

THE LONDON SCOTTISH HEADQUARTERS TRUST (THE HEADQUARTERS TRUST)

England & Wales · Charity number 251499

Details

Other names THE LONDON SCOTTISH HEADQUARTERS TRUST

Status Registered

Legal form Other

Registered 1967-03-22

Register [View on the Charity Commission register](#)

Contact

Address The London Scottish
Regimental Headquarters
95 Horseferry Road
London
SW1P 2DX

Phone 02076301639

Activities

Objects: 1. MAINTAIN PLACE OF REUNION IN PURSUIT MILITARY, ATHLETIC, SOCIAL AND OTHER PURPOSES OF RECREATION AND IMPROVEMENT FOR NATIVES OF SCOTLAND RESIDENT IN LONDON. 2. PERMIT REGIMENT OF LONDON SCOTTISH RIFLE VOLUNTEERS OR ANY OTHER MILITARY BODY WICH IN OPINION OF TRUSTEES, BY ORGANISATION AND NATIONALITY, STANDS IN ITS PLACE TO OCCUPY SAID PREMISES. (FOR FURTHER DETAILS SEE CLAUSES 1-3 OF INDENTURE). ANY PART OF RENTS DERIVED FROM THE PROPERTY, AFTER DEDUCTING ALL COSTS AND EXPENSES MAY BE APPLIED TOWARDS THE ADVANCEMENT OF THE MILITARY EFFICIENCY AND BENEFIT OF THE LONDON SCOTTISH REGIMENT.

Activities: General charitable purposes

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£71,928	£153,419	-	-
2024-03-31	£113,211	£155,976	-	-
2023-03-31	£100,460	£124,827	-	-
2022-03-31	£35,689	£438,587	-	-
2021-03-31	£34,344	£585,107	-	-

Trustees

Name	Role	Appointed
Patrick John Layden KC TD	Chair	2023-02-16
Kenneth Henry Stoddart		2024-12-12
Major Mark Desmond Randall TD		2021-10-28
Marcus Victor Ormiston		2021-10-28
Martin John Felstead		2021-10-28
Stephen David Lovelock LL.B AKC		2021-10-28
The Earl of Leicester Thomas Edward Coke		2025-07-04

THE LONDON SCOTTISH HEADQUARTERS TRUST (THE HEADQUARTERS TRUST)

England & Wales - Charity number 251499

Accounts

Charity registration number 251499

The London Scottish Headquarters Trust

Annual Report and Unaudited Financial Statements

For the year ended 31 March 2025

The London Scottish Headquarters Trust

Contents

	Page
Trustees' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 16

The London Scottish Headquarters Trust

Legal and Administrative Information

Trustees	Mr P.J. Layden TD KC (Chairman) Mr M.V. Ormiston Mr M.J. Felstead Major M.D. Randall Mr S.D. Lovelock The Earl Of Leicester T.E. Coke Mr K.H. Stoddart	(Appointed 4 July 2025) (Appointed 12 December 2024)
Charity number	251499	
Principal address	London Scottish House 95 Horseferry Road London SW1P 2DX	
Independent examiner	Gilberts Chartered Accountants Pendragon House 65 London Road St Albans Hertfordshire AL1 1UJ	
Bankers	Royal Bank of Scotland Holt's Farnborough Branch Lawrie House Victoria Road Farnborough GU14 7NR	

The London Scottish Headquarters Trust

Trustees' Report

For the year ended 31 March 2025

The Trustees present their annual report and financial statements for the year ended 31 March 2025.

The Trust is registered with the Charity Commission for England and Wales charity number 251499.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The 1886 Trust Deed provides that the objects of the charity are that they shall hold the premises at 59 Buckingham Gate:

1. To provide and maintain a place of reunion and meeting in pursuit of military, athletic, social and other purposes of recreation and improvement for such natives of Scotland resident in London and under such regulations and restrictions as may be specified and imposed from time to time by the Trustees.
2. To permit the Regiment of London Scottish Rifle Volunteers or any other military body in the service of the Crown which from time to time may in the opinion of the Trustees represent or by its organisation and nationality be entitled to stand in the place of the said London Scottish Rifle Volunteers to occupy the said premises or any part of part thereof for drill, gymnastics or other purpose for any term of years.
3. In the event of the disbandment of the said regiment or body as aforesaid then at the discretion of the Trustees to hold in trust for the Highland Society of London, the Corporation (now Scotsware) and the Caledonian Asylum (now the Royal Caledonian Education Trust) or for such bodies in existence at such a time..
4. The deed provided extensive powers for the Trustees to sell and replace the building with any equality money received to be held under the same trusts.

