

JOHN W ROSS CHARITABLE FUND

Scottish Charity SC039103

REPORT AND FINANCIAL STATEMENTS

FROM : 6TH APRIL 2024

TO: 5TH APRIL 2025

JOHN W ROSS CHARITABLE FUND
GENERAL INFORMATION AND REPORT OF
THE TRUSTEES FOR YEAR ENDED 5TH APRIL 2025

The Trustees present their annual report and financial statements for the charity for the year ended 5th April 2025. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the Charity's Trust Deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102) (second edition issued October 2019 and effective 1 January 2019).

Objectives and activities

Objectives of Fund

The trustees are directed to hold the trust fund for Royal National Lifeboat Institution ("RNLI") and Scottish Maritime Museum Trust ("SMMT"), the present principal beneficiaries, so long as the said charities provide a trustee, and to pay them the income from their respective shares.

The aim of the trustees is to provide income for the principal beneficiaries as they exist from time to time once the provisions for the preservation of capital are met.

Grant-making policy

In terms of the Constitution, after allowing for the preservation of capital, the income of the Fund is payable equally to the principal beneficiaries.

Report on the activities of the Fund

No capital adjustment has been made in this account and the stated beneficiaries are each to be paid £18,253.74 in respect of the net income.

Achievements and performance

Regulatory position

The Supplemental Deed of Trust was entered into by the trustees, following approval by the Office of the Scottish Charity Regulator ("OSCR") of a Reorganisation Scheme under Section 42 of the Charities and Trustee Investment (Scotland) Act 2005 ("the 2005 Act").

As a result of the execution of the Supplemental Deed of Trust in 2009, OSCR was satisfied that the Fund met the "charity test" in Section 7 of the 2005 Act and HMRC confirmed that the Fund would be treated as a charity for tax purposes.

By Supplementary Deed of Trust dated 20th April 2023 and registered in the Books of Council and Session on 21st April 2023, the Trustees, with the approval OSCR, amended the Trust Deed to the effect that part of all expenditure of administration and fund management would be applied to the capital of the Trust and that the annual indexation basis of the Funds would change from Retail Prices Index ("RPI") to the Consumer Prices Index ("CPI"). The latter provision is due to the intention of HM Government to discontinue use of the former basis.

Investment policy and performance

In accordance with the Constitution, the trustees have power to invest in such stocks, shares, investments and property in the United Kingdom or abroad as they in their sole discretion think fit. The Trustees engage RBC Brewin Dolphin as investment managers.

The trustees investment policy is geared towards achieving a maximum return of income for the principal beneficiaries after preserving the capital of the trust fund measured as the increase in capital value from 24th December 2007 to match the Consumer Price Index ("CPI").

There are no other constraints as to the investments comprising the portfolio.

JOHN W ROSS CHARITABLE FUND
GENERAL INFORMATION AND REPORT OF
THE TRUSTEES FOR YEAR ENDED 5TH APRIL 2025

Investment policy and performance

As at 5th April 2025 the value of the portfolio had depreciated by 0.36% over the year under review. This was mainly due to market movements in the year.

Dividend income has appreciated by 3.75% as a result of changes in the portfolio in the current and previous years.

Financial review

Financial report

The Fund's ability to distribute income to the principal beneficiaries is reliant on income and investment returns from its investment portfolio.

The investments of the Fund have a fair value of £1,651,148.54 (2024 £1,657,147.43) and there are net current assets of £45,772.40 (2024 £67,098.93).

The total value of the Fund amounts to £1,696,920.94 (2024 £1,724,246.36) and are held equally between the beneficiary funds.

Reserves policy

As directed by the Constitution, the value of the trust fund is to be maintained in line with the increase in the CPI. Any fall in the capital value on this measure is to be replaced from income.

The principal beneficiaries are entitled to receive their respective share of the net income after preservation of the capital of the trust fund has been taken into account.

The trust fund is wholly restricted and represented by a portfolio of investments and cash balances. The investments are managed on a discretionary basis by the investment managers.

The Fund does not provide direct charitable services and the Fundees are of the opinion that normal expenditure can be met from income generated.

As the assets of the Fund are held in a ready realisable form the Fundees do not therefore consider it necessary to maintain specific reserves.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Fund's ability to continue as a going concern and have reasonable expectation that the Fund has adequate resources to continue in operational existence for the foreseeable future.

