

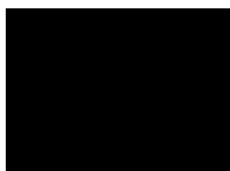
Charity registration number SC 030790 (Scotland)

THE VOLANT CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2024

THE VOLANT CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees



Charity number (Scotland)

SC 030790

Principal address

c/o Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh
EH3 9EE

Auditor

RSM UK Audit LLP
Chartered Accountants
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

Accountants

TC Citroen Wells Limited
5th Floor
3 Dorset Rise
London
EC4Y 8EN

Bankers

Bank of Scotland Plc
Turcan Connell Branch
New Uberior House
11 Earl Grey Street
Edinburgh
EH3 9BN

Solicitors

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

Investment advisors

Cazenove Capital Management
24-25 Charlotte Square
Edinburgh
EH2 4ET

Quilter Cheviot
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

THE VOLANT CHARITABLE TRUST

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THE VOLANT CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2024

The Trustees present their annual report and financial statements for the year ended 5 April 2024.

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 deed, 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 (FRS 102) (effective 1 January 2019).

Objectives and activities

The Trust was set up by author [REDACTED] in November 2000 as a grant making charity to help fund charitable causes in Scotland, with an emphasis on women and children's issues.

The main aims of the Trust, delivered through its Open Grants Programme, are to support Scottish charities, groups and projects, whether national or community-based, which alleviate social deprivation, particularly concerned with women, children and young people at risk. Projects must demonstrate a strong focus on supporting women and children affected by hardship or disadvantage and on tackling the issues they face in order to make a lasting difference to their lives and life chances.

The objectives for the year are shaped by the above aims with a view to continue funding those charities, groups and projects that meet the above criteria.

The Trust looks to achieve its strategic aims by ensuring that grants are provided to those charities, groups and projects that will use the funds for the benefit of the needy rather than being spent on administration or capital projects.

The Trustees have paid due regard to guidance issued by the Office of the Scottish Charity Regulator in deciding what activities the Trust should undertake.

The Trust also remains committed to other work that includes international projects, the support of single parents through Gingerbread and other charities in the UK and internationally.

International Support

The Trustees have chosen to fund major disaster appeals from UK registered charities as the focus of the Trust's international work.

Gingerbread

The Trust has supported Gingerbread since 2000. Gingerbread campaigns on behalf of single parents, as well as providing expert advice and practical support [REDACTED] was their first ambassador and is now their president.

Grant making policy

The policies adopted in furtherance of the objects are as stated in the Trust Deed and there has been no change in these during the year.

The Trustees decide the general policy and specific criteria for grant making. They are prepared to offer grant support by way of regular annual payments but generally not to exceed three years and will also support the general purposes of a charity or specific projects.

The Trustees will, as and when appropriate, support disaster appeals but will generally not support applications from individuals who are seeking assistance for a specific project which that individual may be carrying out, or to relieve a need due to illness or similar circumstances.

The Trust invites applications from various charitable and not for profit organisations. Foundation Scotland assists with the Trust's Open Grant Programme. All grant applications received are initially reviewed to ensure that applications for support satisfy the necessary criteria. Those applications passed for further consideration are reviewed by the Trustees at their six-monthly meetings when successful applicants will be notified of the amount of grant awarded. In some cases, institutional applicants may be invited to make a presentation where the grant support requested is sizeable.

THE VOLANT CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Achievements and performance

Unrestricted funds

The investment income of the Trust increased by £310,516 to £1,643,717 when compared to 2023. The Trust also received unrestricted donations (including tax claimed) of £2,261,291 (2023: £680,738). These donations include a donation of £2,134,625 (2023: £680,738) from a Discretionary Trust. As a result, the overall unrestricted income increased by £1,891,069 when compared to 2023.

The Trust committed £3,112,500 (2023: £1,600,000) to 10 (2023: 4) separate charitable organisations during the year.

