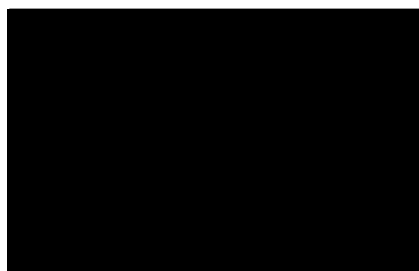


**LEUCHIE FOREVER FUND**  
**REPORT AND FINANCIAL STATEMENTS**  
**Year ended 31 December 2022**  
**Scottish Charity No: SC046234**



# LEUCHIE FOREVER FUND

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# **LEUCHIE FOREVER FUND**

## **Report of the Trustees**

**for the year ended 31 December 2022**

The Trustees have pleasure in submitting their annual report for the year ended 31 December 2022.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Trust Deed, 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 (FRS 102) (effective 1 January 2019).

### **OBJECTIVES AND ACTIVITIES**

#### Purposes

The charity was set up with the intention of the furtherance of the advancement of health by enhancing the quality of life of people affected by long term physical disability, including carers, through the promotion of respite care or short breaks for respite purposes, and the promotion of knowledge and understanding of long term conditions and of available services, in order to improve care and support for people affected by long term conditions and their families and carers and otherwise generally to promote the advancement of health and quality of life amongst people within the United Kingdom, through the support of the work of Leuchie in such manner as the Trustees shall think fit.

#### Aims

The Trust furthers its charitable objects (described above) by making grants to Leuchie, charity number SC392721 by:

- i) Raising funds for agreed revenue and major capital projects (such as planned for running costs, major equipment or building improvement);
- ii) To act as a gatekeeper for funds raised, releasing them to Leuchie if satisfied as to the nature of the request;
- iii) To raise and hold general reserves for Leuchie but not for the use of day to day expenditure or minor capital spend.

#### Activities

During the year the charity raised funds and made further grant awards as detailed below.

#### Grant making policy

The charity invites applications for funding, which are then reviewed against specific criteria as set by the Trustees in accordance with the charity's objectives. Grants are requested for planned running costs and capital projects which will improve the environment and guest experience or contribute to the longer term sustainability.

### **ACHIEVEMENTS AND PERFORMANCE**

The Trust does not engage in charitable activities directly but meets its charitable purposes, and public benefit, by awarding grants to Leuchie.

Trustees are pleased to report with Covid-19 restrictions lifting fundraising events recommenced and raised £122,727 (2021: £nil) at a cost of £74,136 (2021: £nil). Grants awarded in the year amounted to £Nil (2021: £300,000).

## **LEUCHIE FOREVER FUND**

### **Report of the Trustees**

**for the year ended 31 December 2022**

#### **FINANCIAL REVIEW**

Total income for the year was £122,852 (2021: £13,000), with expenditure of £75,036 (2021: £300,876) leaving net surplus for the year of £47,816 (2021: deficit of £287,876). All funds are unrestricted.

Grants awarded in the year amounted to £Nil (2021: £300,000). Support costs amounted to £900 during the year (2021: £876) but remain low at 0.21% of the closing general fund balance (2021: 0.22%). Costs for fundraising events were £74,136 (2021: £nil).

Cash at the bank as at 31st December 2022 amounted to £400,250 (2021: £400,125). Closing reserves amounted to £447,185 (2021: £399,369).

#### Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. They have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate exposure to the major risks.

The principal risks faced by the Trust are the operational risk from inefficient grant making and the risk of the capital sum being inefficiently invested, limiting its value through future donation to Leuchie House.

The operational risk of making ineffective grants is mitigated by ensuring the Trustees have the necessary skills and expertise to objectively assess each application received. The grant making process involves detailed scrutiny of all the applications by all Trustees.

Any single request will be accompanied by a note of possible future requests, based upon an assessment of need at the time. This will provide the Trustees with some opportunity to prioritise.

