

**STEWART IVORY FINANCIAL EDUCATION TRUST (“SIFET”)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021
CHARITY NUMBER: SC045517**

Reference and administrative details

Trustees

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] (resigned 1 December 2020)

Principal office

The City Partnership (UK) Limited
110 George Street
Edinburgh
EH2 4LH

Secretary and administrator

The City Partnership (UK) Limited
110 George Street
Edinburgh
EH2 4LH

Independent examiner

[REDACTED] CA
AH & Co Ltd Chartered Accountant
6 Logie Mill
Edinburgh
EH7 4HG

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
ME19 4JQ

Report of the Trustees for the year ended 31 July 2021

The Trustees present their report and financial statements of Stewart Ivory Financial Education Trust ("SIFET" or "The Project") for the year ended 31 July 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

SIFET is established for charitable purposes only, and, in particular, the objects are:

- To advance the financial education of senior school pupils throughout Scotland by the delivery of key and important interactive sessions, at schools where SIFET is invited to deliver such presentations.
- To promote financial awareness and understanding in school leavers and other young people, to help relieve problems encountered by school leavers and other young people through being ill-equipped to understand and manage their financial affairs in a mature and responsible manner.

The area within which the organisation operates (in its constitution, referred to as the 'Area of Benefit') is the mainland and islands of Scotland.

Self-employed financial education officers ("FEOs") provide presentations to senior pupils in Scottish schools. The presentations are offered to the schools free of charge. FEOs are paid a fee for each presentation and reimbursed related travel expenses incurred in delivering the presentations.

FEO fees and all other costs of the Trust are paid from donations from independent donors and other contributions including in some years a few local authorities. In particular, the generosity of [REDACTED] has given SIFET a secure platform to continue to provide our services for the 2021/22 academic year, as noted in the plans for 2021/22 on page 4, as well as to plan for the future of the Project. A list of donors in the year is provided in note 3 on Page 10, other than those who have requested anonymity.

Achievements and performance in 2020/21

- Schools visited decreased due to the Covid 19 pandemic from 242 to 55, representing 14% of all Scottish schools with S6 classes
- We delivered to just over 3,400 students representing 10% of all S6 students in Scottish schools, down from 49% last year
- 182 sessions were delivered, a decline of 81% compared to the previous year
- From our evaluation system, we know that 30% of the 206 student respondents were not confident in managing their money before the FEO sessions, but this dropped to 1% after our sessions
- Our costs of managing the project reduced from £210k to £77k, mainly due to the decrease in the number of talks we carried out.
- Our website was updated to include all the FEO resources required, including new worksheets for students

Financial review

During the year, the Trust raised a total of £241,400 (year to 31 July 2020: £304,500) from donations, including a contribution from a donated service.

Total costs were £77,370 (year to 31 July 2020: £210,438) leaving a net surplus for the year of £164,066 (year to 31 July 2020: £94,523).

At the year end the Trust held reserves of £515,752 (as at 31 July 2020: £351,686) and cash balances of £519,748 (as at 31 July 2020: £358,244), the difference being net accrued liabilities.

Reserves policy

The Trustees are mindful of the requirement to consider reserves on an ongoing basis. Whilst SIFET has no substantial operating commitments to third parties the Trustees consider it appropriate to hold an amount in reserve for unforeseen cost purposes or funding shortfalls to ensure the orderly continuation of the objects of the charity. A reserve of £25,000 has been determined by the Trustees to be sufficient for this purpose which equates to 10% of normal expenditure on charitable activities. This policy is subject to ongoing review.

Risk management

The Trustees are aware of the ongoing requirement to manage risks and to mitigate these with compensating controls. The Trustees are satisfied in the year under review that the key risks of sustainability, the performance of FEOs and the ongoing interaction with donors are all subject to appropriate controls.

At the date of approval of the financial statements the Trustees are mindful of the business risk presented by COVID 19.

The Trustees have assessed, where possible, the impact on the business and have taken action to protect the business and mitigate this risk.