Structure, governance & management

Constitution

- 1) Will by [REDACTED] dated 21st January 2003 and registered in the Court Books of the Commissariat of Strathclyde at Kilmarnock on 19th January 2005.
- 2) Supplemental Deed of Trust by the Trustees dated 9th December 2009 and registered in the Books of Council and Session on 29th December 2009.
- 3) Supplemental Deed of Trust by the Trustees dated 20th April 2023 and registered in the Books of Council and Session on 21st April 2023

The principal beneficiaries

RNLI and SMMT.

JOHN W ROSS CHARITABLE FUND
GENERAL INFORMATION AND REPORT OF
THE TRUSTEES FOR YEAR ENDED 5TH APRIL 2025

Appointment of new trustees

The principal beneficiaries must appoint a Trustee to represent them. If a principal beneficiary is unable to provide a Trustee within six months, it forfeits its share of the Fund which is passed on, in order, to successor charities named in the Trust Deed subject to the provision of a Trustee. Other Trustees may also be assumed.

Decision making

All Trustees are actively involved in the decision making process.

Management

All Trustees are actively involved in the management of the Fund. They are deemed to be the key management personnel.

Training

Turcan Connell keep the Trustees apprised of their responsibilities and of any changes to legislation and best practice. The Trustees have also attended charity trustee training seminars during the year.

Related parties

The partners of Turcan Connell are directors of Turcan Connell (Trustees) Limited, one of the Trustees.

Turcan Connell provide legal and accounting services to the Fund for which fees are paid. In the period to 5th April 2025 fees paid to Turcan Connell amounted to £6,026.60 (including VAT) (2024 £8,220.00) of which £1,260.00 (2024 £2,000.00) is outstanding at the year end.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Fund and are satisfied that their exposure to major risks are sufficiently safeguarded and have developed and adopted a Statement of Risk Controls which is reviewed annually.

As the Fund relies on its investment returns in order to make its donations, the principal risk faced by the Fund lies in the performance of its investments.

The trustees consider loss of income to constitute the charity's major financial risk and have mitigated this by retaining investment managers. The investment advisers have been advised of the strict terms of the Will and are conscious that the capital value of the Fund must be maintained since a failure to do so will mean a potential loss of income to the beneficiaries. The portfolio has been structured accordingly and the figures checked regularly against the capital value of the portfolio. The Trustees monitor the administration costs of the Fund to ensure that these are reasonable and justified.

JOHN W ROSS CHARITABLE FUND
GENERAL INFORMATION AND REPORT OF
THE TRUSTEES FOR YEAR ENDED 5TH APRIL 2025

Reference and administrative details

Scottish Charity SC039103

Address Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh,
EH3 9EE

Trustees (Appointed by deed/assumption) Turcan Connell (Trustees) Limited


Advisers

Solicitors

Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh, EH3 9EE

Investment advisers
RBC Brewin Dolphin
Sixth Floor, Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Independent examiner


Chiene + Tait LLP (Trading as CT)
Chartered Accountants and
Independent Examiners
61 Dublin Street
Edinburgh, EH3 6NL

JOHN W ROSS CHARITABLE FUND
GENERAL INFORMATION AND REPORT OF
THE TRUSTEES FOR YEAR ENDED 5TH APRIL 2025

Statement of trustees'
responsibilities in respect
of the financial statements

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

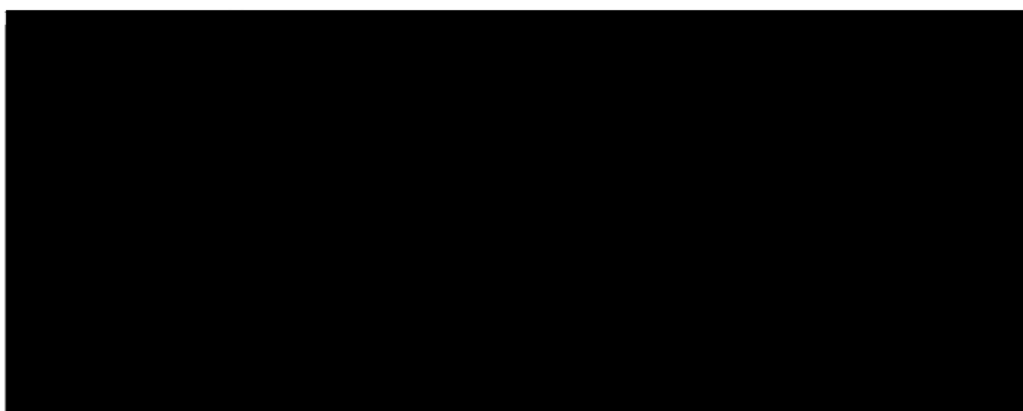
The law applicable to Charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Fund and of the incoming resources and application of resources of the Fund for that period. In preparing these financial 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 and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the Fund will continue on that basis.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Fund 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 Fund's Constitution. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements preparation

The trustees confirm that the financial statements for the year ended 5th April 2025 have been prepared so as to comply with current statutory requirements, the Charity SORP and the Fund's constitution.