This included £900,000 (2023: £800,000) donated to Foundation Scotland for the Trust's Open Grant Programme. Foundation Scotland used these funds to award grants totalling £839,261 (2023: £732,366) to 35 (2023: 17) individual charitable and not for profit organisations on behalf of the Trust. Foundation Scotland charged the Trust £90,000 (2023: £80,000) in the year for services rendered to the Trust. Details of all grants awarded in the year are disclosed in note 7 on page 16.

Restricted funds

In previous years, the income funds of the Trust included restricted funds comprising donations received from ██████████ that were derived from the net royalties from her book, The Ickabog. These donations were restricted for the Trust to help support vulnerable groups who had been particularly impacted by the COVID-19 pandemic, in the UK and internationally. With the consent of ██████████, the funds brought forward on the restricted fund at 6 April 2023 as well as any future donations are now treated as being unrestricted funds. Further details of the restricted funds are given in note 19 on page 20.

Financial review

The Statement of Financial Activities set out on page 9 shows the Trust's income and expenditure for the year.

Total incoming resources amounted to £3,905,008 (2023: £2,218,314). This included incoming resources on restricted funds of £Nil (2023: £204,375). Unrestricted incoming resources were £3,905,008 (2023: £2,013,939).

Total expenditure amounted to £3,627,286 (2023: £3,092,880), with £3,269,401 (2023: £2,737,259) defrayed in making grants and meeting the Trust's support and governance costs and £357,885 (2023: £355,621) on investment management fees.

After allowing for the realised and unrealised net gains on the Trust's investments for the year of £5,503,651 (2023: net loss of £4,292,184), the net movement in funds for the year resulted in an overall gain of £5,781,373 (2023: deficit of £5,166,750).

The balance sheet set out on page 10 shows the financial position of the Trust at 5 April 2024.

Total assets less liabilities amounted to £73,957,821 (2023: £68,176,448) which is represented by the accumulated balances on the expendable endowment funds of £72,561,162 (2023: £67,415,396), restricted funds of £Nil (2023: £10,088) and the unrestricted income funds of £1,396,659 (2023: £750,964).

The Trustees have considered forecasts for a period of twelve months from the date of the approval of the financial statements. On the basis of these forecasts, coupled with a strong balance sheet, and also bearing in mind that the endowment funds are expendable at any time at the discretion of the Trustees, they are confident that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

THE VOLANT CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Reserves policy

In accordance with the Trust Deed, the endowment funds are expendable at the discretion of the Trustees, that is the capital can be expended when the Trustees so decide. Whilst it remains the usual policy of the Trustees to make awards from the unrestricted funds only, to augment the funds available for the trust's charitable activities. A transfer of £400,000 was made in 2023 from the endowment fund to the unrestricted funds.

The Trust's aim continues to be that the unrestricted funds are maintained at a level that will enable the Trust to continue in operation at the current levels of income and expenditure for the foreseeable future. The balance held as unrestricted funds at the year end of £1,396,659 together with the expected income from the Trust's investments as well as transfers from the endowment funds when needed, will enable the Trust to meet its future commitments.

Funding sources and utilisation

The main source of income in the last few years continues to be dividends and interest receivable from investments generated by the Trust's Endowment Fund which have been utilised to meet the Trust's commitments during the year. The Trust also continues to receive donations from a Discretionary Trust and, from time to time, from [REDACTED].

Investment policy and performance

The Trustees are governed by the Charities and Trustee Investment (Scotland) Act 2005 which sets out the general power of investment but otherwise they have the power to invest such assets as they see fit. All investment acquisitions are chosen with due regard to the level of risk and ethical considerations. The investment strategy is set by the Trustees so as to achieve long term growth of capital together with an initial income yield of 3% gross per annum. Broadly, the aim of the Trustees is to achieve maximum returns for the Trust without incurring undue risk. This strategy is set within an overall policy which states that ethical investments are to account for up to 25% of the total fund and that no investment is permitted in unquoted or derivative investments.

The strategy is reviewed with the investment advisors on a regular basis. The return on investments for the year was 2.58% (2023: 3.06%). The investment advisors appointed by the Trustees are Quilter Cheviot and Cazenove Capital Management.

Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems and procedures are in place to mitigate their exposure to the major risks.

The cash resources of the Trust are administered by both the Fund Managers and by the Trust's solicitors. The Trustees are satisfied that these firms have in place appropriate compliance procedures to ensure the security of the funds in accordance with the compliance requirements under which the relevant firms operate.

The Trustees consider variability of investment returns to constitute the charity's major financial risk, which has been exacerbated by rising interest rates and the ongoing war in Ukraine. The Trustees try to mitigate this risk by retaining expert investment managers and having a diversified investment portfolio, comprising of lower/medium risk investments.

Plans for the future

The Trustees are committed to continued grant-making, particularly to help those affected by poverty and social deprivation in Scotland, in addition to supporting international aid charities helping vulnerable people whose lives have been impacted by natural disasters and war. It is anticipated that the income generated from the Trust's investments, and transfers from the endowment fund when needed, will enable the Trust to continue its charitable giving in the foreseeable future.

THE VOLANT CHARITABLE TRUST

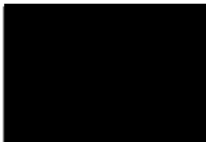
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Structure, governance and management

The Trust, is registered as a charity in Scotland with the Office of the Scottish Regulator, registered number SC 030790, and is operated under the rules of its Trust Deed dated 7 November 2000. The aims are such exclusively charitable objects and purposes as the Trustees in their absolute discretion think fit. The principal address from which the Trust operates is situated at Princes Exchange, 1 Earl Grey Street, Edinburgh EH3 9EE.

The Trustees who served during the year and up to the date of this report were as follows:



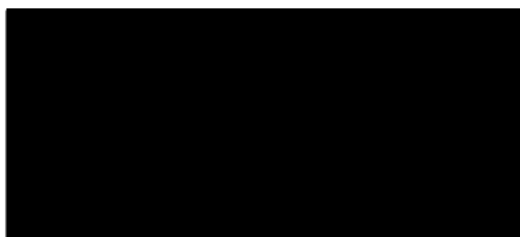
The statutory power of appointing new or additional Trustees is vested in the settlor, J. K. Rowling, during her lifetime so long as she has the capacity to exercise such power.

The Board of Trustees collectively have a wealth of knowledge and expertise across a number of areas which enables them to properly exercise their function as Trustees of the Trust. In terms of induction, all new Trustees are provided with a Trustee's induction pack that includes a copy of the Scottish Governance Code for the Third Sector published in November 2023 and they are advised of available training. New Trustees are also supported and mentored by the existing Trustees.

The Trustees consider the Board of Trustees as comprising the key management personnel of the Trust in charge of directing, running and controlling the Trust. All Trustees give their time freely and no Trustee remuneration was paid in the year. However, the Trust pays an insurance premium in respect of the Trustees indemnity liability cover at a cost of £1,024 (2023: £1,377).

Foundation Scotland supports the Trust in distributing funding to various charitable organisations in Scotland by making approved awards on its behalf. The Foundation charges the Trust 10% of the total amount made available for distribution to cover its administration costs.

Board of Trustees and signed on their behalf by:



Dated:16/9/24

THE VOLANT CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2024

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 Charity and of the incoming resources and application of resources of the Charity for that year.

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; 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 sufficient accounting records that 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 (as amended) and the provisions of the 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.

THE VOLANT CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE VOLANT CHARITABLE TRUST

Opinion

We have audited the financial statements of The Volant Charitable Trust (the 'Charity') for the year ended 5 April 2024 which comprise the statement of financial activities, the balance sheet, statement of cash flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2024 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 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.

