

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II
(OPERATING AS “SCOTSCARE”)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2025

Charity Commission Number: 207326

OSCR Number: SC052739

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

CONTENTS	Page
Reference and administrative information	1
Chairman's introduction	3
Highlights 2024 to 2025	4
Trustees' report	5
Independent auditor's report	19
Statement of financial activities	22
Balance sheet	23
Cash flow statement	24
Notes to the financial statements	25

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

Patron:

His Majesty King Charles III

Principal Office:

183-185 Bermondsey Street, London SE1 3UW

Vice Presidents:

P.J.M. Scott

Treasurer

Colin Somerville (resigned January 2025)

Mike Watson (appointed April 2025)

Trustees:

Elected Members of the Committee of Management:

K. Lynch (Chairman)

D. Guild

J. Cadzow-Collins

(resigned July 2024)

W. Gilmore

D. McMurtrie

C. Ross

B. Preston

(appointed January 2025)

S. Jermyn

R. Brown

(resigned April 2025)

E. Close

J. Harvie

(resigned October 2024)

In addition the Treasurer and Honorary Solicitor are Trustees and Members of the Committee of Management.

Other Appointments:

Chief Executive and Secretary:

Shona Fleming

Honorary Chaplain:

The Reverend Angus MacLeod

The Reverend Scott Rennie

Honorary Piper

Pipe Major J. McLucas

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

REFERENCE AND ADMINISTRATIVE INFORMATION (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Auditor:

Haysmac LLP
10 Queen Street Place
London
EC4R 1AG

Honorary Solicitor:

Danny Tsang
Simmons & Simmons LLP
CityPoint
One Ropemaker Street
London
EC2Y 9SS

Bankers:

The Royal Bank of Scotland plc
1 Fleet Street
London
EC4Y 1BD

Investment Advisers:

Cazenove
100 St Paul's Churchyard
London
EC4M 8BU

W1M

16 Babmaes Street
London SW1Y 6AH

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

CHAIRMAN'S INTRODUCTION

FOR THE YEAR ENDED 31 MARCH 2025

Dear Friends,

I am privileged to be able to present our Annual Report and Financial Statements for the year ended 31 March 2025.

Our mission is to help Scots in need within the Greater London area in a variety of ways, depending on assessed need: housing, health (physical and mental), advocacy, financial grants, training, housing advice, volunteer programme, career coaching, counselling, respite holidays and social events. Whilst continuing our support to older people and working age adults we have increased our focus on supporting children and families, the objective being to stop the cycle of poverty, low educational attainment and unemployment, as well as supporting homeless clients following our merger with Borderline in 2023.

The charity continues to be strong and stable, testament to the dedication and hard work of our very capable team led by our Chief Executive Shona Fleming.

The past year has seen ScotsCare make significant operational progress in delivering our mission. Following the merger with Borderline in 2023, we have ensured continuity of service for our homeless clients, maintaining the quality and scope of our support. We successfully expanded our mental health services, notably in the areas of psychotherapy for children, families, and individuals facing substance misuse. Our family support project grew with the addition of a full-time staff member, allowing us to extend our reach to more vulnerable families. We also completed the implementation of a new client database, broadening it to better support our volunteer and fundraising programmes and enhancing our ability to monitor and report on impact. Work continued on finalising our Theory of Change, a vital tool to ensure our services are focused on breaking the cycle of deprivation.


The board oversaw important developments to strengthen the organisation's governance and long-term focus. We completed the legal integration of our two related military charities (the St Andrew's Scottish Soldiers' Club Fund and The Kinloch Bequest), modernising our charitable objectives to enable referrals from organisations as well as individuals. Trustees also initiated a comprehensive board review with the help of an external consultant to ensure best practice in governance and leadership. In addition, we established a Property Sub-Committee to review our existing lease at City Road and explore options for a new headquarters that will better serve the charity's evolving needs. We continued to embed the key strands of our 2023–2026 strategy, including a full review of our investment management, which led to the appointment of two new managers with a mandate to adopt a Total Return policy. Our various sub-committees have continued to undertake significant work throughout the year, and I would like to express my sincere thanks to my fellow trustees for their ongoing commitment and valuable contributions.

This year also saw the successful launch of our inaugural ScotsCare Ceilidh, held as part of the St Andrew's Festival. The event brought together the Scots community in a large, inclusive celebration of St Andrew's Day, fostering connection and cultural pride, as well as introducing new supporters to the charity. Following its success, we are pleased to confirm that the Ceilidh will return in 2025.

Continuing to increase awareness of ScotsCare is critically important to everything we do, and this has continued with our podcast series, social media, traditional media, pitch side banners at sporting events, presence at events and contacts through the ScotsCare Ambassadors Club. To reach more potential clients we have also continued to use the GP surgery and A&E leaflet distribution service to raise awareness of our services, as well as now having leaflets in five hundred primary schools in key client boroughs. Our leaflets are also distributed to twelve prisons across London.

In the Trustees' Report you will see details of the extensive and varied work done by our staff and volunteers. Our CEO and her team are proactive, energetic and flexible and we are fortunate to have such a body of impressive people. Thank you to everyone.

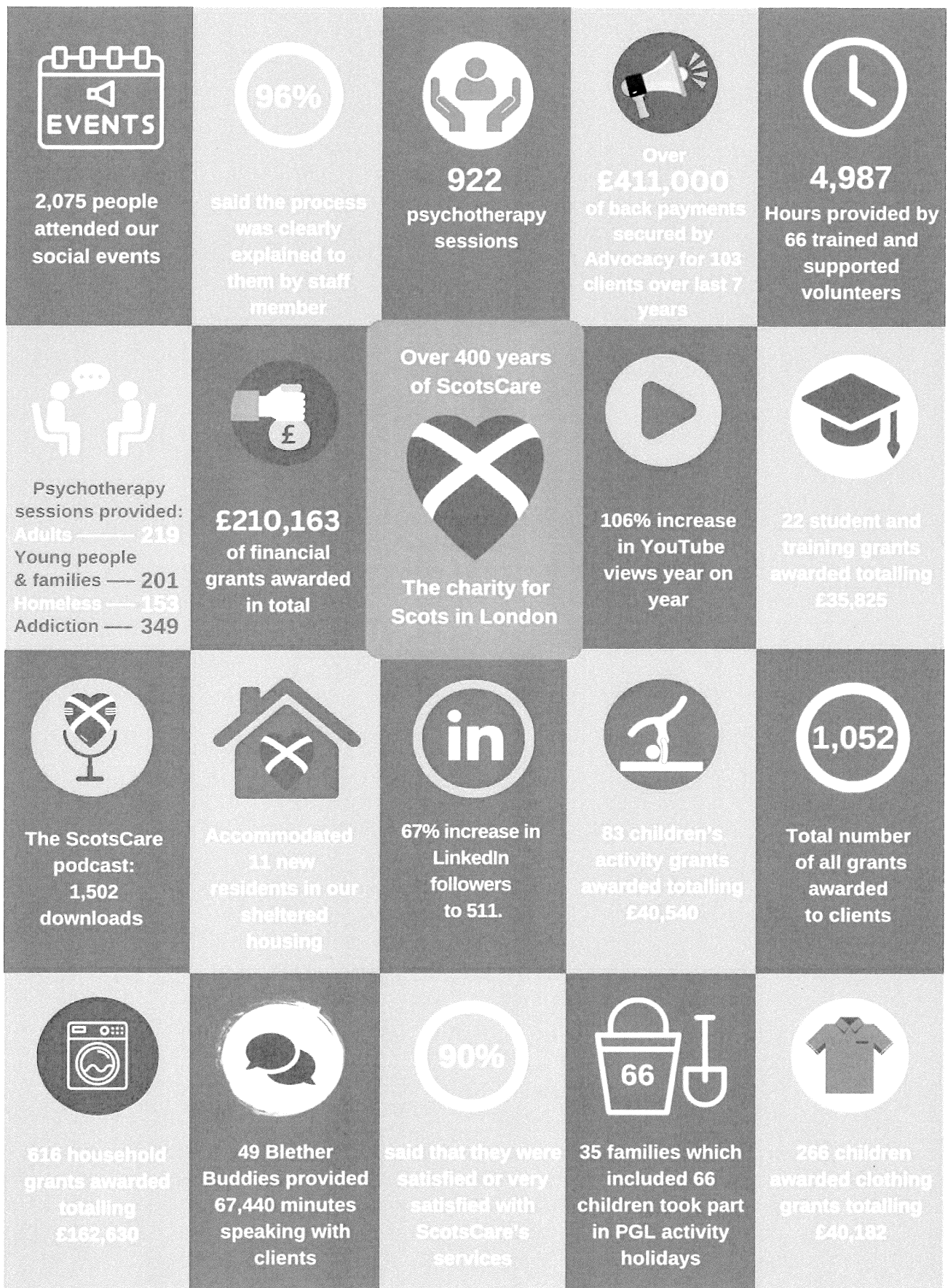
Thank you also to all who generously donated to ScotsCare during the year, whether funds or time and talents, you are critical to our mission.



