

**THE RYVOAN TRUST**  
**REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2018**

**Scottish Charity Number: SC040707**

# THE RYVOAN TRUST

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## 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

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# THE RYVOAN TRUST

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## TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

The Trustees present their Annual Report together with the audited financial statements of The Ryvoan Trust ("The Trust") for the year ended 30 September 2018.

### 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 £150,900 (2017: £414,979). 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 asked to apply to the Trust through the website [www.ryvoantrust.com](http://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 also awards multiple year funding to a select number 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 £857,757 (2017: £211,315) after net gains on investments totalling £927,599 (2017: £519,508). At 30 September 2018, the Trust had total funds of £7,098,460 (2017: £6,240,703).

#### 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**

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### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2018**

#### **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

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2018

#### 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.

#### STATEMENT OF DISCLOSURE TO AUDITOR

In so far as the Trustees are aware at the time of approving the Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and;
- The Trustees have each taken all necessary steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Trustees



Anne McFarlane  
Chair

18 June 2019

# THE RYVOAN TRUST

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## 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 2018 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 2018, 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.

## **THE RYVOAN TRUST**

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### **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.



## THE RYVOAN TRUST

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



**Geoghegan**

**Chartered Accountants and Statutory Auditor**

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

**18 June 2019**

6 St Colme Street  
Edinburgh  
EH3 6AD

## THE RYVOAN TRUST

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### STATEMENT OF FINANCIAL ACTIVITIES for the year ended 30 September 2018

	Notes	2018 £	2017 £
<b>Income from:</b>			
Investments	3	<u>90,001</u>	<u>113,662</u>
<b>Total income</b>		<u>90,001</u>	<u>113,622</u>
<b>Expenditure on:</b>			
Charitable activities	4	<u>159,843</u>	<u>421,855</u>
<b>Total expenditure</b>		<u>159,843</u>	<u>421,855</u>
<b>Net expenditure before gains and losses on investments</b>		(69,842)	(308,193)
Net gains on investment assets	5	<u>927,599</u>	<u>519,508</u>
<b>Net income and movement in funds</b>		857,757	211,315
Total funds brought forward		<u>6,240,703</u>	<u>6,029,388</u>
<b>Total funds carried forward</b>		<u>7,098,460</u>	<u>6,240,703</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.


## THE RYVOAN TRUST

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### BALANCE SHEET as at 30 September 2018

	Notes	2018 £	2017 £
<b>Fixed assets:</b>			
Investments	8	<u>6,862,362</u>	<u>5,434,763</u>
<b>Current assets:</b>			
Debtors	9	404	507
Cash at bank		<u>280,869</u>	<u>833,133</u>
		281,273	833,640
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	10	<u>45,175</u>	<u>27,700</u>
<b>Net current assets</b>		<u>236,098</u>	<u>805,940</u>
<b>Net assets</b>		<u>7,098,460</u>	<u>6,240,703</u>
<b>Funds</b>			
Unrestricted Funds		<u>7,098,460</u>	<u>6,240,703</u>

The financial statements were approved and authorised for issue by the Trustees on 18 June 2019 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 2018**

**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.

***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 Trust, 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.

***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.

## THE RYVOAN TRUST

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### NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 September 2018

#### 1 Accounting policies (continued)

##### *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 Taxation

The Trustees are of the opinion that no liability to tax arises in the year as all income and gains are applied for charitable purposes.

3	Investment income	2018 £	2017 £
	Dividends	88,644	111,475
	Interest on deposited funds	1,357	2,187
		<u>90,001</u>	<u>113,662</u>

4	Expenditure	Grants £	Governance £	2018 £	2017 £
	Donations (Note 6)	150,900	-	150,900	414,979
	Support costs	4,833	4,110	8,943	6,876
		<u>155,733</u>	<u>4,110</u>	<u>159,843</u>	<u>421,855</u>
	<b>Support costs:</b>				
	Secretarial fees	4,265	-	4,265	2,580
	Audit fees	-	4,060	4,060	3,700
	Administration expenses	568	50	618	596
		<u>4,833</u>	<u>4,110</u>	<u>8,943</u>	<u>6,876</u>

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

## THE RYVOAN TRUST

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 September 2018

5	Net gains on investment assets	2018	2017
		£	£
	Realised gains on disposal	-	2,920
	Unrealised gains on revaluation	927,599	516,588
		<u>927,599</u>	<u>519,508</u>
6	Grants payable	2018	2017
		£	£
	Aberlour Child Care Trust	-	5,000
	Autism Initiatives (UK)	-	13,500
	Bobath Scotland	-	50,000
	Circle Supporting Families in Scotland	-	5,000
	Clan Childlaw	2,500	-
	CrossReach	5,000	-
	Cyrenians	50,000	-
	Drake Music	2,000	-
	ECAS	2,000	-
	Edinburgh Children's Hospital Charity	-	90,000
	Edinburgh International Book Festival	-	10,000
	Edinburgh Young Carers	-	3,000
	EMMS International	5,000	-
	Glasgow Children's Holiday Scheme	-	5,000
	Health n Happy Community Development Trust	5,100	-
	Home-Start West Lothian	1,000	-
	Home Link Family Support	-	3,000
	Islay & Jura Community Enterprises	5,800	-
	Lothian Autistic Society	-	3,000
	Lothian Centre for Inclusive Learning	-	2,000
	Marie Curie	-	6,479
	Orcadia Creative Learning Centre	-	2,000
	Parent to Parent	-	2,000
	Penumbra	(10,000)	-
	Pilton Youth & Children's Project	10,000	-
	Redburn School	1,000	-
	Scotland's Charity Air Ambulance	-	140,000
	Scottish Huntington's Association	5,000	-
	Spartan's Community Football Academy	25,000	-
	St Andrews Children's Society	5,000	-
	Super Power Agency	5,000	-
	Tailor Ed Foundation	20,000	-
	The Back-Up Trust	5,000	-
	The Growth Partnership	-	15,000
	The Holiday Project	3,000	-
	The Yard	-	60,000
	Western Isles Citizens Advice Service	3,500	-
		<u>150,900</u>	<u>414,979</u>

## THE RYVOAN TRUST

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### NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 30 September 2018

#### 7 Trustees' remuneration and expenses

Trustees, who are the key management personnel, received no remuneration in the year (2017: £nil).

No expenses were reimbursed to Trustees during the year (2017: £nil).

8 Investments	2018 £	2017 £
Opening market value	5,434,763	5,415,255
Investments bought at cost	500,000	-
Investments sold at opening market value	-	(497,080)
	<u>5,934,763</u>	<u>4,918,175</u>
Unrealised gains on revaluation	927,599	516,588
	<u>6,862,362</u>	<u>5,434,763</u>
Closing market value		
	<u>6,862,362</u>	<u>5,434,763</u>
Listed investments at cost as at 30 September 2018	<u>4,575,351</u>	<u>4,075,351</u>

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

	2018 £	2017 £
Heriot Global Fund	<u>6,862,362</u>	<u>5,434,763</u>

9 Debtors	2018 £	2017 £
Prepayments and accrued income	<u>404</u>	<u>507</u>

10 Creditors: amounts falling due within one year	2018 £	2017 £
Accruals for grants payable	41,000	24,000
Accruals	<u>4,175</u>	<u>3,700</u>
	<u>45,175</u>	<u>27,700</u>

#### 11 Control

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

#### 12 Related party transactions

There were no related party transactions during the year.