

THE RYVOAN TRUST
REPORT AND FINANCIAL STATEMENTS
for the year ended 30 September 2017

Scottish Charity Number: SC040707

THE RYVOAN TRUST

Reference and Administrative Details

Scottish Charity Number: SC040707

Trustees

Anne McFarlane Chair
Alan McFarlane
Fiona Burrough
Alastair McFarlane
James McFarlane

Principle Office

41 Northumberland Street
Edinburgh
EH3 6JA

Auditor

Geoghegans
Chartered Accountants
6 St Colme Street
Edinburgh
EH3 6AD

Bankers

Adam & Company
22 King Street
London
SW1Y 6QY

Fund Manager

T. Bailey Fund Services Limited
64 St James's Street
Nottingham
NG1 6JF

Solicitor

Turcan Connell
Princess Exchange
1 Earl Grey Street
Edinburgh
EH3 9EE

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THE RYVOAN TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

The Trustees present their Annual Report together with the audited financial statements of The Ryvoan Trust ("The Trust") for the year ended 30 September 2017.

OBJECTIVES AND ACTIVITIES

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

ACHIEVEMENTS AND PERFORMANCE

Awards

During the period under review the Trust made awards totalling £414,979 (2016: £76,500). The recipients and amounts are listed on page 11 of this report. The organisations supported work in similar areas as those supported in the past with emphasis on organisations working with children and their families who are living in challenging circumstances, and others supporting adults with mental or physical disabilities.

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

Award policy

All charities are now asked to apply to the Trust through the website www.ryvoantrust.com. They find us through word of mouth or trust and grant giving databases. The website indicates the kind of projects we are keen to support, those that are inspiring, effective and innovative.

By value, most awards are between £2,000 to £5,000, to smaller lesser-known charities with limited budgets and resources, where a donation from the Trust can make a significant impact or contribution to their work. The Trust has started awarding multiple year funding to a core portfolio of organisations to maximise the impact of the relationship with the Trust.

FINANCIAL REVIEW

Per the Statement of Financial Activities on page 7, the Trust reported net income for the year of £211,315 (2016: £1,000,502) after net gains on investments totalling £519,508 (2016: £1,004,327). At 30 September 2017, the Trust had total funds of £6,240,703 (2016: £6,029,388).

Principal funding sources

The Trust's principal source of funds is the income generated by the investments held under Trust Fund.

Reserves policy

The Trustees aim to distribute at least two thirds of the Trust's annual income and build up unrestricted reserves so that they can commit to make grants over several years.

THE RYVOAN TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2017

Income and investment policy

The Trust has invested in the Heriot Global Fund, a UK based global equity fund which is managed for long term dividend and capital growth above inflation.

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 largely 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust is an unincorporated charity and is governed by its Trust Deed. The Trust was founded on 30 June 2009 and a Trust Fund was established on 16 November 2009 by a donation from the settlor, Alan McFarlane. The Trust is a Scottish registered charity, No. SC040707.

Appointment of Trustees

The Trust settlor, Alan MacFarlane, and the chair, Anne McFarlane, have 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.

PLANS FOR THE FUTURE

The Trust intends to continue as before with a focus on supporting children and adults living through tough realities. This is in line with the direction of awards given over previous years.

AUDITOR

In accordance with the Trust's articles, a resolution proposing that Geoghegans be re-appointed as auditors will be put at a general meeting.

THE RYVOAN TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2017

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 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 income and expenditure of the Trust for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (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 reports to the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's Trust Deed.

The Trustees 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.

On behalf of the Trustees



Anne McFarlane

Chair

4 June 2018

THE RYVOAN TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RYVOAN TRUST

Opinion

We have audited the financial statements of The Ryvoan Trust for the year ended 30 September 2017 which comprise the Statement of Financial Activities, the Balance Sheet, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 (as amended). 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 Trust and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 30 September 2017, 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 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RYVOAN TRUST (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 is 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.

Auditor's 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 regulations made under that Act.

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RYVOAN TRUST (continued)

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 auditor's report.



Geoghegans

Chartered Accountants and Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

4 June 2018

6 St Colme Street
Edinburgh
EH3 6AD

THE RYVOAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 30 September 2017

	Notes	2017 £	2016 £
Income from:			
Investments	2	<u>113,662</u>	<u>78,613</u>
Total income		<u>113,662</u>	<u>78,613</u>
Expenditure on:			
Charitable activities	3	<u>421,855</u>	<u>82,438</u>
Total expenditure		<u>421,855</u>	<u>82,438</u>
Net expenditure before gains and losses on investments		(308,193)	(3,825)
Net gains on investment assets	4	<u>519,508</u>	<u>1,004,327</u>
Net income and movement in funds		211,315	1,000,502
Total funds brought forward		<u>6,029,388</u>	<u>5,028,886</u>
Total funds carried forward		<u>6,240,703</u>	<u>6,029,388</u>

All funds are unrestricted.

All income and expenditure is derived from continuing activities.


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

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BALANCE SHEET as at 30 September 2017

	Notes	2017 £	2016 £
Fixed assets:			
Investments	7	<u>5,434,763</u>	<u>5,415,255</u>
Current assets:			
Debtors	8	507	590
Cash at bank		<u>833,133</u>	<u>627,316</u>
		833,640	627,906
Liabilities:			
Creditors: amounts falling due within one year	9	<u>27,700</u>	<u>13,773</u>
Net current assets		<u>805,940</u>	<u>614,133</u>
Net assets		<u>6,240,703</u>	<u>6,029,388</u>
Funds			
Unrestricted Funds		<u>6,240,703</u>	<u>6,029,388</u>

The financial statements were approved and authorised for issue by the Trustees on 4 June 2018 and were signed on their behalf by:



.....
Anne McFarlane
Chair

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2017

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historic cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts.