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 accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

THE VOLANT CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE VOLANT CHARITABLE TRUST

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
- sufficient 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 statement of trustees' responsibilities set out on page 5, 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

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

THE VOLANT CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE VOLANT CHARITABLE TRUST

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The audit engagement team identified no specific areas where the financial statements were highly susceptible to material misstatement due to fraud. Audit procedures performed included - but were not limited to - testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

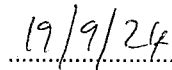
Use of our report

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 charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



RSM UK Audit LLP

Chartered Accountants
Statutory Auditor



Third Floor
2 Semple Street
Edinburgh
EH3 8BL

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE VOLANT CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2024

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
<u>Income from:</u>						
Donations	3	2,261,291	-	-	2,261,291	885,113
Investments	4	1,643,717	-	-	1,643,717	1,333,201
Total income		3,905,008	-	-	3,905,008	2,218,314
<u>Expenditure on:</u>						
Raising funds	5	-	-	357,885	357,885	355,621
<u>Charitable activities:</u>						
Social Deprivation	6	1,619,401	-	-	1,619,401	1,466,688
International Aid Relief	6	1,650,000	-	-	1,650,000	250,000
Covid-19 Response Fund	6	-	-	-	-	1,020,571
		3,269,401	-	-	3,269,401	2,737,259
Total expenditure		3,269,401	-	357,885	3,627,286	3,092,880
Net gain/(loss) on investments	12	-	-	5,503,651	5,503,651	(4,292,184)
Net income/(expenditure) before transfers		635,607	-	5,145,766	5,781,373	(5,166,750)
Transfers between funds	19	10,088	(10,088)	-	-	-
Net movement in funds		645,695	(10,088)	5,145,766	5,781,373	(5,166,750)
Fund balances at 6 April 2023		750,964	10,088	67,415,396	68,176,448	73,343,198
Fund balances at 5 April 2024	20	1,396,659	-	72,561,162	73,957,821	68,176,448

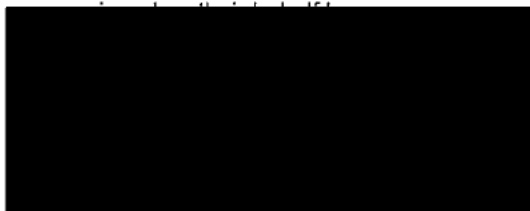
THE VOLANT CHARITABLE TRUST

BALANCE SHEET

AS AT 5 APRIL 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Investments	13		72,632,759		67,421,612
Current assets					
Debtors	15	1,188,474		135,039	
Cash at bank and in hand		702,560		1,029,412	
		1,891,034		1,164,451	
Creditors: amounts falling due within one year	16	(565,972)		(409,615)	
Net current assets			1,325,062		754,836
Total assets less current liabilities			73,957,821		68,176,448
The funds of the charity:					
Expendable endowment funds	18		72,561,162		67,415,396
Restricted funds	19		-		10,088
Unrestricted income funds	17		1,396,659		750,964
Total funds	20		73,957,821		68,176,448

The financial statements were approved by the board of Trustees and authorised for issue on 16/9/24 and



THE VOLANT CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash used in operating activities	23		(2,263,073)		(4,632,516)
Cash flows from investing activities					
Purchase of investments		(17,594,269)		(22,848,780)	
Proceeds on disposal of investments		18,366,907		24,237,046	
Dividends and interest from investments		1,643,717		1,333,201	
Movement in investment cash		(480,134)		(626,368)	
Net cash provided by investing activities			1,936,221		2,095,099
Change in cash and cash equivalents in the year			(326,852)		(2,537,417)
Cash and cash equivalents at beginning of year			1,029,412		3,566,829
Cash and cash equivalents at end of year			702,560		1,029,412

Analysis of changes in net funds

The Charity does not have any debt, as such the net debt position is equivalent to the cash at bank. Changes in the net debt position are equivalent to the movement as shown on the statement of cash flows above.

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

Charity information

The Volant Charitable Trust is an unincorporated charity governed by a trust deed. The Trust is registered in Scotland with the Office of the Scottish Charity Regulator and its registered office is at Princess Exchange, 1 Earl Grey Street, Edinburgh, Scotland, EH3 9EE.

The principal accounting policies adopted and judgements made in the preparation of the financial statements are as follows.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Charity's deed, 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 (FRS 102) (effective from 1 January 2019).