Kevin Lnych

Chairman

HIGHLIGHTS 2024 TO 2025



THE ROYAL SCOTTISH CORPORATION

THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The Royal Scottish Corporation ("the Corporation") is the working name of the Scottish Hospital of the Foundation of King Charles II. It operates under the name ScotsCare and is registered with the Charity Commission for England and Wales – registration number 207326 – and with the Office of the Scottish Charity Regulator (OSCR) - registration number SC052739. Details of the principal office, Trustees, Chief Executive and principal advisers can be found in the reference and administrative information section on pages 1 and 2.

The Trustees present their report and the audited Financial Statements for the year ended 31 March 2025, which have been prepared in accordance with the provisions of the current Statement of Recommended Practice Accounting and Reporting by Charities and the relevant accounting standards.

Governing Document

The Corporation is governed by Royal Charters of 1665, 1676, the Charter of Reincorporation of 1775, as amended in 1974, 1982 and 1 August 2022 and by Bye-Laws, which were last amended in July 2022.

Appointment and Induction of Trustees

As provided in the Charter and Bye-Laws, there is one Annual General Court each year. The Committee of Management, as charity trustees for the purposes of the Charities Act 2011, have control of the Corporation and its property and funds.

The Committee of Management shall elect no fewer than five nor more than 14 members including the Treasurer and the Honorary Solicitor, and each serve for a period of three years.

One-third (or the number nearest one-third) of the Elected Members must retire at the Committee Meeting immediately preceding each Annual General Court. Subject to Bye-Laws 5.7 and 7.1, a retiring Elected Member shall be eligible for re-election for consecutive periods not exceeding in aggregate nine years from the date of his or her original appointment but thereafter an Elected Member shall not be eligible for re-appointment until one year after his or her retirement.

The Committee of Management has established a Nominations Sub-Committee which shall from time to time put forward and recommend to the Committee of Management candidates for election as Elected Members. Trustees are required to attend two Committee of Management meetings of the and a selection of the Sub-Committees preceding their election. Regard is given to the skills and experience of the potential trustee and skills and experience required by the Charity.

On appointment, each trustee is required to undertake an induction which includes reviewing information about the charity including its governing document, strategy, finances, staffing structure, risk register and briefings from staff on the work of the organisation. Their attention is drawn to relevant Charity Commission guidance, including The Charity Governance Code.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Organisation

The Committee of Management meets quarterly and can appoint Sub-Committees to discuss and make recommendations on more detailed aspects of strategy and policy. There are currently six Sub-Committees: Finance, Investment, Property, Welfare, Communications, and the Nominations Sub-Committees.

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. The Chief Executive has delegated authority, within the terms prescribed by the Trustees, for operational, finance and service delivery related activity.

Key Management

The Chief Executive and the Committee of Management (unpaid Trustees) make up the organisation's key management. The Chief Executive's salary is based on an annual pay and appraisal system set by the Committee of Management.

Trustees' Responsibilities and Risk Management

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 England and Wales 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 period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards and SORP have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will be able to continue in operation.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the *Charities Act 2011*, the *Charity (Accounts and Reports) Regulations 2008*; and the provisions of the Royal Charters and Bye-Laws. 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.

We have overall responsibility for:

- keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Corporation and the funds held in trust;
- establishing and monitoring a system of internal control;
- ensuring that the Financial Statements comply with applicable law and regulations; and
- establishing arrangements for safeguarding the assets of the Corporation and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The systems of internal control are designed to mitigate risk and include a strategic plan, regular consideration by the Committee of Management of the actual results compared to budget and any variances arising, formal written policies and procedures and detailed terms of reference for Sub-Committees.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Detailed consideration of the risks to which the Corporation is exposed is delegated to the Finance Sub-Committee, which is assisted by the management team. While it is not possible to fully mitigate the risk, through established risk management processes, we are satisfied the systems and procedures are in place to manage the risks identified while recognising that these systems can only provide reasonable and not absolute assurance.

The key risks to which the Charity is exposed are the loss of investment income, the resignation or ill health of the CEO and the health and safety of staff. The Trustees have borne the investment income risk in mind when determining the level of free reserves and regularly review our reserves policy. The management of ScotsCare's investment is undertaken by professional investment advisors. Our CEO manages a strong senior management team with the appropriate skills and experience to manage the day-to-day operations should there be a loss of key staff. In relation to the health and safety of the charity's employees, the charity follows the relevant and current guidance and has the appropriate risk assessments in place. Furthermore, the Charity considers its staff may be at personal risk when working with clients and interview rooms have been designed to mitigate this risk, together with appropriate written procedures and a lone working alert system (Look Out Call) for staff to use and follow when working outside the office.

Related parties

None of the trustees receives remuneration or other benefits from their work with the charity. Trustees are invited to declare any relevant interests at each board meeting and are formally requested to submit an annual related party and conflicts of interest form. Board members have reported transactions with related parties within note 24.

Equality and diversity

We are committed to equality and diversity at ScotsCare and ensure that within the framework of the law that our workplace is free from unlawful or unfair discrimination because of protected characteristics as defined by the Equality Act 2010. All employees are provided with a copy of our policy as part of their induction process and are expected to abide by it. Failure to do so, resulting in discrimination, can be treated as gross misconduct. This policy applies both to behaviour in the workplace and recruitment practices. We are engaged in monitoring at board and staff level equality and diversity within the organisation.

Strategy

Royal Charter

The objects of the Corporation shall be for the public benefit to relieve either generally or individually persons resident or found within a radius of 35 miles of Charing Cross who are in conditions of need, hardship or distress in such ways that are charitable in law, being persons who were born in Scotland or persons one of whose parents in each case was born in Scotland or widows, widowers and survivors of civil partnerships of persons who were born in Scotland or widows, widowers and survivors of civil partnerships of persons one of whose parents in each case was born in Scotland.

Background

The Royal Scottish Corporation (ScotsCare) and New Borderline (Borderline) merged on 1 April 2023 to provide a one stop shop for vulnerable Scots across London. On 1 April 2023 the assets and liabilities of New Borderline (Registered Company number 06844151, Charity numbers 11286848 and SC044530) were transferred to ScotsCare.

ScotsCare has provided support to Scots and their families in London for over 400 years. The charity currently provides a range of services to end the cycle of deprivation amongst Scots in London by providing financial, practical and emotional support.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Our strategy aims to build on the progress achieved through previous organisational strategies, to incorporate developments since the last review of both charities in 2022 and those that we aim to achieve over the next three years 2023 to 2026.

Vision

Our vision is an end to the cycle of deprivation experienced by Scots and their families living within a 35-mile radius of Charing Cross, London.

Purpose

Our purpose is to provide financial, practical and emotional support to Scots and their families in London. For our homeless clients we aim to provide a sustainable pathway out of homelessness.

Values

Our values are that we are a caring, progressive and effective organisation.

- Caring
To provide a high quality of support to Scots and their families
- Progressive
Listening to the needs of our beneficiaries and responding to that need in a way that breaks the cycle of deprivation
- Effective
Good governance, partnership working and investment in our people is key to our success

Scots in London

Our current definition of Scots in London is people living within a radius of 35 miles of Charing Cross:

- who were born in Scotland; or
- persons one of whose parents in each case was born in Scotland; or
- widows, widowers and survivors of civil partnerships of persons who were born in Scotland; or widows, widowers and survivors of civil partnerships of persons one of whose parents in each case was born in Scotland

Our clients

ScotsCare assists Scots and their families who are in need of financial, practical and emotional assistance.

Most of our clients have support needs over and above financial assistance. Many are socially excluded from society and face a combination of linked problems such as unemployment, discrimination, poor skills, low incomes, homelessness and poor housing, bad health and family breakdown. These problems are linked and mutually reinforcing so that they can create a vicious cycle in people's lives. Social exclusion is a consequence of what happens when people do not get a fair deal throughout their lives. This is of course sometimes linked to the disadvantage they face at birth.

