

**The Ryvoan Trust**  
**Report and Financial Statements**  
**for the year ended 30 September 2012**

**Charity number: SC040707**

# The Ryvoan Trust

## Contents

	<b>Page</b>
Charity information	<b>1</b>
Trustees' Annual Report	<b>2 - 4</b>
Independent Auditor's Report	<b>5 - 6</b>
Statement of Financial Activities	<b>7</b>
Balance Sheet	<b>8</b>
Notes to the Financial Statements	<b>9 - 14</b>

## **The Ryvoan Trust**

### **Legal and Administrative Information**

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

# **The Ryvoan Trust**

## **Trustees' Annual Report for the year ended 30 September 2012**

The Trustees present their report and the financial statements of the charity for the year ended 30 September 2012.

### **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 governed by its Trust Deed which was established on 30 June 2009. The Trust is a registered Scottish 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.

## **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.

## **ACHIEVEMENTS AND PERFORMANCE**

The Trust increased its giving during 2012, although the number of awards was reduced from 21 to 17. There were 6 repeat awards and 11 new awards.

The largest award was to Columba 1400 to fund residential courses for two schools in Argyll and Bute. Two of the Trustees visited at the conclusion of one residential week in Skye and participated in the graduation ceremony.

## **The Ryvoan Trust**

### **Trustees' Annual Report for the year ended 30 September 2012**

There are emerging themes associated with the awards. There is a consistent focus on children, young people and disability including mental health concerns. The trust has supported two capital projects providing high quality play space for disabled and vulnerable children. Other awards have been for ongoing funding to plug gaps in Social Service/ public sector funding. These include assisting with facilitating swimming for disabled children and providing some funding to CLIC Sergeant's house for relatives of children in hospital in Edinburgh. The Memory box award was to assist with Alzheimer patients using ipads to record life stories and memories.

There were local awards to Edinburgh World Heritage. The Book Festival and St Columbas's Hospice building project. The remainder of the funding was to projects run in Scotland. The only international award was to Sightsavers who are working worldwide to eradicate some eye diseases and providing local training to skilled health professionals.

These awards are in line with the Trust Deed but as the Trust develops, it is apparent that there are areas of particular interest that the Trustees are drawn to support. The Trustees value ongoing feedback from projects and have visited l'Arche and Columba 1400 to understand more fully their work.

The Trustees meet several times a year to consider applications and are working towards a simple application process, perhaps on line. The Trustees have deliberately kept the award parameters wide during the early life of the Trust and regularly review the focus and scope of the Trust's work.

#### **FINANCIAL REVIEW**

Per The Statement of Financial Activities on page 7, the Trust reported Net Incoming Resources (i.e. a surplus) for the year of £11,423. A total of £5,208,921 was retained in accumulated funds at the year end, 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.

#### **Reserves policy**

It is the policy of the Trustees to maintain unrestricted funds, which are the free reserves of the charity, at a level sufficient to meet the Trust's annual administrative costs and ongoing grant activities. The Trustees aim to distribute two thirds of the Trust's income each year and to build up reserves so that they can commit to make grants over several years.

#### **Investment policy**

During the year, the Trust's funds remained on deposit with the interest earned used to make awards. Long term investment policy was kept under review and discussed at each meeting of the Trustees. The discussions highlighted the need to grow the Trust's income, keeping its spending power intact after taking inflation into account. Given that the Trust's capital is permanent, fluctuations in share prices are of less concern. The goal is a portfolio capable of sustained dividend growth to underpin the Trust's resources from which awards are made. At a meeting shortly after the year end, it was decided to appoint an investment manager to take responsibility for managing the Trust's assets with these objectives.

## **The Ryvoan Trust**

### **Trustees' Annual Report for the year ended 30 September 2012**

#### **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:

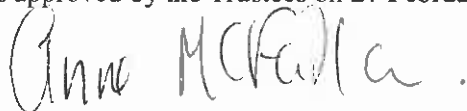
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

Alexander Sloan, Chartered Accountants, were appointed auditors to the charity and a resolution proposing their reappointment will be put to the Annual General Meeting.

This report was approved by the Trustees on 27 February 2013 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 2012 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 [APB's] Ethical Standards for Auditors.

#### **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 2012 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**  
**Chartered Accountants and**  
**Statutory Auditor**  
**27 February 2013**

**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



## The Ryvoan Trust

### Statement of Financial Activities

for the year ended 30 September 2012

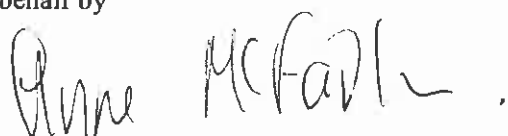
		Unrestricted funds £	Endowment funds £	2012 Total £	2011 Total £
	Notes				
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Investment income	2	109,049	-	109,049	106,340
<b>Total incoming resources</b>		<u>109,049</u>	<u>-</u>	<u>109,049</u>	<u>106,340</u>
<b>Resources expended</b>					
<b>Charitable activities</b>	3	(95,746)	-	(95,746)	(84,801)
<b>Governance costs</b>	5	(1,880)	-	(1,880)	(2,936)
<b>Total resources expended</b>		<u>(97,626)</u>	<u>-</u>	<u>(97,626)</u>	<u>(87,737)</u>
<b>Net incoming resources</b>		11,423	-	11,423	18,603
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>97,498</u>	<u>5,100,000</u>	<u>5,197,498</u>	<u>5,178,895</u>
<b>Total funds carried forward</b>		<u><u>108,921</u></u>	<u><u>5,100,000</u></u>	<u><u>5,208,921</u></u>	<u><u>5,197,498</u></u>

The notes on pages 9 to 14 form an integral part of these financial statements.