The Charity meets the definition of a Public Benefit Entity as defined by 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 pound sterling.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

1.2 Going concern

The Trustees have considered forecasts for a period of twelve months from the date of the approval of the financial statements. On the basis of these forecasts, coupled with a strong balance sheet, and also bearing in mind that the endowment funds are expendable at any time at the discretion of the Trustees, they are confident that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Charitable funds

Unrestricted income funds are available for use at the discretion of the Trustees in furtherance of the Trust's charitable objectives unless the funds have been designated for other purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria are charged to the funds.

Endowment funds represent those assets which are held permanently by the Trust. The funds are attributable to the original amount settled on the Trust, subsequent settlements and accumulated recognised gains and losses. Income arising on the Endowment funds can be used in accordance with the objectives of the Trust and is included as unrestricted income. Investment management charges relating to the funds are charged against the funds. The Endowment funds are expendable at the discretion of the Trustees.

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

(Continued)

1.4 Income recognition

All income is included in the Statement of Financial Activities when the Trust is legally entitled to the income, receipt is probable, and the amount can be quantified with reasonable accuracy.

Donations are included in the year in which they are receivable, which is when the Trust becomes unconditionally entitled to the resource and the Trust has been notified in writing of both the amount and settlement date. No amounts are included in the accounts for services donated by volunteers. Tax relief is claimed on donations whenever possible.

Investment income is earned through holding of assets for investment purposes such as shares and gilts and is recognised when the Trust's right to receive payment is established and when the amount can be measured reliably. Where it is not practical to identify investment management costs incurred within an investment fund with reasonable accuracy the investment income from that fund is reported net of these costs.

1.5 Expenditure recognition

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

All expenditure is accounted for on an accruals basis and is allocated between unrestricted, endowment and restricted funds as appropriate.

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

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the Trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Trust.

1.6 Support and governance costs

Support costs and governance costs are allocated on the basis of time spent on each activity.

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice.

1.7 Investments

Investments are a form of basic financial instruments and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire options, derivatives or other complex financial instruments.

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Taxation

The Charitable Trust, as a registered charity is exempt from tax on income and gains to the effect that those are applied to its charitable objectives.

1.10 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if they were 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 investment gains and losses are combined in the Statement of Financial Activities.

1.11 Debtors and creditors

Debtors and creditors with no stated interest rate and which are receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

2 Key judgements and sources of estimation uncertainty

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next reporting period.

3 Donations

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Donations (including gift aid claims)	126,666	-	126,666	204,375
Distribution from Discretionary Trust (including tax claims)	2,134,625	-	2,134,625	680,738
	<u>2,261,291</u>	<u>-</u>	<u>2,261,291</u>	<u>885,113</u>

The above donations include gift aid and income tax receivable of £985,915 (2023: £347,207). £204,375 of the donations in 2023 were attributable to the restricted funds.

The distribution from the Discretionary Trust was shown as other income in the 2023 accounts but has been reclassified in the current year.

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

4 Investments

	2024 £	2023 £
Income from listed investments	1,566,391	1,302,610
Interest on cash deposits	77,326	30,591
	<u>1,643,717</u>	<u>1,333,201</u>

The income in both years was attributable to the unrestricted funds.

5 Raising funds

	2024 £	2023 £
Investment management costs	<u>357,885</u>	<u>355,621</u>

Investment management costs in both years were attributable to the endowment funds.

6 Charitable activities:

	Social Deprivation £	International Aid Relief £	Covid-19 Response Fund £	Total 2024 £	Total 2023 £
Grant funding of activities (see note 7)	1,462,500	1,650,000	-	3,112,500	2,620,571
Support costs (see note 9)	192	-	-	192	617
Governance costs (see note 9)	156,709	-	-	156,709	116,071
	<u>1,619,401</u>	<u>1,650,000</u>	<u>-</u>	<u>3,269,401</u>	<u>2,737,259</u>
Analysis by fund					
Unrestricted funds	<u>1,619,401</u>	<u>1,650,000</u>	<u>-</u>	<u>3,269,401</u>	
For the year ended 5 April 2023					
Unrestricted funds	1,466,688	250,000	-		1,716,688
Restricted funds	-	-	1,020,571		1,020,571
	<u>-</u>	<u>-</u>	<u>1,020,571</u>		<u>1,020,571</u>

All the support costs in both years were attributable to the unrestricted funds.