Our clients receive state benefits or are on a low income, generally without support networks, socially isolated and often unable to negotiate the public sector system, including the benefits system. A significant number of our clients have additional support needs such as homelessness and long-term rough sleeping, mental and physical ill health, housing concerns, debt problems and issues around substance misuse.

Our priority clients:

- Children and families
- Homeless or insecurely housed adults
- Older people
- Working age adults

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Model of Service Delivery

The following sections describe the key ScotsCare services and recommendations for the next three years.

Maintaining services

We will continue to run the full range of services available now, as they have a strategic relevance in terms of our objectives. Financial, practical and emotional support services will be offered to all so that our clients have the opportunity to have their basic needs met, which in turn will allow them to start thinking about their lives beyond these immediate needs.

Continue our focus on rough sleepers and tenancy sustainment

We will continue to work with those sleeping out on the streets of London, and those at clear risk of doing so through our Scottish Outreach Worker project.

Preventing rough sleeping

We will at all times attempt to reduce the flow to the streets by ensuring that no person spends a second night on the streets. Using the expertise of our Outreach Team, ensure that new clients are effectively diverted away from a street lifestyle. They may be reconnected back to their home area, or to other more relevant services, wherever they may be.

Working with entrenched rough sleepers

Entrenched rough sleepers fall within our core client base of rough sleepers; however, they are unlikely to readily make the move away from the streets or even to engage with services. For this specific group, we will make every attempt to encourage them to access our services as part of a long-term action plan to move them away from the streets into a more settled way of living.

Sheltered Housing

We will continue to provide sheltered housing at our three housing sites, two of which provide on-site staff: Rothesay Court in Lewisham, Bawtry Rd in Barnet, and Kinnear Court in Wimbledon. Our residents are mixed at all three sites and are allocated accommodation based on priority housing need. Priority is given to those applicants living in poor accommodation, often with major disrepair issues, clients who have been living in temporary accommodation with a history of homelessness or clients who are a priority on medical grounds.

Mental Health

In acknowledgement of the fact that around 65% of our adult clients have a diagnosed mental health issue, we will ensure that they are supported to engage with appropriate mental health services, including our own psychotherapy services. In October 2021, we engaged with Brett Grellier Psychology Service (BGPS) to provide a bespoke psychology service for our homeless clients and in October 2022 we again engaged BGPS to provide a substance misuse service for all clients. This service recognises the complex needs of our clients and uses a three phased approach including stabilisation, therapy, and reintegration into the community. Furthermore, we will continue our partnership with Camden Psychotherapy Unit and The Brent/Westminster Centre for Young People to deliver high quality individual or family psychotherapy for adults and children.

Volunteer Programme

18 years after the Volunteers Programme was first established, our volunteers are still supporting us across the organisation. Whether they are meeting with a client face to face or on the phone; taking calls from clients in need of advice; or working behind the scenes to give vital social events or administrative support to one of our services or staff members, every one of our volunteers makes a big impact and helps us achieve our aim of reducing social isolation and strengthening the Scots community.

Social Events

ScotsCare recognises that regular social events are crucial community connectors that improve wellbeing and reduce social isolation across our client groups. Over 50s clients enjoy monthly social events usually in the form of a buffet lunch and a game of bingo. This provides a good opportunity to meet new friends and reduce social isolation. Attendance at our family day trips is high and provides a great opportunity for parents to spend time with their children with ScotsCare meeting the cost. The ScotsCare choir meets weekly and was originally set up to connect Scots clients and reduce social isolation but now also directly raises the profile of the charity through invitations to perform at events held by other Scottish organisations operating in London.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Family Support Project

Our work supports families when they face complex needs and challenges, including domestic abuse, mental health issues, and substance misuse. The service ranges from light touch support to intensive family support, child protection, referrals to specialist psychotherapy services, relationship support, and advice and support when dealing with statutory services.

Advocacy

Our Advocacy clients are some of our most vulnerable clients and often have the greatest support needs. We will continue our advocacy service to help our clients navigate the complexities of the welfare benefits system and this includes appealing DWP decisions or preparing for and attending tribunal hearings. Additionally, we will advocate and make full use of statutory complaints processes for our clients in cases of poorly maintained and unsuitable accommodation and NHS complaints.

Strategic Objectives

Families with Children

Children deserve the best start possible. For many, this isn't their reality. We help children and families who need help with specific problems. Our support can reduce financial need and provide key opportunities now and in the future and be a cost effective solution to providing statutory services.

All families can face difficult times, whether it's a parent with a diagnosed mental health problem, substance misuse issues, or poor housing exacerbated by long term poverty. We want to help families by providing services that will support them to address difficult situations that will improve the life chances and future opportunities for their children.

Poverty and social exclusion can pass from one generation to the next. For example, experiencing poverty in childhood and having parents who did not gain qualifications at school or college are powerful influences on a child's life, often continuing to affect their life chances as they get older.

Our objectives will be to help them:

- reduce the effects of poverty through financial assistance;
- have their voices heard through advocacy on issues that are important to them;
- address the issues faced by children and families to improve their mental and physical wellbeing;
- engage with training and employment opportunities; and,
- access social, cultural and educational opportunities for their children.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Homeless or insecurely housed adults

Crisis defines Homelessness as follows:

“Homelessness is about more than rooflessness. A home is not just a physical space; it also has a legal and social dimension. A home provides roots, identity, a sense of belonging and a place of emotional wellbeing. Homelessness is about the loss of all of these. It is an isolating and destructive experience and homeless people are some of the most vulnerable and socially excluded in our society”.

Our clients are predominantly male with complex needs including poor health, substance misuse and mental health problems. The majority of our clients are found within the borough of Westminster, and we work alongside organisations in this borough, as well as pan London, to maximise our efforts in preventing and reducing homelessness.

Our objectives will be:

- To prevent homelessness wherever possible;
- To reduce homelessness and prevent rough sleeping;
- To access a wide range of accommodation options for our clients; and
- To ensure clients have access to appropriate specialist help.

Older people

Building a sense of community, reducing social isolation and loneliness, promoting well-being and healthy living are all part of providing our clients with services that are suited to their needs.

Our objectives will be to help them:

- increase their independence within the community;
- reduce their social isolation and loneliness;
- access housing appropriate to their needs;
- increase their digital skills and knowledge; and
- access social activities.

Working age adults

Providing access to training and job coaching support which moves individuals closer to employment is an important aim of this strategy. Our experience is that not all clients can engage with these opportunities, but for those who can, we will provide access to tailored support.

Our objectives will be to help them:

- identify barriers to employment;
- engage with personalised job coaching;
- access grants for specific training or education courses; and
- move into employment.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Support Services

To realise our strategic objectives we shall aim to provide the following services as appropriate:

All clients with:

- access to our helpline and walk-in as the first point of contact;
- individual assessment of need and benefits check;
- financial assessment and debt referral if appropriate;
- financial grants;
- advocacy;
- counselling;
- signposting to health and substance misuse services;
- housing advice; and
- access to training grants, job coaching and volunteering opportunities.

Families with Children with:

- job coaching and grants for training;
- volunteer befrienders;
- access to a programme of annual social events;
- access to our volunteering opportunities;
- children's clothing and activity grants; and
- children and families activity holidays.

Homeless or insecurely housed adults with:

- an outreach service working pan London;
- reconnection to Scotland or elsewhere;
- access to a range of appropriate accommodation options across London;
- access to health services;
- referral paths to specialist alcohol, drug and mental health services; and
- birth certificates.

Older people with:

- assessment of need for ScotsCare's sheltered housing;
- programme of annual social events;
- volunteer befrienders; and
- volunteer tech buddy programme.

Working age adults with:

- grants for training or study; and
- job coaching.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Achievements and Performance

Public Benefit

The Trustees have had regard to the Charity Commission's guidance on public benefit during the year. The Charity meets the Public Benefit test set out by the Charity Commission by providing the following services:

- sheltered housing on three sites in London: Grove Park in Lewisham; Whetstone in Barnet; and Worple Road in Wimbledon. Residents must be over 55, or over 50 with a significant disability, to qualify for our sheltered housing;
- an extensive menu of financial grants and regular monthly allowances;
- support services: befriending, advocacy, psychotherapy including substance misuse psychotherapy service, family support project, Scottish Outreach Worker to homeless clients, and job coaching where appropriate;
- signposting to other services generally;
- a range of volunteering opportunities across the organisation;
- grants to help students and the unemployed who require additional training before returning to work; and
- an annual programme of social events for families and older people.