The Board have agreed that the majority of the funds held will be held in ready cash to enable the Trustees to have some flexibility, should there be a need to respond to any urgent request for support.

#### Reserves Policy

It is the policy of the Trustees to ultimately distribute the income of the charity in the form of grants or donations. At the year end the free reserves of the charity were £447,185 (2021: £399,369).

The funds of the Trust are wholly unrestricted and are represented cash balances. As the assets of the Trust are held in a readily realisable form the Trustees do not therefore consider it necessary to maintain specific reserves policy as ultimately all funds will be distributed to Leuchie.

## LEUCHIE FOREVER FUND

### Report of the Trustees

for the year ended 31 December 2022

#### PLANS FOR THE FUTURE

The Trustees will continue to consider all grant applications received by Leuchie and to assess them according to merit. There is no internal requirement that a certain proportion of income be expended in any one year. It is proposed that further funds be raised to allow support of Leuchie.

The Leuchie Forever Fund and Leuchie House Trustees have agreed to consider a merger within 12 months of the signing of the Trustees report. Until this occurs and in the unlikely event of an impediment to merger be uncovered, the Leuchie Forever Fund Trustees have reiterated and strengthened their commitment to continue to support Leuchie, working closely with Leuchie's management to raise funds for reserves and major projects.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document and constitution

The Trust is an unincorporated trust, constituted under a Trust Deed dated 13 November 2015, and is recognised as a charity by the Office of the Scottish Charity Regulator, charity number SC046234.

One Trustee resigned and was replaced in the year. A further Trustee joined in the year.

##### Recruitment and appointment of Trustees

The Trustees are appointed by the existing Board of Trustees and the Trust Deed provides for a minimum of three and maximum of nine Trustees. The Trustees meet as necessary to agree the broad strategy and grants to be awarded by the Trust and consider other issues such as investment, reserve and risk management policies and performance.

##### Trustee Induction and Training

Since all people interested in serving as a Trustee already have a depth of knowledge of the charity and its purpose, there is no formal Trustee induction and training programme. However, new Trustees are given an informal briefing on the current position by the existing Trustees at the point of joining.

##### Organisational structure

The charity has no staff and is managed at a strategic level by the Trustees. The basic management and administration of the charity on a day to day basis is undertaken by the CEO of Leuchie House.



## LEUCHIE FOREVER FUND

### Report of the Trustees

for the year ended 31 December 2022

#### REFERENCE AND ADMINISTRATIVE INFORMATION

**Charity name:** Leuchie Forever Fund (known as "LFF")  
Formerly known as The Leuchie Endowment Trust

**Patrons:** Princess Anne, Princess Royal

**Charity registration number:** SC046234

**Principal office:** Leuchie House  
North Berwick  
East Lothian  
EH39 5NT

**Trustees:**

**Independent examiner:**

**Bankers:** The Royal Bank of Scotland  
32 Court Street, Haddington  
EH41 3NS

## LEUCHIE FOREVER FUND

### Report of the Trustees

for the year ended 31 December 2022

#### Trustees' responsibilities

The Trustees are responsible for preparing a Trustees Annual Report and Financial Statements in accordance with the 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 at the end of the year and of the profit or loss for the year then ended. In preparing those 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 Trust will continue in business.

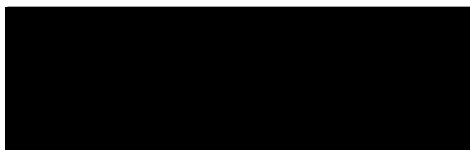
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust'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.

The Trustees are responsible for the maintenance and integrity of the Trust and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm that the accounts comply with the above requirements.

30 April

Approved by the Trustees on  2023 and signed on their behalf:



Chair, Trustee

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE**

### **LEUCHIE FOREVER FUND**

I report on the accounts for the year to 31 December 2022 set out on pages 7 to 13.