The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) Charities SORP FRS 102, and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 September 2017 are the first accounts prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Public Benefit

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

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Trust's ability to continue as a going concern and are confident that the Trust 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 these accounts.

Income

Income, including income from investments, is included in the year in which the entitlement arises, when it is probable that the income will be received and when the monetary value can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, which is normally upon notification of the interest payable by the bank.

Dividends are recognised once the dividend has been declared and notification received of the dividend due. This is normally upon notification by the respective investment managers.

Expenditure

All expenditure is included on an accruals basis and recognised when there is a legal or constructive obligation to pay and the monetary value can be measured reliably. All costs have been directly attributed to one of the functional categories of expenditure in the Statement of Financial Activities (Costs of raising funds and charitable activities, including support and governance costs). The Trust is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Donations authorised to be paid during the accounting year, where the recipient has an expectation of receipt, are provided for in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 30 September 2017

1 Accounting policies (continued)

Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes net gains and losses arising on revaluations at the year end and on disposals during the year (proceeds less purchase cost if purchased in the year or market value at the end of the previous year).

Debtors

Other debtors are recognised at settlement amount due.

Cash at Bank and in Hand

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

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fund Accounting

All funds are held as unrestricted funds and can be used in accordance with the objectives of the Trust. The balance in unrestricted funds represents the free reserves of the Trust.

2	Investment income		2017 £	2016 £
	Dividends		111,475	68,140
	Interest on deposited funds		2,187	10,473
			113,662	78,613
3	Expenditure	Grants £	Governance £	2017 £
			2016 £	
	Donations (Note 5)	414,979	-	414,979
	Support costs	3,076	3,800	6,876
		418,055	3,800	421,855
	Support costs:			
	Secretarial fees	2,580	-	2,580
	Audit fees	-	3,700	3,700
	Administration expenses	496	100	596
		3,076	3,800	6,876
				5,938

All governance and support costs are allocated directly against the single charitable activity.

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NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 30 September 2017

4	Net gains on investment assets	2017 £	2016 £
	Realised gains on disposal	2,920	-
	Unrealised gains on revaluation	516,588	1,004,327
		<u>519,508</u>	<u>1,004,327</u>
5	Grants payable	2017 £	2016 £
	3D Drumchapel	-	2,500
	Aberdeen Cyrenians	-	2,500
	Aberlour Child Care Trust	5,000	-
	Autism Initiatives (UK)	13,500	-
	Bobath Scotland	50,000	-
	Children 1 st	-	5,000
	Circle Supporting Families in Scotland	5,000	-
	Comas	-	4,000
	Cornerstone	-	2,000
	Cue and Review Recording Services	-	4,500
	Cyrenians	-	2,000
	ECAS	-	2,000
	Edinburgh Children's Hospital Charity	90,000	-
	Edinburgh Garden Partners	-	1,000
	Edinburgh Headway Group	-	2,000
	Edinburgh International Book Festival	10,000	2,000
	Edinburgh Young Carers	3,000	2,500
	Glasgow Children's Holiday Scheme	5,000	-
	Home Link Family Support	3,000	-
	L'Arche	-	5,000
	Lothian Autistic Society	3,000	-
	Lothian Centre for Inclusive Learning	2,000	-
	Marie Curie	6,479	5,000
	Mindroom	-	5,000
	Move On	-	1,000
	Multi-Cultural Family Base	-	3,000
	Orcadia Creative Learning Centre	2,000	-
	Parent to Parent	2,000	-
	Scotland's Charity Air Ambulance	140,000	2,500
	Scottish Huntingdon's Society	-	2,500
	Scottish Spina Bifida Association	-	5,000
	Special Needs Action Project	-	5,000
	Sue Ryder	-	1,000
	The Back-Up Trust	-	2,500
	The Broomhouse Centre	-	2,500
	The Growth Partnership	15,000	-
	The Yard	60,000	2,500
	Trees For Life	-	2,000
		<u>414,979</u>	<u>76,500</u>

THE RYVOAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 September 2017

6 Trustees' remuneration and expenses

Trustees, who are the key management personnel, received no remuneration in the year (2016: £nil).

No expenses were reimbursed to Trustee's during the year (2016: £nil).

7 Investments	2017 £	2016 £
Opening market value	5,415,255	2,423,681
Investments bought at cost	-	2,000,000
Investments sold at opening market value	(497,080)	-
Equalisation	-	(12,753)
	<u>4,918,175</u>	<u>4,410,928</u>
Unrealised gains on revaluation	516,588	1,004,327
	<u>5,434,763</u>	<u>5,415,255</u>
Closing market value		
	<u>4,075,351</u>	<u>4,487,247</u>
Listed investments at cost as at 30 September 2017		

The charity holds the following investment which exceeds 5% of the portfolios market value:

	2017 £	2016 £
Heriot Global Fund	<u>5,434,763</u>	<u>5,415,255</u>

8 Debtors	2017 £	2016 £
Prepayments and accrued income	<u>507</u>	<u>590</u>

9 Creditors: amounts falling due within one year	2017 £	2016 £
Accruals for grants payable	24,000	10,000
Other creditors	-	173
Accruals	<u>3,700</u>	<u>3,600</u>
	<u>27,700</u>	<u>13,773</u>

10 Control

In the opinion of the trustees there is no controlling party.

11 Related party transactions

There were no related party transactions during the year.