To qualify for any of the above, an applicant must be assessed by the Corporation's professional staff and have exhausted state or other welfare provision. The Corporation's staff assists in this process by carrying out a benefits check to ensure the proper take-up of state benefit entitlement as well as signposting to relevant services.

Numbers of the members of the public benefitting from our services

	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Affordable housing	97	96	96
Regular monthly allowances	24	24	24
Financial grants	1,069	816	1,003
Trained and supported volunteers	66	50	60
Blether Buddies befriending project	49	39	49
Number of people attending social events	2,075	1,759	849
Helpline calls	6,149	6,514	6,659
Student and training grants	22	17	38
Adults assessed for services	449	378	478
Children benefitting from services	266	332	445
Advocacy cases	66	77	74
Counselling sessions	922	1,041	517
Scottish outreach worker project	40	36	-
Children & families project	31	25	-

Detailed one-to-one assessments are carried out at the client's home, on the telephone or at our office on City Road. The assessment includes the collection of information that helps us to provide the most appropriate services that tackle long-term deprivation. Our objective is to identify and achieve defined outcomes for each client, thus measuring and quantifying the impact we have on our clients' lives. This more focused approach has resulted in more grants and services to the most vulnerable of clients, and the impact of our intervention has been greater for most clients.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

	2024-25 £	2023-24 £	2022-23 £
Grant expenditure			
S1 - children and families	172,733	186,990	261,160
S2 - older people	60,601	84,967	71,277
S3 - working age adults	106,188	120,831	131,909
Support services			
Psychotherapy	157,979	176,028	79,296
Children and families project	57,259	32,987	28,744
Volunteer programme	64,882	66,368	63,728
Advocacy	114,590	119,482	105,201
Social events	94,637	110,998	122,852
Homelessness outreach worker	84,973	66,905	-
Total	<u>913,842</u>	<u>965,556</u>	<u>864,167</u>

Volunteer programme

Our volunteers provide significant support and assistance across the organisation. In total, our volunteers provided 4,987 hours in various roles across the organisation.

We are fully committed to providing our volunteers with the best training so that the organisation continues to benefit from their input. Over the past year, our volunteers were able to fulfil the following roles:

Blether Buddy befriender (at home)	21
Blether Buddy befriender (telephone)	28
Tech Buddy	2
Travel Buddy	0
Reception	10
Monthly lunch clubs for over 50s	42
Attendance at annual client outings	43
Administrative	2
Communications team support	3
Residents' coffee mornings	1

Our volunteer programme remains an integral part of the ScotsCare support service. Blether Buddies continue to provide support to older people either on the phone or in their homes and this significantly reduces social isolation. Many befriending relationships are a lifeline for isolated Scots, and it is testament to the commitment and loyalty of our volunteers that we are able to impact the lives of so many.

Organisational Achievements 2024-25

- post-merger with Borderline in 2023, our service to our homeless clients remains as it was pre-merger;
- we completed the legal work to link the related charities, St Andrews' Scottish Soldiers' Club Fund and The Kinloch Bequest, to ScotsCare and broadened the charitable objects to include referrals from organisations, not just individuals;
- implemented the key business strands of our operational strategy for 2023-2026 which included a review of our investment managers and investment strategy and duly appointed two new investment managers with a mandate to adopt a Total Return investment policy;
- we have expanded our mental health services, in particular our children and families and substance misuse psychotherapy services to support vulnerable families and adults;
- expanded our family support project to include another full-time member of staff;
- completed the implementation of our new client database and expanded this to include additional databases for our volunteer programme and started the work to develop our fundraising database to ensure high levels of reporting on outcomes and impact;
- finalising the review of our Theory of Change to ensure we are focused on the best services to end the cycle of deprivation amongst our clients;

THE ROYAL SCOTTISH CORPORATION

THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

-
- carried out a trustee board review using an external consultant; and
 - set up a Property Sub-Committee to review our office lease at City Road with a view to moving to new headquarters
 - after careful consideration by the Property Sub-committee and the Board, purchased new charity headquarters in Bermondsey Street.

Monitoring and Evaluation

In line with our strategic objectives, we monitor and evaluate our work by using a theory of change framework to track the progress and outcomes of individual clients over the course of their involvement with us. Our Theory of Change remains under review and will be expanded to include outcomes and impact for our homeless clients. These outcomes are generally reported to Trustees on a quarterly and annual basis. Our new client database is complete, and will provide further ways to monitor, evaluate and report on our work.

We continue to use a series of surveys developed to receive regular feedback from clients, tenants, and volunteers to measure satisfaction levels and areas for improvement or additional services. The purpose of these surveys is to help determine future strategy and to assist with the planning and improvement of specific services. The feedback also provides the necessary evidence of ScotsCare's effectiveness and increases awareness of our services amongst our beneficiaries.

Raising our profile

Raising awareness through our communications is important to us if we are to reach more Scots in London who need our help. We continue to refer to our Communications Strategy to ensure that we communicate effectively externally with the appropriate key messages to key stakeholders.

The ScotsCare podcast, started back in June 2024, provides an excellent platform to raise the profile of the charity. The series ran in three parts – June to July, October to November and January to April. Guests included a mix of Scots from professional and artistic backgrounds with interesting back stories.

The ScotsCare Christmas card campaign continued and was designed to help promote awareness of the charity and the work we do.

ScotsCare Ambassadors Club

ScotsCare needs help to raise awareness of its work and to raise funds. Our ambassadors play a vital role in representing the Charity amongst their personal and professional networks, speaking about our work and the importance of the funds our supporters raise. The role involves our ambassadors using their network of contacts in the business, commercial, political, and other sectors in and around London to increase awareness and support for ScotsCare. We hope to expand the number of Ambassadors over the coming year. The communications team are a crucial link for our ambassadors to keep them up to date with ScotsCare news and relevant information.

Marketing and Advertising

We continue to use the GP surgery and A&E leaflet distribution service to raise awareness of our services. Our leaflets are now on display at 528 GP surgery and hospital waiting areas across London. Additionally, after thorough research and considering our strategic aim of investing in children and their families, we now have leaflets in 500 primary schools in key client boroughs along with 50 Family Hubs and 9 Special Educational Needs Co-ordinator (SENCO) teams across London. Our leaflets are also distributed to 12 prisons across London.

Adverts promoting our services have appeared in Camden New Journal, Islington Tribune, Westminster Extra, Hackney and Islington Gazettes, East London Advertiser, London Metro, Directions magazine, The Caledonian Club magazine, What's On, South London magazine, The South Londoner, Southwark Newspaper, The Community Noticeboard (Southwark Newspaper), Life and Work, QX Magazine, Barking and Dagenham Post, Newham Recorder, Ilford Recorder, Romford Recorder and the Morrison's Camden Store front.

Editorial pieces appeared in the Caledonian Club magazine Summer and Winter editions, Directions Magazine, QX Magazine, and Scots in London VE Day 80th Anniversary booklet. Alongside this, editorials also featured in the following newsletters - Scots in London, St Columba's Church, Scottish Business Network and the Association of Charitable Organisations.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

A mini general leaflet was produced for clients and outreach events, as something more pocket friendly to hand out at events. Identifying a need to get more clients engaged with our counselling services, we designed a new counselling website page to help promote our 4 counselling services for adults, children, drug and alcohol misuse and our bespoke homelessness counselling service. Alongside the counselling website page, four new leaflets were produced to promote each counselling service. This work led to producing a new suite of more individual specific service-related leaflets for our Family Support Workers program, sheltered housing, social events, fundraising, volunteering and our two military charities; The Kinloch Bequest and the St Andrews' Scottish Soldiers' Club Fund.

Events

To celebrate the merger between ScotsCare and Borderline, a 'thank you' event was held at Sarasin's Offices and included donors, supporters, staff, volunteers and trustees.

We returned to Pride in London with a stall in Soho Square in July. Over one million people attend Pride Day, a great opportunity to meet prospective clients and supporters along with networking with other charities and services.

The Angel Canal Festival in Islington in September is a regular event for ScotsCare given the high number of Scots residing in Islington. This event gives us the opportunity to raise awareness of services amongst new and old clients and new supporters.

Working with other organisations

We have continued our involvement with Scots in London, a group of 12 organisations promoting Scottish culture in London. The group aims to support the Scottish community in London, including its charity members. The purpose of this group is to continue networking and collaborating to promote our individual organisations across the Scottish diaspora in the broad "London" area. We are delighted that HRH The Princess Royal has agreed to continue as Royal Patron. Our CEO and Chair of Communications Sub-committee represents ScotsCare at forum meetings and the CEO also sits on the Scots in London management committee.