**JOHN W ROSS CHARITABLE FUND
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

I report on the financial statements of the Fund for the year ended 5th April 2025 which are set out on pages 8 to 14.

This report is made to the trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the trustees, as a body, for my work or for this report.

Respective responsibilities of trustees and examiner

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

Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Regulations.

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

Independent examiner's statement

In the course of my examination, no matter has come to my attention :

- 1) which gives me reasonable cause to believe that in any material respect the requirements :
 - to keep accounting records in accordance with Section 44 (1)(a) of the Act and Regulation 4 of the Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Regulations.
- 2) have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

CT

3 October 2025

Examiner

Date

Chiene + Tait LLP (Trading as CT)
Chartered Accountants and
Independent Examiners
61 Dublin Street
Edinburgh, EH3 6NL

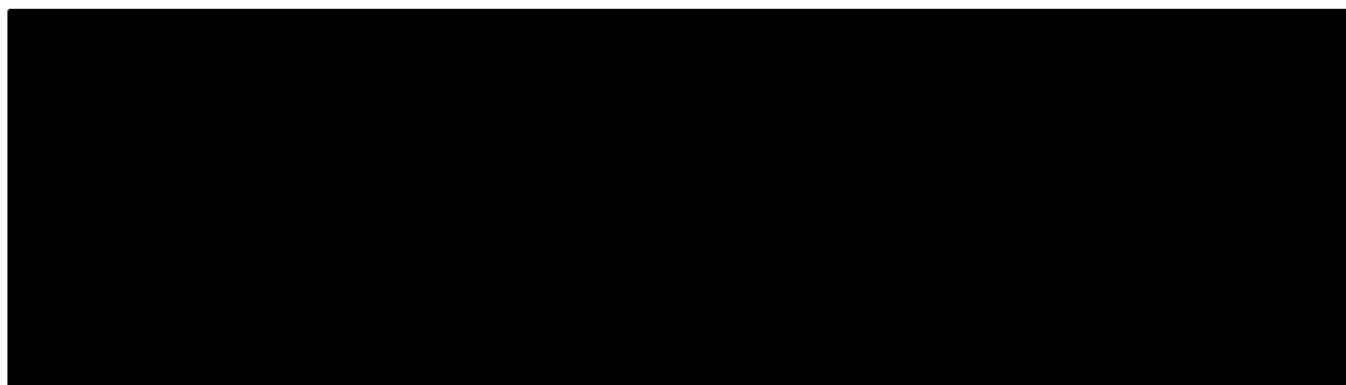
JOHN W ROSS CHARITABLE FUND
BALANCE SHEET AS AT 5TH APRIL 2025

	<u>Notes</u>	<u>2025</u> £	<u>2024</u> £
<u>Fixed assets</u>			
Investments	10	1,651,148.54	1,657,147.43
<u>Current assets</u>			
Cash on deposit and in hand		82,448.37	98,831.73
Debtors	2	4,127.50	4,853.64
Total current assets		86,575.87	103,685.37
<u>Less:</u>			
<u>Current liabilities</u>			
Creditors: amounts due within twelve months	3	(40,803.47)	(36,586.44)
Total current liabilities		(40,803.47)	(36,586.44)
Net current assets		45,772.40	67,098.93
Net assets		1,696,920.94	1,724,246.36
<u>The funds of the charity</u>			
Restricted funds		1,696,920.94	1,724,246.36
Total charity funds		1,696,920.94	1,724,246.36

All funds are restricted

The notes on pages 10 to 14 form part of these accounts
All activities relate to continuing operations

Approved by the trustees and authorised to be signed on their behalf on



JOHN W ROSS CHARITABLE FUND
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5TH APRIL 2025

	<u>Notes</u>	<u>2025</u> <u>Total</u> <u>£</u>	<u>2024</u> <u>Total</u> <u>£</u>
<u>Income and endowments from:</u>			
Investment Income	5	52,456.20	50,372.93
Total income		<u>52,456.20</u>	<u>50,372.93</u>
<u>Expenditure on:</u>			
<u>Raising funds</u>			
Investment management charges	8	(11,449.29)	(10,921.10)
<u>Charitable activities</u>			
Donations	4	(36,507.48)	(33,960.11)
Support and governance costs	9	(8,486.60)	(10,532.00)
Total expenditure		<u>(56,443.37)</u>	<u>(55,413.21)</u>
		(3,987.17)	(5,040.28)
Net (losses)/ gains on investments	10	(23,338.25)	34,358.94
Net income and net movement in funds		<u>(27,325.42)</u>	<u>29,318.66</u>
<u>Reconciliation of funds</u>			
Total funds brought forward	11	1,724,246.36	1,694,927.70
Total funds carried forward	11	<u>1,696,920.94</u>	<u>1,724,246.36</u>

All funds are restricted.

