

**ROYAL HIGH SCHOOL
CLUB TRUST LIMITED**

FINANCIAL STATEMENTS

for the year ended 31 August 2008

Company No. : SC022113

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ROYAL HIGH SCHOOL CLUB TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Directors	N Arthur Sheriff A M Bell C I Bryden I C Fairweather A D Forgan R C B Forman R M Graham P Harris G A Henry AS Macmillan R M Paul D F Rutherford W St John C Spence A Tait (died 9 December 2008)
Secretary	: McKay & Norwell WS 5 Rutland Square Edinburgh EH1 2AX
Independent Examiner	: Peter W Yellowlees CA Geoghegan & Co Chartered Accountants 6 St Colme Street Edinburgh EH3 6AD
Solicitors	: McKay & Norwell WS 5 Rutland Square Edinburgh EH1 2AX
Registered office	: 5 Rutland Square Edinburgh EH1 2AX
Company number	: SC022113
Charity Reg number	: CR 36962

ROYAL HIGH SCHOOL CLUB TRUST LIMITED

DIRECTORS REPORT FOR THE YEAR ENDED 31 AUGUST 2008

The directors hereby submit their report and financial statements for the year ended 31 August 2008.

STRUCTURE GOVERNANCE & MANAGEMENT

The limited company was incorporated in June 1942 and is governed by its Memorandum and Articles of Association. The current directors acted throughout the year and are listed on page 1, and each beneficially hold one share in the company. They meet annually to determine how the available funds should be disbursed, and in this matter they are guided by the Rector of the Royal High School of Edinburgh. The directors are trustees for the purposes of charity law and are appointed from former pupils who have a genuine interest in the well being of the Royal High School and its' pupils. The company solicitors brief new directors in the workings of the company and their responsibilities as both directors and trustees. The directors have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate our exposure to those risks.

OBJECTIVES AND ACTIVITIES OF THE CHARITY

The company's aim is to promote the education of the pupils of the Royal High School of Edinburgh in such ways as the directors see fit. The directors work closely with the Rector to identify projects that best utilise the available funds. The company also holds monies to finance a specific school prize. The company has been able to maintain its level of support to the school during the past year.

FINANCIAL REVIEW

The deficit for the year before investment losses amounted to £1,122 (2007 deficit £1,479). The investment losses, both realised and unrealised in the year amounted to £9,264 (2007 surplus £2,196). This means that the reserves held at 31 August 2008 amount to £62,802 (2007 £73,188).

Investment policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the directors see fit. The directors engage Bell Lawrie White as investment managers. The policy is to adopt a medium risk investment strategy based on maximising the overall rate of return. During the year the value of the investments decreased by 13.7% compared with a fall in the FTSE 100 of 10.58%. The directors are concerned by the fall and will consider the matter at the forthcoming general meeting.

Reserves policy

The Revenue reserve represents the unrestricted funds arising from past operating results. The directors' policy is to maintain a level of reserves that will provide them with sufficient income to give meaningful support to the school. The Prize Fund is a restricted fund and supports a bi-annual four year bursary.

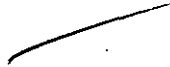
Statement of Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

McKay & Norwell WS
Company Secretaries



25 June 2009

ROYAL HIGH SCHOOL CLUB TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account) for the year ended 31 August 2008

	Unrestricted Funds	Restricted Funds	Total 2008	Total 2007
Incoming resources				
Incoming resources from generated funds				
<i>Activities for generating funds</i>				
Investment income	2,533	100	2,633	2,435
Other Income	63	-	63	-
Total incoming resources	2,596	100	2,696	2,435
Resources expended				
Costs of generating funds				
Investment managers fees	130	-	130	294
Charitable activities	2,485	300	2,785	2,976
Governance	903	-	903	644
Total resources expended	3,518	300	3,818	3,914
Net (outgoing) resources before other recognised gains	(922)	(200)	(1,122)	(1,479)
Other recognised gains				
Realised (losses)/gains on sale of investments	(955)	-	(955)	232
Unrealised (losses)/gains on investments	(8,309)	-	(8,309)	1,964
Net movement in funds	(10,186)	(200)	(10,386)	717
Fund balances brought forward	71,753	1,435	73,188	73,471
Total funds at 31 August 2008	£ 61,567	£ 1,235	£ 62,802	£ 73,188