Fundraising

ScotsCare is registered with the Fundraising Regulator but does not engage in public fundraising and does not use professional fundraisers or commercial participators. Nonetheless, we do observe the relevant fundraising regulations and codes. ScotsCare will never call to ask someone to donate or pass on their details. We do use databases to keep track of clients' needs and to communicate better with our volunteers. How we use this information is clearly stated in our Privacy Policy which is available on our website. No complaints were received during 2024/25.

Financial Review

The results for the year are shown in the Statement of Financial Activities.

- Incoming resources totalled £3,235,841 (2024: £3,049,109) and total resources expended were £3,163,216 (2024: £3,181,396). This resulted in a surplus of £72,625 (2024: deficit £132,287).
- Incoming resources for the year derive predominantly from investment income and interest of £1,504,105 (2024: £1,317,505) plus rental income from residential housing of £1,478,334 (2024: £1,472,878).
- Legacies, covenants/gift aid events and donations amounted to £253,402 (2024: £258,726).
- Losses on investments amounted to £362,625 (2024 Gains: £3,798,187).
- The transfer of £242,431 from the linked charities has been included in the result.
- The total funds at 31 March 2025 amounted to £58,411,201 (2024: £58,458,770).

Associated Charities & Related Charities

The Corporation is the sole Trustee of the Kinloch Bequest (previously Charity No. 210067) and the St Andrews' Scottish Soldiers' Club Fund (previously Charity No 233297).

The objects of the above charities were distinct from those of the Corporation and so they were not considered to be subsidiary charities.

In 2024-25, these charities have been linked to ScotsCare. Their results, assets and liabilities form part of these financial statements.

Investment Management

The investments of the Corporation were managed by the investment adviser, Sarasin & Partners LLP until December 2024. During the year the Trustees agreed to benchmark and review the performance of the charity's investment manager Sarasin. The decision was approved in July 2024 and the James Kinnear Fund was split equally and transferred to

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Cazenove and WIM (previously known as Waverton) in January 2025 under discretionary mandates that provide for annual fees based on the average value of the respective portfolios managed by them.

The charity adopted a total return approach to investment from 1 April 2025. It will generate investment return from income and capital gains & losses. It is expected that, in the long term, the real value of the portfolio will be maintained in accordance with the investment objective.

The Corporation has adopted guidelines for the investment of its funds which are intended to allow flexibility in the range and classes of investment subject to protection against imprudent investment actions, decisions and practices. The primary objectives are:

- the generation of income at a level consistently and reasonably balanced between the need to conserve and increase long-term capital and the need to generate income for the activities of the Corporation; and
- the achievement of a level of income sufficient to enable the Corporation to grow the scale of its charitable activities in real terms.

No specific investment exclusions have been set. However, the Sarasin fund in which ScotsCare invests does not invest in tobacco and avoids investment in companies that have more than 10% of their turnover in alcohol manufacture, armaments, gambling or pornography. The new investment houses have the same mandate.

The Investment Sub-Committee reviews the performance of the portfolio with the Investment Adviser quarterly and reports to the Committee of Management.

The Investment Sub-Committee conducts an evaluation of the Investment Adviser on an annual basis. The evaluation includes consideration of the investment strategy and the process of the Investment Adviser and performance against benchmarks.

In the year to 31 March 2025 the investment income amounted to £1,504,105 (2024: £1,317,505). and the investment management fees were £172,844 (2024: £171,689). The market value of the portfolio at 31 March 2025 amounted to £44,257,235 (2024: £47,533,967) following the extraction of £3 million from the James Kinnear Fund towards the purchase of Bermondsey Street property.

Reserves

The position disclosed by these Financial Statements shows that at 31 March 2025 the unrestricted reserves of the Corporation amounted to £11,576,706. This sum comprises (a) £9,989,787 of Functional Fixed Assets and (b) £1,586,919 the balance of unrestricted free reserves. The target fund of free reserves is £1,581,608. The Trustees are confident that the charity holds sufficient reserves for operational purposes which include a cyclical property maintenance plan. We regularly review our reserves policy which is linked to the major risks and opportunities for the organisation. The restricted funds comprising the Heritage Fund and the restricted Scottish Homelessness Project Fund at the year-end amounted to £134,600. The Linked Charities Reserves stand at £263,593.

Functional Fixed Assets

These assets include the Corporation's three residential properties providing accommodation for those over 55 or those over 50 with a significant disability.

Unrestricted Free Reserves

Unrestricted free reserves are represented by other net assets available at the Trustees' full discretion in the conduct of the Corporation's affairs.

We consider that for the smooth running of the Corporation and as a protection against exceptional expenditure or a drop in income, a level of available expendable reserves is necessary. The current level of available expendable reserves of £1,586,919 represents approximately 2.72% of the net assets of the Corporation and approximately 6 months of normal expenditure. The total reserves at 31 March 2025 are £58,411,201. They comprise unrestricted funds: £11,576,706, restricted funds: £134,600 endowed fund: £46,463,302, and linked charities' funds: £236,593.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Future plans

- We have agreed on an annual budget to support and contribute to the ongoing development and delivery of client support services throughout the coming year with a spend of £3,453,257 in 2025-26.
- The annual programme of services will be delivered:
- using direct interventions where resources can be most effective;
- identifying and signposting to other appropriate services for the benefit of clients;
- supporting and investing in our staff and volunteers through training and development; and
- working with other organisations, societies, churches, charities and agencies.

Our plans for 2025-26 include:

- identifying the most appropriate organisations to submit proposals for grant funding from the St Andrews' Scottish Soldiers' Club Fund and The Kinloch Bequest;
- completing the implementation of our fundraising database and modernising our finance software;
- finalising the review of our Theory of Change to ensure we are focused on the best services to end the cycle of deprivation amongst our clients;
- implementing the key findings of our governance review;
- expanding our volunteering programme to include a befriending service for families;
- ensuring a smooth transition from our current headquarters to our new premises in Bermondsey Street;
- increasing the number of ScotsCare Ambassadors;
- increasing our fundraising efforts; and
- a review of our Strategy 2023-26.

Approval

This report was approved by the Trustees on 15 October 2025 and signed on their behalf by:

Kevin Lynch
Chairman



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF

THE ROYAL SCOTTISH CORPORATION

THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of The Scottish Hospital Of The Foundation Of King Charles The Second (Royal Scottish Corporation) for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet and the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 31 March 2025 and of the charity's net movement in funds 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 Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder. 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 financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II
FOR THE YEAR ENDED 31 MARCH 2025**

-
- sufficient and proper accounting records have not been kept; or
 - the parent charity financial statements are not in agreement with the accounting records and returns; or
 - we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 6, 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 group's and the parent 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 group or the parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of charity, we identified that the principal risks of non-compliance with laws and regulations relates to the regulatory requirements of tenancy regulations, Charity Law, Health and Safety Act and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and the application of FRS 102 and payroll tax

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manual accounting journals and management manipulation of accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular, journal entries, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II
FOR THE YEAR ENDED 31 MARCH 2025

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Hays Mac LLP

HaysMac LLP

Statutory Auditors

Date: 12 November 2025

10 Queen Street Place

London

EC4R 1AG

HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 Unrestricted	2025 Restricted	2025 Endowed	2025 Total	2024 Total
		£	£	£	£	£
Income from:						
<i>Donations and legacies</i>	2	226,044	27,358	-	253,402	258,726
<i>Investments</i>						
ScotsCare	3	1,497,538	-	-	1,497,538	1,317,505
William Kinloch		-	3,149	-	3,149	-
SASSCF		-	3,418	-	3,418	-
<i>Charitable activities</i>						
Income from residential property	4	1,478,334	-	-	1,478,334	1,472,878
Total Income		3,201,916	33,925	-	3,235,841	3,049,109
Expenditure on:						
<i>Raising funds</i>						
Investment management costs	5	62,557	-	187,669	250,226	247,209
Fundraising costs	5	115,400	-	-	115,400	51,657
William Kinloch		-	402	-	402	-
SASSCF		-	318	-	318	-
<i>Charitable Activities</i>						
Welfare	6	1,767,662	84,973	-	1,852,635	1,981,908
Residential property	6	934,983	-	-	934,983	900,622
William Kinloch		-	4,309	-	4,309	-
SASSCF		-	4,185	-	4,185	-
Other		-	-	758	758	-
Total Expenditure		2,880,602	94,187	188,427	3,163,216	3,181,396
Net income/(expenditure) before investment gains and (losses)		321,314	(60,262)	(188,427)	72,625	(132,287)
Realised gains/ (losses) on investments		-	16,012	2,061,720	2,077,732	-
Unrealised (losses)/ gains on investments		-	(21,234)	(2,419,123)	(2,440,357)	3,798,187
Transfer of net assets of linked charities	8	-	242,431	-	242,431	-
Transfer of net assets from New BorderLine	23	-	-	-	-	259,081
Net movement in funds for the year		321,314	176,947	(545,830)	(47,569)	3,924,981
TOTAL FUNDS BROUGHT FORWARD		11,255,392	194,246	47,009,132	58,458,770	54,533,789
TOTAL FUNDS CARRIED FORWARD		11,576,706	371,193	46,463,302	58,411,201	58,458,770

There have been no recognised gains or losses other than those included above.