The charity benefits from cash resources and no external debt other than operating working capital and the company has a policy of maintaining sufficient cash levels for operational purposes. Against the background of COVID 19, the Trustees have critically assessed cashflow for the foreseeable future and, believe that the charity's liquid resources are sufficient for operational purposes for the foreseeable future.

Structure, governance and management

The Trust is a registered charity, number SC045517. It was registered as a Scottish Charitable Incorporated Organisation on 26 March 2015. The Trust is governed by its constitution.

The constitution provides for a minimum of three Trustees, and up to a maximum of seven Trustees. Trustees are appointed on the basis of their experience and commitment to the Project.

We believe that between [REDACTED], [REDACTED], [REDACTED] and [REDACTED], and together with the executive assistance of [REDACTED], our Project Manager, and The City Partnership (UK) Limited ("City"), our Secretary and Administrator, we have a good governance structure and the collective competence to develop the Project further.

Trustees

A full list of the Trustees, all of whom are unpaid and non-executive, is included on page 1 of the accounts.

Plans for 2021/2022

Subsequent to the year end, the Trustees resolved in August 2021 that all of SIFET's assets and liabilities should be transferred to, and SIFET's financial education activities continued by, another Scottish charity with similar objectives. The proposed transfer is subject to OSCR consent being received and is expected to be completed in late 2021.

Following completion of the transfer, SIFET will be wound up on a solvent basis.

Trustees' responsibilities in relation to the financial statements

The charity Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with SIFET's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.


The law applicable to charities in Scotland requires the charity Trustees to prepare financial statements for each 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 the financial statements, the Trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable 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 business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 16 September 2021 and signed on their behalf by:


Trustee


Trustee

Independent examiner's report to the Trustees of Stewart Ivory Financial Education Trust (Charity Number: SC045517)
Year ended 31 July 2021

I report on the accounts of the charity for the year ended 31 July 2021 which are set out on pages 6 to 11.

Respective responsibilities of Trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts 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 statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the 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 accounts.

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 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended)
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended) have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: [REDACTED] CA
AH & Co Ltd, Chartered Accountant
6 Logie Mill, Edinburgh, EH7 4HG
Date: 23 September 2021

Statement of financial activities
Year ended 31 July 2021

	Notes	2021 £	2020 £
Income and endowments from:			
Donations	3	200,000	250,000
Charitable contributions	3, 4	41,400	54,500
Bank interest receivable		36	461
Total income		241,436	304,961
Expenditure on charitable activities	5, 6	77,370	210,438
Net movement in funds (page 8)		164,066	94,523
Reconciliation of funds:			
Total funds brought forward		351,686	257,163
Total funds carried forward		515,752	351,686

All the income of the Trust is unrestricted.

The notes on pages 9 to 11 form part of these financial statements.

Balance sheet
As at 31 July 2021

	Notes	2021 £	2020 £
Current assets:			
Debtors	7	-	377
Cash at bank and in hand		<u>519,748</u>	<u>358,244</u>
Total current assets		<u>519,748</u>	<u>358,621</u>
Liabilities:			
Creditors amount falling due within one year	8	<u>3,996</u>	<u>6,935</u>
Total net assets		<u>515,752</u>	<u>351,686</u>
The funds of the charity:			
Unrestricted funds		<u>515,752</u>	<u>351,686</u>

The Trust has no long-term assets.

Approved by the board on 16 September 2021 and signed on their behalf by: -

Trustee

Trustee

The notes on pages 9 to 11 form part of these financial statements.