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

7 Grants payable

	Social Deprivation £	International Aid Relief £	Total 2024 £	Total 2023 £
Grants to institutions in the year:				
Foundation Scotland	900,000	-	900,000	900,000
Gingerbread	300,000	-	300,000	550,000
Water Aid	-	80,000	80,000	-
Médecins Sans Frontières	-	525,000	525,000	100,000
Plan International UK	-	150,000	150,000	-
British Red Cross	-	325,000	325,000	-
Disasters Emergency Committee	-	-	-	150,000
Refuge	-	-	-	72,500
United Way Worldwide	-	-	-	4,084
Operation USA	-	-	-	21,487
Shelter Scotland	-	-	-	72,500
UK Welcomes Refugees	262,500	-	262,500	-
Winston's Wish	-	-	-	15,000
Village Water	-	20,000	20,000	-
Care International UK	-	150,000	150,000	-
Mercy Ships UK	-	-	-	100,000
Age International UK	-	400,000	400,000	-
Child Poverty Action Group	-	-	-	100,000
Afghanistan Crisis Appeal	-	-	-	500,000
Other grants of £10,000 or less	-	-	-	35,000
	<u>1,462,500</u>	<u>1,650,000</u>	<u>3,112,500</u>	<u>2,620,571</u>

8 Trustees

No Trustees received any remuneration during the year (2023: £Nil). The Trust pays an insurance premium in respect of the Trustees indemnity liability cover at a cost of £1,024 (2023: £1,377).

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

9 Support and governance costs

	Support costs	Governance costs	Total 2024	Total 2023
	£	£	£	£
Telephone and website costs	192	-	192	617
Legal and professional fees	-	82,690	82,690	38,948
Insurance	-	1,322	1,322	1,474
Irrecoverable foreign taxes	-	47,292	47,292	43,940
Audit fees	-	11,516	11,516	11,050
Accountancy fees	-	13,830	13,830	11,100
Bank charges	-	34	34	246
Loss on foreign exchange	-	25	25	9,313
	<u>192</u>	<u>156,709</u>	<u>156,901</u>	<u>116,688</u>

Irrecoverable foreign taxes represents withholding tax on income received from foreign investments.

10 Employees

There were no employees during the year.

The Trust relies on the unpaid support of one of the Settlor's employees.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Net gains/(losses) on investments

	2024	2023
	£	£
Unrealised gain/(loss) on revaluation of investments (see note 13)	5,423,163	(2,837,694)
Realised gain/(loss) on sale of investments	80,488	(1,454,490)
	<u>5,503,651</u>	<u>(4,292,184)</u>

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

13 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 6 April 2023	65,760,912	1,660,700	67,421,612
Additions	17,594,269	480,134	18,074,403
Valuation changes (see note 12)	5,423,163	-	5,423,163
Disposals	(18,286,419)	-	(18,286,419)
At 5 April 2024	70,491,925	2,140,834	72,632,759
Carrying amount			
At 5 April 2024	70,491,925	2,140,834	72,632,759
At 5 April 2023	65,760,912	1,660,700	67,421,612

	2024 £	2023 £
Investments at fair value comprise:		
Equities	57,559,326	55,827,437
Fixed interest securities	12,932,599	9,933,475
Cash held within investment portfolios	2,140,834	1,660,700
	72,632,759	67,421,612

14 Financial instruments

	2024 £	2023 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	70,491,925	65,760,912

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Gift aid and income tax receivable	969,164	-
Prepayments and accrued income	219,310	135,039
	1,188,474	135,039

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Grant commitments (note 23)	450,000	300,000
Accruals and deferred income	115,972	109,615
	<u>565,972</u>	<u>409,615</u>

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 6 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 5 April 2024 £
General funds	<u>750,964</u>	<u>3,905,008</u>	<u>(3,269,401)</u>	<u>10,088</u>	<u>1,396,659</u>

Previous year:	Balance at 6 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 5 April 2023 £
General funds	<u>53,713</u>	<u>2,013,939</u>	<u>(1,716,688)</u>	<u>400,000</u>	<u>750,964</u>

During the year and with the agreement of the Donor, the Trustees decided to transfer £10,088 (2023: £Nil) from the restricted funds to the unrestricted funds.