All transactions are derived from continuing activities. The accompanying notes form part of these financial statements.

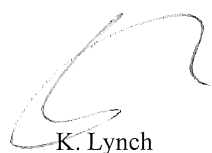
THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	11	12,790,541	10,062,894
Investments	12	44,257,235	47,533,967
		<u>57,047,776</u>	<u>57,596,861</u>
CURRENT ASSETS			
Debtors	13	222,527	298,799
Cash at bank and in hand		1,493,987	883,843
		<u>1,716,514</u>	<u>1,182,642</u>
Creditors: Amounts falling due within one year	14	(281,353)	(213,584)
NET CURRENT ASSETS		<u>1,435,161</u>	<u>969,058</u>
Creditors: amounts falling due after more than one year	15	(21,286)	(31,699)
Provisions for liabilities and charges	18	(50,450)	(75,450)
		<u>58,411,201</u>	<u>58,458,770</u>
FUND BALANCES			
Endowed Fund	19 & 20	46,463,302	47,009,132
Restricted Income Funds	19 & 20	371,193	194,246
Unrestricted Income Funds	19 & 20	11,576,706	11,255,392
		<u>58,411,201</u>	<u>58,458,770</u>

The financial statements were approved and authorised for issue by the Trustees on 15 October 2025 and signed on their behalf by:



K. Lynch

Chairman

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Cash flows from operating activities	(730,382)	(856,900)
Cash flows from investing activities		
Dividends and interest	1,504,105	1,317,505
Purchase of investments	(51,998,356)	(316,166)
Proceeds from sale of investment	55,536,275	-
Purchase of fixed assets	(2,965,310)	(56,446)
Net cash provided by investing activities	2,076,714	944,893
Change in cash and cash equivalents in the year	1,346,332	87,993
Cash and cash equivalents at the beginning of the year	887,843	799,850
Cash and cash equivalents at the end of the reporting year	2,234,175	887,843

NOTES TO THE CASH FLOW STATEMENT

	2025	2024
	£	£
Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities		
Net movement in funds	(47,569)	3,924,981
Transfer of investments from linked charities	(191,937)	-
Loss/(gain) on investments	362,625	(3,798,187)
Investment Fees charged on investment Portfolios	304,287	326,591
Depreciation charges	237,663	228,956
Decrease/(Increase) in debtors	76,272	(174,369)
(Decrease)/increase in creditors	32,382	(47,367)
Dividends and interest from investments	(1,504,105)	(1,317,505)
Net cash used in operating activities	(730,382)	(856,900)

Analysis of Cash and Cash Equivalents

	2025	2024
	£	£
Cash at bank and in hand	1,493,987	883,843
Cash held by investment managers	740,188	4,000
	2,234,175	887,843

Note 17 shows the net movement in funds/debt

THE ROYAL SCOTTISH CORPORATION

THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with 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) 2nd edition effective for periods commencing on or after 1 January 2019 – (Charities SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

Given the charity's level of free reserves available at the year end, the Trustees consider that the charity has adequate resources to continue in operational existence for the foreseeable future and that there is no material uncertainty connected with the charity's ability to continue to operate as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Significant judgements and estimates

Judgements made by the trustees, in the application of these accounting policies have significant effect on the financial statements. In the opinion of the trustees, in 2024-25 the significant judgements and estimates were applied to retired staff pensions, the useful economic life of the residential properties, and the provision for dilapidation. The details of these judgements and estimates are included in the relevant notes.

1.2 INVESTMENTS

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. All movements in value arising from investment changes or revaluation are shown in the Statement of Financial Activities.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and either their opening carrying value, or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value and the carrying value at year end. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

1.3 TANGIBLE FIXED ASSETS

Freehold Land & Buildings- Supported living

Under the previous GAAP, land and buildings were stated at valuation. On transition to FRS 102 an election was made to use the valuation at 2014 as the deemed cost and no depreciation on buildings was made as the amount involved was deemed immaterial. Following reappraisal in 2019-20 depreciation of buildings is now made annually at 2% of deemed cost.

Endowed Land & Buildings- Head Office

ScotsCare purchased a new building on 25 March 2025 by repurposing a portion of the endowed fund- James Kinnear Fund. The building is being depreciated at 2% of the deemed cost.

Fixtures, Fittings & Office Equipment

Fixtures, fittings and equipment are depreciated at an annual rate of 10% of cost.

IT Equipment

IT equipment is depreciated at an annual rate of 33.33% of cost.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1.4 DEBTORS

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. A specific provision is made for debts for which recoverability is in doubt.

1.5 CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments.

1.6 CREDITORS AND PROVISIONS

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

1.7 PROVISION FOR UNFUNDED PENSIONS

Unfunded pensions are paid by the Charity to certain former employees. The pensions are to be paid during their lifetime. The pension liability was calculated using the return on investment and to the assumed age of 87 years. This decision was taken in the view of probable life expectancy of the retired staff who are already above the age of average life expectancy of women in the UK.

1.8 PROVISION FOR LIABILITIES

Provision has been made for expected property costs at the end of the leases based on the lease terms, management's assessment of the property condition and the likely costs. The estimation involves a level of trustee judgement.

1.9 FUND ACCOUNTING

Funds held by the charity are either:

- Unrestricted funds – which can be used in accordance with the charitable objects at the discretion of the trustees
- Endowment funds – the income from which can be used for the general purposes of the charity, in accordance with the charitable objectives and at the discretion of the trustees
- Restricted funds – which can only be used for particular restricted purposes within the objects of the charity, either when specified by the donor or when funds are raised for particular restricted purposes

1.10 INCOME RECOGNITION

Income is recognised in the period in which the Charity has entitlement to the income, where the amount of income can be measured reliably, and it is probable that the income will be received. In accordance with Charities SORP FRS 102, volunteer time is not recognised.

1.11 LEGACIES, GIFT AID & DONATIONS

Legacies, gift aid and donations are accounted for on an accrual basis.

1.12 INVESTMENT INCOME & INTEREST

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due. Interest on funds held on deposit is included when it is receivable, and the amount can be measured reliably by the Charity; this is normally upon notification from the bank of the interest payable or paid.

1.13 RENTAL INCOME

Income from the rental of functional properties is recognised when the income is receivable under the contract for hire or lease document, when the amount can be measured reliably, and it is probable such income will be received.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2024

1.14 EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. Support costs are allocated in the same proportion as direct costs are incurred. All expenditure is stated inclusive of irrecoverable VAT.

All eligible members of staff are auto enrolled in a workplace pension scheme. Employer contributions to the scheme are charged to the Statement of Financial Activities in the year in which they are payable to the scheme. In addition, supplementary pension payments are made directly to certain former employees.

1.15 OPERATING LEASES

Rentals payable under operating leases for equipment are charged on a straight-line basis over the terms of the leases.

1.16 EMPLOYEE BENEFITS

- **Short term benefits**
Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- **Employee termination benefits**
Termination benefits are accounted for on an accrual basis and in line with FRS 102.

1.17 HERITAGE ASSETS

No value is attributed to heritage assets on the basis that information on cost or valuation of the assets is not available and could not be obtained at reasonable cost. The age, variety and lack of comparable market data would make any attempt at valuation extremely onerous and costly compared with the benefit derived by users of the account.

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

2 DONATIONS AND LEGACIES

	2025		2024
	£	£	£
	Unrestricted	Restricted	
Legacies	99,443	-	139,330
Donations	97,350	27,358	95,212
Events	29,251	-	24,184
	226,044	27,358	258,726

Donations of £32,616 were restricted in 2024.