All activities relate to continuing operations

The notes on pages 10 to 14 form part of these accounts

JOHN W ROSS CHARITABLE FUND
Notes to the Financial Statements
For the year to 5th April 2025

1 Accounting Policies

a) Financial statements preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (second edition issued October 2019 and effective 1 January 2019).

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

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Fund's ability to continue as a going concern and have reasonable expectation that the Fund 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 the financial statements.

b) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date. The statement of financial activities includes the net gains or losses arising on revaluation and disposals throughout the year.

Fair value revaluation of the portfolio at the account date is done at either mid market price or bid price depending on the nature of the investment.

c) Realised gains and losses

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

d) Income

Investment income is included in the financial statements in the year in which the charity becomes entitled to it, it can be reliably determined and there is probability of receipt.

Donations are included in the financial statements together with associated gift aid, where applicable, when the trustees have been advised of the donation with notification of both amount and intended settlement date.

e) Expenditure

Expenditure is included in the financial statement on an accruals basis and recognised in full as soon as a constructive obligation exists, the sums payable can be reliably measured and there is probability of payment.

f) Cost of raising funds

Investment management charges are included on an accruals basis and recognised in full as soon as a constructive obligation exists.

g) Donations

The net income of the charity is payable to the two beneficiary organisations equally between them. Net income is determined annually following preparation of the financial statements, and is recorded in the Statement of Financial Activities as a constructive obligation at that point.

JOHN W ROSS CHARITABLE FUND
Notes to the Financial Statements
For the year to 5th April 2025

h) Support and governance costs

Support costs are the costs associated with the direct management of the charity.

Governance costs are the costs of compliance with the statutory and regulatory requirements of the charity.

Fees charged by Turcan Connell for legal and accounting services are included in the financial statements as follows:

Governance (accountancy costs) - 20%

Support (legal and administrative costs) - 80%

These are recorded in the Statement of Financial Activities as appropriate.

Independent examination fees are recorded in support and governance costs in the Statement of Financial Activities.

All other support and governance costs are recorded in the Statement of Financial Activities as appropriate.

As the charity does not provide services directly but by way of grants to other organisations, support and governance costs are not allocated against individual grants or donations.

i) VAT

The Charity is not registered for VAT purposes and all VAT incurred is therefore irrecoverable. Where applied, VAT is included as part of the expense.

j) Funds

All funds are restricted. The principal beneficiaries are entitled to receive the income of the Fund after any capital adjustment for capital preservation.

k) Financial instruments

The Fund 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, or fair value if investments.

2 Debtors

	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
Dividends	1,783.50	2,902.88
Accrued interest	2,344.00	1,950.76
	<u>4,127.50</u>	<u>4,853.64</u>

3 Creditors

	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
Turcan Connell, legal fees	2,000.00	1,260.00
CT, independent examination fees	2,280.00	2,100.00
Royal National Lifeboat Institution ("RNLI")	18,261.74	16,613.22
Scottish Maritime Museums Trust ("SMMT")	18,261.73	16,613.22
	<u>40,803.47</u>	<u>36,586.44</u>

JOHN W ROSS CHARITABLE FUND
Notes to the Financial Statements
For the year to 5th April 2025

<u>4 Charitable activities - donations</u>	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
RNLI	18,253.74	16,980.06
SMMT	18,253.74	16,980.05
	<u>36,507.48</u>	<u>33,960.11</u>

<u>5 Investment income</u>	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
Dividends & interest	50,524.96	48,699.21
Deposit interest	1,931.24	1,673.72
	<u>52,456.20</u>	<u>50,372.93</u>

6 Related Party Transactions

The partners of Turcan Connell are directors of Turcan Connell (Trustees) Limited, one of the trustees. Turcan Connell provides legal and accounting services to the Fund for which fees are paid. In the period to 5th April 2025 fees paid to Turcan Connell amounted to £6,026.60 (including VAT) (2024 £8,220.00). The Fund has no employees (2024 Nil).