**The Ryvoan Trust**  
**Balance Sheet**  
**as at 30 September 2012**

	Notes	2012		2011	
		£	£	£	£
<b>Current assets</b>					
Debtors	8	9,300		9,000	
Cash at bank and in hand		5,206,541		5,190,178	
		<u>5,215,841</u>		<u>5,199,178</u>	
<b>Creditors: amounts falling due within one year</b>					
	9	<u>(6,920)</u>		<u>(1,680)</u>	
<b>Net current assets</b>			<u>5,208,921</u>		<u>5,197,498</u>
<b>Net assets</b>			<u>5,208,921</u>		<u>5,197,498</u>
<b>Funds</b>					
Unrestricted funds					
General funds	11		108,921		97,498
Endowment funds	12		<u>5,100,000</u>		<u>5,100,000</u>
			<u>5,208,921</u>		<u>5,197,498</u>

The financial statements were approved and authorised for issue by the Trustees on 27 February 2013 and signed on their behalf by



**Anne McFarlane**  
**Trustee**

The notes on pages 9 to 14 form an integral part of these financial statements.

# The Ryvoan Trust

## Notes to the Financial Statements for the year ended 30 September 2012

### 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.

### 2. Investment income

	2012	2011
	£	£
Interest received	109,049	106,340
	<u>109,049</u>	<u>106,340</u>

## The Ryvoan Trust

### Notes to the Financial Statements for the year ended 30 September 2012

#### 3. Costs of charitable activities

	2012	2011
	£	£
Grants payable (Note 4)	94,400	84,580
Running costs	1,286	162
Bank charges	60	59
	<u>95,746</u>	<u>84,801</u>

## The Ryvoan Trust

### Notes to the Financial Statements for the year ended 30 September 2012

#### 4. Grants payable

	2012	2011
	£	£
The following grants were paid out to institutions by the charity:		
New Destiny Trust	-	4,500
Prince's Trust	-	25,000
Just for Kids Law	-	3,000
Jamie's Farm	-	11,830
The Stewart Ivory Financial Education Project	-	3,000
Safe Space	-	3,000
Dove Centre	-	500
ECAS	1,250	1,000
Salvation Army	-	1,000
Glasgow Children's Holiday Scheme	5,000	3,000
North Edinburgh Childcare	-	2,450
Penumbra	3,000	3,000
Scottish Society for Autism	-	1,000
The Broomhouse Centre	-	2,000
CLIC Sargeant	5,000	3,000
The Back-Up Trust	5,000	5,000
Young Enterprise	-	5,000
Friends of King George V and Scotland Yard Parks	-	1,300
The Beatson Pebble Appeal	-	1,000
Edinburgh World Heritage	2,500	2,500
Deaf Connections	-	2,500
Special Needs Adventure Playground	7,000	-
Scottish Adoption	2,000	-
Sightsavers	3,000	-
Bobath	2,500	-
The Yard Adventure Centre	5,000	-
The Memory Box	650	-
St Columba's Hospice	3,000	-
Edinburgh International Book Festival	2,000	-
Orcadia Creative Learning Centre	2,500	-
L'Arche	5,000	-
Columba 1400	40,000	-
	94,400	84,580

## The Ryvoan Trust

### Notes to the Financial Statements for the year ended 30 September 2012

**5. Governance costs**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Audit	1,880	2,208
AGM and Trustee meetings	-	728
	1,880	2,936
	1,880	2,936

**6. Net incoming resources for the year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Net incoming resources is stated after charging: Auditors' remuneration	1,880	2,208
	1,880	2,208

**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 (2011 - £728, Travel). See also Note 13.

**8. Debtors**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	9,300	9,000
	9,300	9,000

**9. Creditors: amounts falling due within one year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Other creditors	5,100	-
Accruals and deferred income	1,820	1,680
	6,920	1,680
	6,920	1,680

## The Ryvoan Trust

### Notes to the Financial Statements for the year ended 30 September 2012

#### 10. Analysis of net assets between funds

	Unrestricted funds £	Endowment funds £	Total funds £
Fund balances at 30 September 2012 as represented by:			
Current assets	115,841	5,100,000	5,215,841
Current liabilities	(6,920)	-	(6,920)
	108,921	5,100,000	5,208,921
	108,921	5,100,000	5,208,921

#### 11. Unrestricted General Funds

	1 Oct '11 £	Incoming £	Outgoing £	30 Sep '12 £
General Fund	97,498	109,049	(97,626)	108,921
	97,498	109,049	(97,626)	108,921
	97,498	109,049	(97,626)	108,921

#### Purposes of General Funds

##### *General Fund*

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

#### 12. Endowment funds

	1 Oct '11 £	30 Sep '12 £
Permanent Endowment Fund	5,100,000	5,100,000
	5,100,000	5,100,000
	5,100,000	5,100,000

#### Purposes of endowment funds

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

## **The Ryvoan Trust**

### **Notes to the Financial Statements for the year ended 30 September 2012**

#### **13. Transactions with Trustees**

At the year end, £5,000 (2011: £nil) was due to Trustee, Alan McFarlane representing a grant payment made by Alan McFarlane on behalf of the Trust. At the year end, £100 (2011: £nil) was due to Trustee, Anne McFarlane relating to the introduction of petty cash.