3 INVESTMENT INCOME

	2025		2024
	£	£	£
	Unrestricted	Restricted	Unrestricted
Dividend and interest on investments	1,483,535	5,510	1,307,201
Bank deposit interest	14,003	1,057	10,304
	1,497,538	6,567	1,317,505

4 INCOME FROM CHARITABLE ACTIVITIES - UNRESTRICTED FUNDS

	2025		2024
	£	£	£
	Unrestricted	Restricted	
Income from residential property	1,478,334	-	1,472,878
	1,478,334	-	1,472,878

5 RAISING FUNDS

	2025		2024
	£	£	£
	Unrestricted	Restricted	
Brokerage commission and investment management fees	172,844	720	171,689
Support costs (note 9)	77,382	-	75,520
	250,226	720	247,209

FUNDRAISING COSTS

	2025		2024
	£	£	£
	Unrestricted	Restricted	Restricted
Staff costs	48,832	-	47,405
Other direct costs	30,880	-	2,568
Support costs (note 9)	35,688	-	1,684
	115,400	-	51,657

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

6 EXPENDITURE ON CHARITABLE ACTIVITIES	2025		2024
	£	£	£
Welfare	Unrestricted	Restricted	
Staff costs	570,895	57,719	610,914
Other direct costs	315,279	21,790	402,232
Grants to individuals	334,840	2,341	392,788
Support costs (note 9)	546,648	3,123	575,974
	<u>1,767,662</u>	<u>84,973</u>	<u>1,981,908</u>
Residential Housing			
Staff costs	153,797	-	147,705
Other direct costs	492,042	-	477,783
Support costs (note 9)	289,144	-	275,134
	<u>934,983</u>	<u>-</u>	<u>900,622</u>
Linked Charities			
Other direct costs	-	8,384	-
Grants to individuals	-	110	-
	<u>-</u>	<u>8,494</u>	<u>-</u>

Welfare costs of £108,059 were restricted in 2024.

7 GOVERNANCE COSTS	2025		2024
	£	£	£
	Unrestricted	Restricted	
Auditors remuneration - audit fees	20,995	1,985	23,688
Other direct costs	16,484	-	5,923
	<u>37,479</u>	<u>1,985</u>	<u>29,611</u>

Governance costs have been allocated across investment management costs and the cost of charitable activities in proportion to direct expenditure.

8 TRANSFER OF NET ASSETS OF LINKED CHARITIES

The Charity of William Kinloch and St Andrews' Scottish Soldiers' Club Fund were linked to ScotsCare during the year.

The net assets of these charities at the 1 April 2024, as set out below, have been reflected as a transfer in the financial statements, with all the income and expenditure reflected in the Statement of Financial Activities from this date.

	£	£
William Kinloch		
Cash	4,774	
Investments	107,085	
Liability	<u>(99)</u>	
		111,760
SASSCF		
Cash	45,898	
Investments	84,852	
Liability	<u>(79)</u>	
		<u>130,671</u>
		<u>242,431</u>

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2024**

9 ANALYSIS OF DIRECT AND SUPPORT COSTS

	Direct Individual Grants	Direct Salary Costs	Other Direct Costs	Support Staff Costs	Support Premises Costs	Support Communications Costs	Support Other Costs	Support Governance Costs	2025 Total Support & Governance Costs	2025 Total Costs	2024 Total Costs
	£	£	£	£	£	£	£	£	£	£	£
Investment	-	-	174,322	35,690	16,112	11,463	11,060	3,057	77,382	251,704	247,209
Fundraising		48,832	30,880	16,459	7,431	5,287	5,101	1,410	35,688	115,400	51,657
Charitable - Residential	-	153,797	492,042	133,357	60,204	42,833	41,328	11,422	289,144	934,983	900,622
Charitable - Welfare	337,291	628,614	345,453	252,123	113,822	80,979	79,271	23,576	549,771	1,861,129	1,981,908
Total	337,291	831,243	1,042,697	437,629	197,569	140,562	136,760	39,465	951,985	3,163,216	3,181,396

Included in the cost noted above, a sum of £84,973 was spent from the restricted homelessness fund towards welfare, and a sum of £9,214 was spent from the linked charities restricted funds.

COMPARATIVE 2024

	Direct Individual Grants	Direct Salary Costs	Other Direct Costs	Support Staff Costs	Support Premises Costs	Support Communications Costs	Support Other Costs	Support Governance Costs	2024 Total Support & Governance Costs	2024 Total Costs
	£	£	£	£	£	£	£	£	£	£
Investment	-	-	171,689	34,415	18,727	9,025	11,357	1,996	75,520	247,209
Fundraising	-	47,405	2,568	-	-	-	-	1,684	1,684	51,657
Charitable - Residential	-	147,705	477,783	125,379	68,227	32,880	41,375	7,273	275,134	900,622
Charitable - Welfare	392,788	610,914	402,232	260,864	141,954	68,412	86,086	18,658	575,974	1,981,908
Total	392,788	806,024	1,054,272	420,658	228,908	110,317	138,818	29,611	928,312	3,181,396

Included in the cost above, a sum of £159,716 was spent from the restricted homelessness fund towards welfare & fundraising.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

10 STAFF COSTS	2025	2024
	£	£
Wages & Salaries	1,043,365	1,009,544
Social Security costs	106,930	102,921
Other pension costs	118,577	113,548
	1,268,872	1,226,013
Employees		
	2025	2024
The average number of employees during the year		
Charitable	15	15
Support	8	8
	23	23
The average number of FTE employees during the year	2025	2024
Charitable	14	14
Support	7	7
	21	21

The number of employees whose annual remuneration was £60000 or more:

Salary Banding	2025	2024
60,001-70,000	1	1
70,001-80,000	0	0
80,001-90,000	0	1
90,001-100,000	0	0
100,001-110,000	1	0

The key management of the charity consists of the Chief Executive and the trustees.

Total remuneration for the Chief Executive, including social security and pension costs was £125,299 (2024: £124,623).

The trustees received no remuneration in the current or prior year. No reimbursement was made to trustees in 2024-25 (2024: £Nil).

The donation from the trustees in 2025 was £2,010 (2024: £1,625).

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

11 TANGIBLE FIXED ASSETS	Freehold Land & Buildings £	Endowed Freehold Land & Building £	Fixtures & Fittings £	Office Equipment £	IT Equipment £	Total £
<i>COSTS</i>						
1 April 2024	10,104,154	-	967,494	85,002	37,062	11,193,712
Additions	-	2,801,512	152,344	-	11,454	2,965,310
At 31 March 2025	10,104,154	2,801,512	1,119,838	85,002	48,516	14,159,022
<i>DEPRECIATION</i>						
1 April 2024	636,446	-	383,809	85,002	25,561	1,130,818
Charge for the year	143,284	758	88,084	-	5,537	237,663
At 31 March 2025	779,730	758	471,893	85,002	31,098	1,368,481
<i>Net Book Amount</i>						
At 31 March 2025	9,324,424	2,800,754	647,945	-	17,418	12,790,541
At 31 March 2024	9,467,708	-	583,685	-	11,501	10,062,894

12 INVESTMENTS	2025 £	2024 £
Opening value at 1 April	47,529,967	43,742,205
Linked Charities b/fwd	191,911	-
Cost of additions	51,998,356	316,166
Less proceeds of disposals	(55,536,275)	-
Investment manager's fees charges to portfolio	(150,547)	(171,689)
Realised loss	1,923,996	-
Unrealised gain/loss	(2,440,359)	3,643,285
Market value at 31 March	43,517,049	47,529,967
Funds on deposit with Investment Adviser	740,188	4,000
Total value as at 31 March	44,257,237	47,533,967
Cost at 31 March	46,697,595	36,992,198
Unrealised gains at 31 March	(2,440,359)	10,541,769
Market value at 31 March	44,257,236	47,533,967

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

13 DEBTORS	2025	2024
	£	£
Accrued Income & Prepayments	137,348	239,608
Trade Debtors	85,179	59,191
	<u>222,527</u>	<u>298,799</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2025	2024
	£	£
Trade creditors	139,473	106,863
Other creditors	38,109	18,398
Deferred income	25,940	-
Accruals	77,831	88,323
	<u>281,353</u>	<u>213,584</u>

Other creditors include £11,335 (2024 £11,335) related to unfunded pensions.

