's Report to the Trustees of The Ryvoan Trust (continued)

Matters on which we are required to report by exception

In respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report 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.

We have nothing to report in respect of these matters.

Alexander Sloan

Alexander Sloan
Chartered Accountants and
Statutory Auditor

1 Atholl Place
Edinburgh
EH3 8HP

Alexander Sloan is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

DATED: 24/02/15

The Ryvoan Trust

Statement of Financial Activities

for the year ended 30 September 2014

	Notes	Unrestricted funds £	Endowment funds £	2014 Total £	2013 Total £
Incoming resources					
Incoming resources from generated funds					
Investment income	2	59,967	-	59,967	81,405
Total incoming resources		<u>59,967</u>	<u>-</u>	<u>59,967</u>	<u>81,405</u>
Resources expended					
Charitable activities	3	(115,574)	-	(115,574)	(52,927)
Governance costs	5	(4,152)	-	(4,152)	(3,562)
Total resources expended		<u>(119,726)</u>	<u>-</u>	<u>(119,726)</u>	<u>(56,489)</u>
Net (outgoing)/incoming resources before other recognised gains and losses		(59,759)	-	(59,759)	24,916
Other recognised gains/(losses)					
Gains and losses on investment assets		101,255	-	101,255	5,908
Net movement in funds		41,496	-	41,496	30,824
Reconciliation of funds					
Total funds brought forward		139,745	5,100,000	5,239,745	5,208,921
Total funds carried forward		<u>181,241</u>	<u>5,100,000</u>	<u>5,281,241</u>	<u>5,239,745</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

The Ryvoan Trust

Balance Sheet
as at 30 September 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Investments	8		2,598,807		1,005,908
Current assets					
Debtors	9	1,496		2,612	
Cash at bank and in hand		2,684,514		4,234,513	
		<u>2,686,010</u>		<u>4,237,125</u>	
Creditors: amounts falling due within one year	10	<u>(3,576)</u>		<u>(3,288)</u>	
Net current assets			<u>2,682,434</u>		<u>4,233,837</u>
Net assets			<u>5,281,241</u>		<u>5,239,745</u>
Funds					
Unrestricted funds					
General funds	12		181,241		139,745
Endowment funds	13		<u>5,100,000</u>		<u>5,100,000</u>
			<u>5,281,241</u>		<u>5,239,745</u>

The financial statements were approved and authorised for issue by the Trustees on 2 February 2015 and signed on their behalf by



Anne McFarlane
Trustee

The notes on pages 10 to 16 form an integral part of these financial statements.

The Ryvoan Trust

Notes to the Financial Statements for the year ended 30 September 2014

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and where appropriate modified to include the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2. Incoming resources

Income from investments is included in the year in which it is receivable.

1.3. Resources expended

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.4. Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Any gain or loss resulting from revaluing investments to market value is taken to the Statement of Financial Activities.

2. Investment income

	2014	2013
	£	£
Dividends received from the Heriot Global Fund	38,100	-
Interest received	21,867	81,405
	<u>59,967</u>	<u>81,405</u>

The Ryvoan Trust

Notes to the Financial Statements for the year ended 30 September 2014

3. Costs of charitable activities

	2014	2013
	£	£
Grants payable (Note 4)	114,250	42,500
Stationery	294	-
Website and computer costs	225	10,053
Secretarial services	684	324
Bank charges	120	50
	<u>115,574</u>	<u>52,927</u>

The Ryvoan Trust

**Notes to the Financial Statements
for the year ended 30 September 2014**

4. Grants payable

	2014	2013
	£	£
The following grants were paid out to institutions by the charity:		
Sue Ryder	-	2,500
Islay & Jura Community Enterprises Ltd	2,000	2,500
Edinburgh Young Carers Project	-	5,000
Discovery Camps Trust	-	2,500
Lothian Autistic Society	-	5,000
Cornerstone	500	-
Home Link	2,500	-
Dundee Women's Aid	3,000	-
Dr Bell's Family Centre	1,000	-
ECAS	1,250	-
Firsthand Lothian	5,000	-
Glasgow Children's Holiday Scheme	-	5,000
Scottish Society for Autism	10,000	-
CLIC Sargeant	10,000	-
The Back-Up Trust	5,000	5,000
Young Carers Project	5,000	-
Friends of Seaview	2,000	-
Mindview	2,500	-
Edinburgh World Heritage	2,500	-
Special Needs Adventure Playground	1,500	-
Bobath	5,000	5,000
The Yard Adventure Centre	3,000	-
Edinburgh International Book Festival	2,000	-
L'Arche Edinburgh	-	10,000
Columba 1400	42,000	-
Autism Initiatives	1,500	-
Trees for Life	2,500	-
Riding for the Disabled	2,000	-
MS Therapy Centre Lothian	2,500	-
	114,250	42,500
	114,250	42,500

The Ryvoan Trust

**Notes to the Financial Statements
for the year ended 30 September 2014**

5. Governance costs	2014	2013
	£	£
Legal and professional	240	-
Auditors' remuneration for non-audit work	336	-
Audit	3,576	3,562
	<u>4,152</u>	<u>3,562</u>
6. Net (resources expended)/incoming resources for the year	2014	2013
	£	£
Net (resources expended)/incoming resources is stated after charging:		
Auditors' remuneration	3,576	3,562
Auditors' remuneration for non-audit work	336	-
	<u>3,912</u>	<u>3,562</u>
7. Trustees' emoluments		
There were no individuals employed by the charity during the year.		
No Trustees nor any person connected with them received remuneration or reimbursed expenses in the year (2013 - £nil).		
8. Fixed asset investments	Investments	Total
	£	£
Market Value		
At 1 October 2013	1,005,908	1,005,908
Additions	1,491,644	1,491,644
Revaluations	101,255	101,255
At 30 September 2014	<u>2,598,807</u>	<u>2,598,807</u>
Historic cost		
At 30 September 2014	<u>2,500,000</u>	<u>2,500,000</u>