Cash flow statement
Year ended 31 July 2021

	2021	2020
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities:		
Net movement in funds (page 6)	164,066	94,523
Deduct interest received	(36)	(461)
Decrease/(increase) in debtors	377	(224)
(Decrease)/increase in creditors	(2,939)	221
Net cash used in operating activities	<u>161,468</u>	<u>94,059</u>
Cash flow from investing activities:		
Interest received	<u>36</u>	<u>461</u>
Net cash provided by investing activities	<u>36</u>	<u>461</u>
Change in cash and cash equivalents in the reporting period	<u>167,504</u>	<u>94,520</u>
Cash and cash equivalents at the beginning of the period	<u>358,244</u>	<u>263,724</u>
Cash and cash equivalents at the end of the period	<u>519,748</u>	<u>358,244</u>
Analysis of cash and cash equivalents:		
Cash in hand	<u>519,748</u>	<u>358,244</u>
Total cash and cash equivalents	<u>519,748</u>	<u>358,244</u>

The notes on pages 9 to 11 form part of these financial statements.

Notes to financial statements

Year ended 31 July 2021

1. Accounting Policies

Basis of preparation and assessment of going concern

The accounts (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 Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and 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). The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. There are no significant areas of adjustment and key assumptions that affect items in the accounts. The activities of the Trust depend on the continuing generosity of donors and sufficient donations on an annual basis to maintain the operations of the Trust, with the principal expenditure being payments to self-employed FEOs.

Funds structure

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

There are no restricted funds where funds are to be used in accordance with specific restrictions imposed by the donor or trust deed.

Income recognition

All income is recognised only once the Trust has received the income. In the event that a donation has been received but is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Trust and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. There were no legacy gifts received in the year.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

All expenditure is accounted for on an accrual basis.

Liabilities are recognised as expenditure as soon as there is a legal obligation committing the Trust to that expenditure, it is probable that payment will be required, and the amount of the obligation can be measured reliably.

1. Accounting Policies (continued)

Irrecoverable VAT

Irrecoverable VAT, if any, is charged against the expenditure heading for which it was incurred.

Charitable activities

Costs of charitable activities include payments made to FEOs for providing education presentations, associated travel costs and administrative expenses.

Recognition and valuation of donated goods and services

Donated goods or services are recognised when the amounts are material, readily quantifiable and measurable. The value included is estimated based on the market price the charity would otherwise have paid.

2. Trustee expenses and donations

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in kind. Expenses paid to Trustees in the year amounted to £Nil (year to 31 July 2020: £Nil).

3. Income

None of the donation income was attributable to restricted funds.

During the year donations were received from the following donors: -

M&G plc
Stewart Investors
Troy Asset Management
Two individual donors

4. Donated services

During the year The City Partnership (UK) Limited donated secretarial and administration services to the Trust. The estimated value of these services of £5,000 (year to 31 July 2020: £5,000) has been included in the accounts.

5. Analysis of expenditure on charitable activities

	2021 £	2020 £
FEO fees	26,840	145,220
FEO travel expenses	5	19,124
FEO fees – PVG applications	50	480
FEO training, project development and team meetings	1,520	508
New technology expenses	4,738	-
	<u>33,153</u>	<u>165,332</u>

SIFET has no employees.

6. Analysis of administration and development expenditure

	2021	2020
	£	£
Project Manager	20,921	20,720
Secretary and administration	17,600	18,260
Educational project costs	-	2,460
Legal and insurance costs	2,890	1,906
Independent examiner	600	840
Website and marketing costs	817	364
Other administration, marketing and branding costs	1,389	556
	<u>44,217</u>	<u>45,106</u>

Total charitable activities comprised as follows:

Charitable activities	33,153	165,332
Administration and development	44,217	45,106
	<u>77,370</u>	<u>210,438</u>

7. Analysis of debtors

	2021	2020
	£	£
Prepayments	<u>-</u>	<u>377</u>

8. Analysis of current liabilities

	2021	2020
	£	£
Trade creditors	-	5,975
Accruals	3,996	960
	<u>3,996</u>	<u>6,935</u>

9. Post balance sheet events

Subsequent to the year end, the Trustees resolved in August 2021 that all of SIFET's assets and liabilities should be transferred to, and SIFET's financial education activities continued by, another Scottish charity with similar objectives. The proposed transfer is subject to OSCR consent and is expected to be completed late in the 2021.

The Trustees have applied to OSCR for the charity to be removed from the Scottish Charity Register and dissolved on the completion of the transfer.