#### **Respective responsibilities of trustees and independent 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's 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 report**

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 seeking 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 Charities Accounts (Scotland) Regulations 2006 (as amended); and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (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.

  
Whitelaw Wells  
Chartered Accountants  
9 Ainslie Place  
Edinburgh  
EH3 6AT

Date: 2023



# LEUCHIE FOREVER FUND

## STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2022

	Note	2022 £	2021 £
<b>Income and endowments from</b>			
<i>Charitable activities</i>			
Donations		125	13,000
<i>Other trading activities</i>			
Fundraising events and sponsorship		122,727	-
<b>Total income</b>		<u>122,852</u>	<u>13,000</u>
<b>Expenditure on</b>			
<i>Fundraising Costs</i>	3	74,136	-
<i>Charitable activities</i>			
Grants payable	2	-	300,000
Support costs	3	900	876
<b>Total expenditure</b>		<u>75,036</u>	<u>300,876</u>
<b>Net income/ (expenditure) and Net movement in funds</b>		<u>47,816</u>	<u>(287,876)</u>
<b>Reconciliation of funds</b>			
Balance on general fund at 31 December 2021		<u>399,369</u>	<u>687,245</u>
<b>Balance on general fund at 31 December 2022</b>		<u><u>447,185</u></u>	<u><u>399,369</u></u>

The charity has no recognised gains or losses other than the results for the year set out above.  
All activities of the charity are classed as continuing and are unrestricted in the current and previous years.

The notes on pages 10 to 13 are an integral part of this statement of financial activities.

**LEUCHIE FOREVER FUND**

**BALANCE SHEET**

**As at 31 December 2022**

	Note	2022 £	2021 £
<b>Current assets:</b>			
Cash at bank		400,250	400,125
Debtors	4	47,835	-
		<hr/>	<hr/>
		448,085	400,125
<b>Creditors: amounts falling due within one year</b>	5	(900)	(756)
		<hr/>	<hr/>
Net current assets		447,185	399,369
		<hr/>	<hr/>
<b>Net assets</b>		447,185	399,369
		<hr/>	<hr/>
<b>Represented by:</b>			
Balance on general fund (unrestricted)		447,185	399,369
		<hr/>	<hr/>

Approved by the Trustees on

2023 and signed on their behalf:



Trustee

The notes on pages 10 to 13 are an integral part of these accounts.

**LEUCHIE FOREVER FUND**

**STATEMENT OF CASH FLOWS**

**For the year ended 31 December 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	5	125	(287,720)
<b>Cash flows from investing activities</b>		-	-
Net cash provided by investing activities		-	-
Change in cash and cash equivalents in the reporting period		125	(287,720)
Cash and cash equivalents at beginning of reporting period		400,125	687,845
<b>Cash and cash equivalents at end of reporting period</b>	5	400,250	400,125

The notes on pages 10 to 13 are an integral part of these accounts.

## LEUCHIE FOREVER FUND

### NOTES ON FINANCIAL STATEMENTS for the year ended 31 December 2022

#### 1. Accounting policies

##### a) Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The accounts have been prepared in accordance with the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) 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 (FRS102) (effective 1 January 2019).

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

Subject to the comments on page 3 "Plans for the Future" the Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The Trustees going concern assessment is for a period of at least 12 months from the date of signing of these financial statements.

##### b) Income recognition

All income is recognised once the charity has entitlement to the resource, it is probable that it will be received and the monetary value of the resource can be measured with sufficient reliability.

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.

Income from other trading activities includes income earned from fundraising events and sponsorship arrangements. Proceeds are recognised as income where there is reasonable certainty as to their recoverability and amount. Proceeds for events occurring in future periods are deferred and recognised in the period in which the event is held. Sponsorship income is recognised when the charity receives evidence that it is entitled to the income.

##### c) Expenditure recognition and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

- *Raising funds* consist of fundraising activities.
- *Charitable activities* include grants awarded, direct charitable activities, overheads and support costs, including governance costs.

As the Trust 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.