ROYAL HIGH SCHOOL CLUB TRUST LIMITED

BALANCE SHEET as at 31 August 2008


	Notes	2008	2007
Fixed Assets			
Investments	2	54,305	<u>63,377</u>
Current Assets			
Debtors		3,484	2,063
Cash on deposit		<u>7,721</u>	<u>10,897</u>
		11,205	12,960
Creditors: Amounts falling due within one year			
Creditors and accruals		<u>2,705</u>	<u>3,146</u>
		<u>8,500</u>	<u>9,814</u>
Total Assets less Current Liabilities		<u>£62,805</u>	<u>£73,191</u>
Capital and Reserves			
Called up share capital	6	3	3
Revenue reserve	7	61,567	71,753
Prize fund reserve	7	<u>1,235</u>	<u>1,435</u>
		<u>£62,805</u>	<u>£73,191</u>

In preparing these financial statements:

- The directors are of the opinion that for the year ended 31 August 2008, the company was entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibility for: (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to the accounts, so far as is applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the directors on 25 June 2009


R C B Forman Director

ROYAL HIGH SCHOOL CLUB TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2008

1 Accounting Policies

- (a) The financial statements are prepared under the historical cost convention as modified by the revaluation of all investments and are in accordance with the Companies Act 1985, applicable accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005).
- (b) As a consequence of the adoption of the revised SORP, the comparative figures for the prior year have been represented in accordance with the revised structure and format for the Statement of Financial Activities.
- (c) Voluntary income, including donations, legacies and gifts are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Investment income is recognised on a receivable basis.
- (d) Resources expended are accounted for on an accruals basis.
 - Charitable expenditure comprises those costs incurred in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
 - Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.
- (e) Investments held as fixed assets are revalued at mid market value at the balance sheets date and the gain or loss taken to the Statement of Financial Activities.
- (d) Restricted funds are to be used for specific purposes as laid down by the donor.

2 Fixed Assets – Investments	2008	2007
Market value at 1 September 2007	63,377	58,382
Disposals at opening book value	3,826	6,251
Acquisitions at cost	4,018	9,050
Net (losses)/gains on revaluation	(9,264)	2,196
Market value at 31 August 2008	<u>£54,305</u>	<u>£ 63,377</u>
Cost at 31 August 2008	<u>£49,787</u>	<u>£48,733</u>

Investments whose individual market value exceeds 5% of the total are as follows:

Schroder Income Growth	£ 6,364
Alliance Trust	£ 5,264
Jupiter Income Trust	£ 4,416
Scot American Inv	£ 4,488
Norwich Union IF	£ 4,337
Caledonian Trust	£ 4,367
Temple Bar IT	£ 3,523
Mercantile Investm Ord	£ 2,857
Finsbury G & I TST Ord	£ 3,607
Treasury 5% 2014	£ 5,069
MIDAS INC & Growth	£ 2,890

ROYAL HIGH SCHOOL CLUB TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 31 August 2008

3. Cost of charitable activities	Basis of Allocation	School Support	Prizes	2008	2007
Direct charitable expenditure					
Grants Awarded	Direct	2,000	300	2,500	2,800
Support costs (See below)		485	-	485	176
		<u>£ 2,485</u>	<u>£ 300</u>	<u>£2,785</u>	<u>£ 2,976</u>

Support costs:					
Accounting	Usage	191	-	191	176
Company Secretarial	Direct	294	-	294	-
		<u>£ 485</u>	<u>£ -</u>	<u>£ 485</u>	<u>£ 176</u>

4. Governance	Basis of Allocation			
Accounting expenses	Direct		573	528
Company Secretarial	Direct		294	-
Sundry expenses	Direct		36	116
			<u>£903</u>	<u>£ 644</u>

5 Trustees remuneration and expenses

No trustee was paid or reimbursed for expenses during the year (2007 - £nil). Company secretarial services are provided to the company by a legal partnership in which one of the trustees is a partner. Fees were charged during the year of £588 (2007 - £nil)

6 Share Capital

	Authorised		Allotted, called up and fully paid	
	2008	2007	2008	2007
		No		£
Ordinary shares of 25p	<u>200</u>	<u>200</u>	<u>3.25</u>	<u>3.25</u>

7 Reserves	Revenue Fund	Prize Fund
Balance at 1 September 2007	71,753	1,435
Movement in funds for year	<u>(10,186)</u>	<u>(200)</u>
Balance at 31 August 2008	<u>£61,567</u>	<u>£ 1,235</u>

The Prize Fund Reserve represents the monies held to meet the obligations set for the Mouat Prize, a biannual four year bursary. These funds are held on deposit.

The Revenue Reserve represents the unrestricted monies held by the Company.