In accordance with the Trust deed, the endowment funds are expendable at the discretion of the Trustees. During the year ended 5 April 2023, the Trustees decided to transfer £400,000 from the endowment funds to the unrestricted funds to augment the funds available for grants.

18 Endowment funds

	Balance at 6 April 2023 £	Resources expended £	Transfers £	Gains and losses £	Balance at 5 April 2024 £
Expendable endowments					
Fund analysis	<u>67,415,396</u>	<u>(357,885)</u>	<u>-</u>	<u>5,503,651</u>	<u>72,561,162</u>

The Endowment funds represent those assets which are held permanently by the Trust. The funds are attributable to the original amount settled on the Trust, subsequent settlements and accumulated recognised capital gains and losses thereon. In accordance with the Trust deed, the endowment funds are expendable at the discretion of the Trustees.

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

19 Restricted funds

In previous years, the income funds of the Trust included restricted funds comprising donations received from ██████████ that were derived from the net royalties from her book, The Ickabog. These donations were restricted for the Trust to help support vulnerable groups who had been particularly impacted by the COVID-19 pandemic, in the UK and internationally. With the consent of ██████████, the funds brought forward on the restricted fund at 6 April 2023 as well as any future donations are now treated as being unrestricted funds.

	Balance at 6 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 5 April 2024 £
Covid-19 Response Fund	10,088	-	-	(10,088)	-

20 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
Fund balances at 5 April 2024 are represented by:				
Investments	-	-	72,632,759	72,632,759
Net current assets	1,396,659	-	(71,597)	1,325,062
	<u>1,396,659</u>	<u>-</u>	<u>72,561,162</u>	<u>73,957,821</u>

21 Grant commitments

	£
Grant commitments recognised at 6 April 2023	300,000
Commitments made in the year	3,112,500
Grants paid during the year	(2,962,500)
Grant commitments recognised at 5 April 2024	<u>450,000</u>

The above comprises unconditional grants approved by the Trustees. In addition, at the year end, the Trustees resolved to make conditional grants amounting to £300,000 (2023: £400,000) that have not been provided for in these financial statements.

THE VOLANT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

22 Related party transactions

During the year, the Trust received donations of £126,666 (2023: £204,375) from [REDACTED]. The amount is inclusive of gift aid reclaimed of £25,333 (2023: £40,875).

The Trust also received a distribution of £2,134,625 (2023: £680,738) from a Discretionary Trust of which [REDACTED] is the settlor. The amount is inclusive of tax reclaimed of £960,581 (2023: £306,332).

[REDACTED] is a director of the Trust's accountants, TC Citroen Wells Limited ('TC CW'). During the year, TC CW charged the Trust £12,330 (2023: £9,600) for services rendered. At the year end, £12,600 (2023: £11,100) was payable to TC CW.

[REDACTED] is a partner of the Trust's solicitors, Turcan Connell ('TC'). During the year, TC charged the Trust £82,650 (2023: £38,898) for services rendered.

During the year, a total grant of £300,000 (2023: £550,000) was made to Gingerbread, a charity of which [REDACTED] is the President.

23 Reconciliation of net expenditure to net cash flow from operating activities	2024	2023
	£	£
Surplus/(deficit) for the year	5,781,373	(5,166,750)
Adjustments for:		
Dividends and interest from investments	(1,643,717)	(1,333,201)
(Gain)/loss on disposal of investments	(80,488)	1,454,490
Fair value (gain)/loss on investments	(5,423,163)	2,837,694
Movements in working capital:		
Increase in debtors	(1,053,435)	(25,118)
Increase/(decrease) in creditors	156,357	(2,399,631)
Net cash used in operating activities	(2,263,073)	(4,632,516)