The Ryvoan Trust

**Notes to the Financial Statements
for the year ended 30 September 2014**

8.1. Analysis of investments

	2014	2013
	£	£
Market value at year end		
Investments listed on a recognised stock exchange or held in common investment funds, open ended investment companies, unit trusts or other collective investment schemes	2,598,807	1,005,908
Total	<u>2,598,807</u>	<u>1,005,908</u>
 The geographical area in which the investments are held is as follows:		
Investment assets in the U.K.	2,595,807	1,005,908
	<u>2,595,807</u>	<u>1,005,908</u>
	2014	2013
	£	£
Material investment holdings		
The following holdings represent more than 5% of the value of the charity's total investments:		
Heriot Global Fund	2,595,807	1,005,908
	<u>2,595,807</u>	<u>1,005,908</u>
 9. Debtors	2014	2013
	£	£
Prepayments and accrued income	1,496	2,612
	<u>1,496</u>	<u>2,612</u>
 10. Creditors: amounts falling due within one year	2014	2013
	£	£
Accruals and deferred income	3,576	3,288
	<u>3,576</u>	<u>3,288</u>

The Ryvoan Trust

**Notes to the Financial Statements
for the year ended 30 September 2014**

11. Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total funds
	£	£	£
Fund balances at 30 September 2014 as represented by:			
Intangible fixed assets	-	2,598,807	2,598,807
Current assets	184,817	2,501,193	2,686,010
Current liabilities	(3,576)	-	(3,576)
	<u>181,241</u>	<u>5,100,000</u>	<u>5,281,241</u>

12. Unrestricted General Funds	1 Oct '13	Incoming	Outgoing	Gains	30 Sep '14
	£	£	£	£	£
General Fund	139,745	59,967	(119,726)	101,255	181,241
	<u>139,745</u>	<u>59,967</u>	<u>(119,726)</u>	<u>101,255</u>	<u>181,241</u>

Purpose of the General Fund

General Fund

The General Fund is a revenue Fund from which the Trustees can pay grants as they see fit.

13. Endowment funds	1 Oct '13	30 Sep '14
	£	£
Permanent Endowment Fund	5,100,000	5,100,000
	<u>5,100,000</u>	<u>5,100,000</u>

Purpose of the Endowment Fund

The Permanent Endowment Fund is a restricted capital Fund which cannot be expended for the purpose of the Trust.

During the year, the Trust invested part of this Fund (£1,500,000) in the Heriot Global Fund.

The Ryvoan Trust

Notes to the Financial Statements for the year ended 30 September 2014

14. Related party transactions

During the year, the Trust invested in the Heriot Global Fund which is managed by Dundas Global Investors. Alan McFarlane, Trustee, is a Partner of Dundas Global Investors.

15. Ethical matters

In common with many other charities of our size and nature, we use our auditors to assist with the preparation of the financial statements.

The Ryvoan Trust

The following pages do not form part of the statutory accounts.

The Ryvoan Trust

Detailed Income and Expenditure Account
for the year ended 30 September 2014

	2014		2013	
	£	£	£	£
Income				
Investment income				
Dividends received from the Heriot Global Fund	38,100		-	
Interest received	21,867		81,405	
		<u>59,967</u>		<u>81,405</u>
Total income		<u>59,967</u>		<u>81,405</u>
Total expenditure		<u>(119,726)</u>		<u>(56,489)</u>
Net (deficit)/surplus for the year		<u>(59,759)</u>		<u>24,916</u>

The Ryvoan Trust

Schedule of Expenditure for the year ended 30 September 2014

	2014		2013	
	£	£	£	£
Expenditure				
Charitable activities				
<i>Grants payable</i>				
Sue Ryder	-		2,500	
Islay & Jura Community Enterprises Ltd	2,000		2,500	
Edinburgh Young Carers Project	-		5,000	
Discovery Camps Trust	-		2,500	
Lothian Autistic Society	-		5,000	
Cornerstone	500		-	
Home Link	2,500		-	
Dundee Women's Aid	3,000		-	
Dr Bell's Family Centre	1,000		-	
ECAS	1,250		-	
Firsthand Lothian	5,000		-	
Glasgow Children's Holiday Scheme	-		5,000	
Scottish Society for Autism	10,000		-	
CLIC Sargeant	10,000		-	
The Back-Up Trust	5,000		5,000	
Young Carers Project	5,000		-	
Friends of Seaview	2,000		-	
Mindview	2,500		-	
Edinburgh World Heritage	2,500		-	
Special Needs Adventure Playground	1,500		-	
Bobath	5,000		5,000	
The Yard Adventure Centre	3,000		-	
Edinburgh International Book Festival	2,000		-	
L'Arche Edinburgh	-		10,000	
Columba 1400	42,000		-	
Autism Initiatives	1,500		-	
Trees for Life	2,500		-	
Riding for the Disabled	2,000		-	
MS Therapy Centre Lothian	2,500		-	
		114,250		42,500
<i>Running costs</i>				
Stationery	294		-	
Website and computer costs	225		10,053	
Secretarial services	684		324	
		1,204		10,377
<i>Finance costs</i>				
Bank charges	120		50	
		120		50

The Ryvoan Trust

Total of charitable activity expenditure	115,574	52,927
Governance Costs		
Legal and professional	240	-
Auditors' remuneration for non-audit work	336	-
Audit	<u>3,576</u>	<u>3,562</u>
	<u>4,152</u>	<u>3,562</u>
Total expenditure	<u><u>119,726</u></u>	<u><u>56,489</u></u>