7 Trustees' expenses

No fees or expenses have been paid to the trustees (2024 NIL). All trustees, who are also the key management, personnel act gratuitously.

<u>8 Cost of raising funds</u>	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
Investment management fees	11,449.29	10,921.10
	<u>11,449.29</u>	<u>10,921.10</u>

<u>9 Support and governance costs</u>	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
<u>Support Costs</u>		
Administration	4,821.28	6,576.00
Other Costs	-	20.00
	<u>4,821.28</u>	<u>6,596.00</u>
<u>Governance costs</u>		
Accounting	1,205.32	1,644.00
Independent examiner's fees	2,460.00	2,292.00
	<u>3,665.32</u>	
	<u>8,486.60</u>	<u>10,532.00</u>

JOHN W ROSS CHARITABLE FUND
Notes to the Financial Statements
For the year to 5th April 2025

10 <u>Investments</u>	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
Fair value of investments at 05/04/24	£ 1,657,147.43	£ 1,631,081.54
<u>Add</u>		
Purchases	331,694.31	610,695.21
	<u>£ 1,988,841.74</u>	<u>£ 2,241,776.75</u>
<u>Less</u>		
Sales	314,354.95	618,988.26
Opening book value of investments realised	<u>312,373.20</u>	
	<u>£ 1,674,486.79</u>	<u>£ 1,622,788.49</u>
Net realised gains/(losses)	1,981.75	(20,560.48)
Unrealised (losses)/gains	<u>(25,320.00)</u>	<u>54,919.42</u>
Fair value of investments at 05/04/25	<u>£ 1,651,148.54</u>	<u>£ 1,657,147.43</u>
Held Thus:	<u>£</u>	<u>%</u>
Global Corporate Bonds	38,780.70	2.35
Global Index Linked Bonds	76,085.30	4.61
Global Sovereign Bonds	104,077.40	6.30
UK Corporate Bonds	141,362.34	8.56
UK Sovereign Bonds	216,477.64	13.12
Developed Asia ex Jpn	41,156.34	2.49
Developed Europe ex UK	29,944.04	1.81
Global Equities	106,532.23	6.45
Japanese Equities	24,136.47	1.46
North American Equities	244,609.18	14.82
UK Equities	148,876.64	9.02
Absolute Return	173,410.09	10.51
Commodities	144,390.18	8.74
Global Property	73,061.99	4.42
Other Alternatives	48,248.00	2.92
Cash Products	40,000.00	2.42
	<u>1,651,148.54</u>	<u>100.00</u>

All investments are quoted on a recognised Stock Exchange and are held in the UK.

The main risk to the Fund from financial instruments lies in the volatility of the markets.

The Fund's investments are mainly traded in markets with good liquidity and high trading volumes. The Fund has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Fund manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

JOHN W ROSS CHARITABLE FUND
Notes to the Financial Statements
For the year to 5th April 2025

11 <u>Specific funds</u>	<u>Opening balance</u>	<u>Income</u>	<u>Expenditure</u>	<u>Net Investment</u> <u>Losses</u>	<u>Closing balance</u>
	£	£	£	£	£
RNLI	862,123.20	26,228.10	(28,221.69)	(11,669.13)	848,460.48
SMMT	862,123.16	26,228.10	(28,221.68)	(11,669.12)	848,460.46
	<u>1,724,246.36</u>	<u>52,456.20</u>	<u>(56,443.37)</u>	<u>(23,338.25)</u>	<u>1,696,920.94</u>

All funds are restricted.

<u>Specific funds as at 5th April 2024</u>	<u>Opening balance</u>	<u>Income</u>	<u>Expenditure</u>	<u>Net Investment</u> <u>Gains</u>	<u>Closing balance</u>
	£	£	£	£	£
RNLI	847,463.87	25,186.47	(27,706.61)	17,179.47	862,123.20
SMMT	847,463.83	25,186.46	(27,706.60)	17,179.47	862,123.16
	<u>1,694,927.70</u>	<u>50,372.93</u>	<u>(55,413.21)</u>	<u>34,358.94</u>	<u>1,724,246.36</u>

12 <u>Indexation adjustments</u>	£	£
Capital value 5th April 2025		<u>1,696,920.94</u>
Opening capital value as at 24th December 2007*	1,171,184.30	
CPI as at 24th December 2007	83.00	
CPI as at 5th April 2025	135.10	
Indexation	735,165.08	
	<u>1,906,349.38</u>	
Adjusted closing value		<u>1,696,920.94</u>

* 24th December 2007 was the date charitable consent was granted.