## LEUCHIE FOREVER FUND

### NOTES ON FINANCIAL STATEMENTS for the year ended 31 December 2022

#### 1. Accounting policies (continued)

d) Grants and donations are regarded as commitments when the Trustees have approved a request for support that is payable over a financial year-end and have written to the beneficiary stating the amount and period over which grants will be made. Where an award includes a condition outwith the charity's control the grant is only recognised once that condition has been met. If, within the commitment period, a beneficiary ceases or materially adversely changes its charitable operations or fails to meet any funding condition the Trustees would have no hesitation in withdrawing their commitment.

#### e) Financial instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the charity becomes a party to the contractual provisions of the instrument. They are classified as "basic" in accordance with FRS102 and are accounted for at the settlement amount due, which equates to the cost. Financial assets comprise cash. Financial liabilities comprise accruals.

#### f) Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 2. Charitable grants and donations

The following is a summary of grants paid by the Trust:

	2022 £	2021 £
Leuchie	-	300,000
	<hr/>	<hr/>
	-	300,000
	<hr/>	<hr/>

During the year, no (2021: three) grants were paid out totalling £nil (2021: £300,000).

All grants in the current and previous year were paid to institutions with no amounts paid to individuals.

# LEUCHIE FOREVER FUND

## NOTES ON FINANCIAL STATEMENTS for the year ended 31 December 2022

### 3. Support costs

	2022 £	2021 £
Fundraising cost:		
Her Royal Highness lunch	2,793	-
Long Lunch event costs	49,158	-
Advertising and marketing costs	6,128	-
Other support costs	15,616	-
Bank and platform charges	441	-
Governance costs:-		
Independent examiner – examination fee	900	876
	<hr/>	<hr/>
	75,036	876
	<hr/>	<hr/>

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

### 4. Debtors: amounts falling due within one year

	2022 £	2021 £
Leuchie	47,835	-
	<hr/>	<hr/>
	47,835	-
	<hr/>	<hr/>

### 5. Creditors: amounts falling due within one year

	2022 £	2021 £
Independent examination	900	756
	<hr/>	<hr/>
	900	756
	<hr/>	<hr/>

# LEUCHIE FOREVER FUND

## NOTES ON FINANCIAL STATEMENTS for the year ended 31 December 2022

<b>6. Net cash outflow from activities</b>	<b>2022</b>	<b>2021</b>
	£	£
Net income/(expenditure)	47,816	(287,876)
(Increase) in debtors	(47,835)	-
Increase in creditors	144	156
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>125</b>	<b>(287,720)</b>
	<hr/>	<hr/>

<b>Analysis of changes in net funds:</b>	<b>At 1</b>	<b>Cash flow</b>	<b>At 31</b>
	<b>January 2022</b>	<b>2022</b>	<b>December 2022</b>
	£	£	£
Cash at bank	400,125	125	400,250
	<hr/>	<hr/>	<hr/>

## 7. Related Parties

Donations totalling £Nil (2021: £300,000) was paid to Leuchie a charity, which has previously had one common trustee. During the current year Leuchie received income of £122,727 (£2021: £Nil) and paid expenses of £74,892 (2021: £Nil) on behalf of the Leuchie Forever Fund. At the year end £47,835 (2021: £Nil) was due from Leuchie to Leuchie Forever Fund, with payment made on 30 January 2023.

## 8. Trustees' Expenses

No fees or expenses have been paid to the Trustees in the year (2021: £nil). All trustees act gratuitously.

## 9. Taxation

As the charity is exempt under the terms of Section 505 of the Income and Corporation Taxes Act 1988, there is no tax charge.

## 10. Contingent liabilities

The Trustees have indicated to the Trustees of Leuchie that they will continue to support that charitable company for the foreseeable future through donations, subject to sufficient funding being available within Leuchie Forever Fund. At the year-end it cannot be reasonably estimated how much this support will be, therefore, no provision has been recognised in these accounts.