<u>Deferred income comprises rental income received in advance</u>	2025	2024
	£	£
Balance at 1 April	-	8,107
Amount released to rental income	-	(8,107)
Amount deferred in year	25,940	-
	<u>25,940</u>	<u>-</u>

15 CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR	2025	2024
	£	£
Unfunded pensions	21,286	31,699
	<u>21,286</u>	<u>31,699</u>

16 OPERATING LEASES	<u>Equipment</u>		<u>Building</u>	
	2025	2024	2025	2024
	£	£	£	£
Under 1 year	9,409	11,929	62,272	124,544
2-5 years	1,680	11,311	-	62,273
	<u>11,089</u>	<u>23,240</u>	<u>62,272</u>	<u>186,817</u>

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

17 NET DEBT RECONCILIATION	At 1 April 2024 £	Cashflows £	Other non- cash changes £	At 31 March 2025 £
Cash	887,843	1,346,332	-	2,234,175
	<i>At 1 April 2023</i>	<i>Cashflows</i>	<i>Other non- cash changes</i>	<i>At 31 March 2024</i>
2024 Comparative	£	£	£	£
Cash	799,850	87,993	-	887,843

18 PROVISION FOR LIABILITIES AND CHARGES

Provision for dilapidation

A provision of £50,450 has been made for the expected property dilapidation cost at the end of the lease based on the lease terms and management's assessment of the property condition. The estimation involves a level of judgement.

Movement in provision for Dilapidation	£
Balance at 01 April 2024	75,450
Adjustment	(25,000)
Balance at 31 March 2025	<u>50,450</u>

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

19 MOVEMENT IN FUNDS

	1 April 2024 Balance £	Income £	Expenditure £	Investment (losses)/gains £	Net Asset Transfer £	Fund Transfers £	31 March 2025 Balance £
Endowed Fund							
The James Kinnear Fund	47,009,132	-	(188,427)	(357,403)	-	-	46,463,302
Restricted funds							
Heritage Fund	62,265	-	-	(2,031)	-	-	60,234
Homelessness Fund	131,981	27,358	(84,973)	-	-	-	74,366
William Kinloch	-	3,149	(4,711)	(1,825)	111,760		108,373
SASSCF	-	3,418	(4,503)	(1,366)	130,671		128,220
Unrestricted Income Funds							
Functional Fixed Assets	10,062,894	1,478,334	(934,983)	-	-	(616,458)	9,989,787
Free Assets	1,192,498	1,723,582	(1,945,619)	-	-	616,458	1,586,919
Total Unrestricted Funds	<u>11,255,392</u>	<u>3,201,916</u>	<u>(2,880,602)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,576,706</u>
Total Funds	<u>58,458,770</u>	<u>3,235,841</u>	<u>(3,163,216)</u>	<u>(362,625)</u>	<u>242,431</u>	<u>-</u>	<u>58,411,201</u>

COMPARATIVE 2024

	1 April 2023 Balance £	Income £	Expenditure £	Investment (losses)/gains £	Net Asset Trf from NBL £	Fund Transfers £	31 March 2024 Balance £
Endowed Fund							
The James Kinnear Fund	43,403,119	-	(185,407)	3,791,420	-	-	47,009,132
Restricted fund							
Heritage Fund	55,498	-	-	6,767	-	-	62,265
Homelessness Fund		32,616	(159,716)	-	259,081	-	131,981
Unrestricted Income Funds							
Functional Fixed Assets	10,235,404	1,472,878	(900,622)	-		(744,766)	10,062,894
Free Assets	839,768	1,543,615	(1,935,651)	-		744,766	1,192,498
Total Unrestricted Funds	<u>11,075,172</u>	<u>3,016,493</u>	<u>(2,836,273)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,255,392</u>
Total Funds	<u>54,533,789</u>	<u>3,049,109</u>	<u>(3,181,396)</u>	<u>3,798,187</u>	<u>259,081</u>	<u>-</u>	<u>58,458,770</u>

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

20 ANALYSIS OF ASSETS BETWEEN FUNDS 31 MARCH 2025

	Unrestricted	Restricted	Endowed	Total 2025
	£	£	£	£
Tangible Assets	9,989,787	-	2,800,754	12,790,541
Investments	-	271,329	43,985,906	44,257,235
Current Assets less Creditors & Provisions	1,586,919	99,864	(323,358)	1,363,425
	11,576,706	371,193	46,463,302	58,411,201

ANALYSIS OF ASSETS BETWEEN FUNDS 31 MARCH 2024

	<i>Unrestricted</i>	<i>Restricted</i>	<i>Endowed</i>	<i>Total 2024</i>
	£	£	£	£
Tangible Assets	10,062,894	-	-	10,062,894
Investments	-	85,078	47,448,889	47,533,967
Current Assets less Creditors & Provisions	1,192,498	109,168	(439,757)	861,909
	11,255,392	194,246	47,009,132	58,458,770

THE JAMES KINNEAR FUND

The James Kinnear Fund is an unexpendable capital (Permanent Endowment) fund whose assets are invested to produce a return, income of which each year is recorded in the Unrestricted Income Fund and is freely available for the charitable activities of the Corporation. Included in the fund is the Bermondsey Street property purchased during the year.

HERITAGE FUND

The Heritage Fund is a capital fund which arises from the historic sale of certain of the Corporation's paintings (anciently donated) upon moving premises. Its income each year is recorded in the Unrestricted Income Fund and is freely available for the charitable activities of the Corporation. Its capital assets are available to the Trustees for the purchase of replacement commemorative artefacts for the Corporation's headquarters or such other corporate expenditure as the Trustees may determine.

LINKED CHARITIES

The Charity of William Kinloch and St Andrews' Scottish Soldiers' Club Fund were linked to ScotsCare during the year.

The Charity of William Kinloch grant funding directly to eligible individuals or to charitable organisations that support Scots who have served in the Navy, Army or Royal Air Force, who suffer from a mental or physical impairment or disability and who are in need. To qualify for any of the above, an applicant must be assessed by the Corporation's professional staff.

**THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

St Andrews' Scottish Soldiers Club Fund grant funding directly to eligible individuals or to charitable organisations that support Scots soldiers who are in need, hardship and distress. The trustees shall apply the clear income of the charity in relieving serving and former Scottish soldiers and their families and dependents in any part of the world who are in conditions of need, hardship or distress.

HOMELESS RESTRICTED FUND

The Royal Scottish Corporation (ScotsCare) and New Borderline (Borderline) merged on 1 April 2023 to provide a one stop shop for vulnerable Scots across London. On 1 April 2023, the assets and liabilities of New Borderline (Registered Company number 06844151, Charity numbers 11286848 and SC044530) were transferred to ScotsCare.

20. ANALYSIS OF ASSETS BETWEEN FUNDS (CONT.)

UNRESTRICTED INCOME FUNDS

These funds represent accumulated income surpluses and consist of functional fixed assets fund and free assets.

(a) Tangible Fixed Assets

Functional fixed assets comprise of residential property and the fixtures & fittings within providing accommodation for the elderly and key workers on lower incomes. The Trustees have determined that these assets shall be a capital fund but that upon a disposal of the underlying property, any proceeds not similarly reinvested shall become free assets available at the Trustees' discretion.

(b) Free Assets

Free assets are available at the Trustees' discretion in the conduct of the Charity's affairs.

21. CAPITAL COMMITMENTS

At 31 March 2025, the Charity has no capital commitment (2024: £nil).

22. HERITAGE ASSETS

Works of art and ceremonial silverware are not capitalised in these accounts. They are considered to be heritage assets for the purposes of the Charities SORP (FRS 102). They all have very long lives and are worth preserving indefinitely. No value is attributed to heritage assets on the basis that information on cost or valuation of the assets is not available and could not be obtained at reasonable cost. There has been no movement in the heritage assets in the last 5 years.

23. MERGER WITH NEW BORDERLINE

The Royal Scottish Corporation (ScotsCare) and New Borderline (Borderline) merged on 1 April 2023 to provide a one stop shop for vulnerable Scots across London. On 1 April 2023 the assets and liabilities, as set out below, of New Borderline (Registered Company number 06844151, Charity numbers 11286848 and SC044530) were transferred to ScotsCare:

- Cash and short-term deposits £259,081

24. RELATED PARTY TRANSACTIONS

Callum Ross, one of the Trustees, is a designated member of Habitus Collective UK LLP, a company engaged to provide consultancy services to the Charity. The Charity did not pay anything for this work during the year (2024: £2,814). There were no outstanding balances at the reporting date (2024: £nil).

Other than the transactions disclosed above and in Note 10, the Charity had no other related party transactions.