In 1985 the Trustees made an agreement to sell the premises at 59 Buckingham Gate and to purchase a site at 95 Horseferry Road to build a new Headquarters. Equality money was received to be held as capital of the endowment fund.

Legal title to the property of the Trust is held by The London Scottish Regiment Trustee Limited.

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

Structure, governance and management

The charity is established under a Trust Deed dated 23rd August 1886 as amended by Charity Commission Schemes for the administration of the Trust sealed by the Charity Commission on 7th February 1939 and 9th August 1993. In 1939 there was an MoD plan to quarter the London Scottish in a central drill hall. The 1939 Scheme accordingly permits the Trustees to apply any surplus income to the advancement of the military efficiency and benefit of the unit designated under Clause 2 of the 1886 Deed.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr P.J. Layden TD KC
Colonel C. Stagg OBE
Lady Rachel Johnstone-Burt
Mr M. V. Ormiston
Mr M.J. Felstead
Major M.D. Randall
Mr S.D. Lovelock
Mr K.H. Stoddart

Chairman
(Tenure expired 25 April 2024)
(Tenure expired 14 February 2025)

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2025

The governing documents provide that there shall be 1 ex officio Trustee, being the Regimental Colonel, and up to 7 co-opted Trustees. The post of Regimental Colonel was discontinued by MOD with effect from 30th April 2023.

Accordingly, the post of Regimental Colonel is vacant.

Under the terms of the governing documents, the Trustees have power to co-opt new Trustees to fill vacancies within the number of Trustees required therein.

The Trustees meet regularly to discuss operational matters as required.

Public Benefit

The Trustees are confident that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The Headquarters Trust provides a public benefit in that it supports the Army community and the Scottish community in London and abroad. Through its grants programme and access to London Scottish House, the Trust also enables other charities to maximise their public benefit, in support of the military family, public welfare, education and the promotion of Scottish culture and the arts.

Financial review

In 2016 the then Trustees embarked on an ambitious scheme to convert the premises into a Scottish Hub in London. The plan would have involved quite extensive alteration to the building and relied heavily on raising substantial sums of capital either by loan or philanthropy. Feasibility studies and plans were commissioned as well as a fundraising initiative and professional advice from various consultants. HQ Trust funds, and the funds of the other Trusts, were used to finance these activities.

When the lease of the building by MoD expired in 2018, it was not renewed, and the considerable income was lost, the serving company being relocated to premises owned by MoD.

Concurrently with the capital expenditure, a trading company, London Scottish Volunteer Enterprises Limited ("LSVE") was set up in the joint ownership of the HQ and Regimental Trusts, to exploit the commercial value of the premises by hosting events etc.

In spite of the expenditure of almost all the capital investments of most of the London Scottish Trusts, and the activities of LSVE, the fundraising effort failed, LSVE suffering considerable losses in the process. There was insufficient money to cover the overheads of maintaining the building.

In 2020 the Trustees borrowed £1.2 million from Hoare Bank to reimburse those who had bought into a failed bond issue and for financing the alterations required for the purpose of the Hub project.

By 2021 it was apparent that the Trust was running out of money and was facing insolvency. Accordingly, in October of that year, most of the then trustees resigned and new appointments were made.

The new Trustees set to work. They set up a new commercial company, London SH Limited, in 2022, to manage the premises - solely on behalf of the HQ Trust. LSVE went into liquidation in June 2022. A benefactor has made an interest-free loan of £1.2 million to the HQ Trust to enable them to pay back the loan from Messrs Hoare and Co, and the commercial exploitation of the premises enables the Trust to cover its costs on a day to day basis. The benefactor has also agreed to make up any deficiency in the running budget at the end of the financial year.

Accordingly, while the position remains delicate, the Trustees are of the view that the Trust remains viable.

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2025

Results

Unrestricted income for the year amounts to £71,828 (2024: £113,211).

Unrestricted income	2025	2024
	£	£
London Scottish Regimental Trust	-	30,000
Donations from organisations	-	34,335
Donations from individuals	58,395	18,000
Other income	13,533	30,876
Total income	71,928	113,211

The results show that there was an overall deficit in the year of £81,491 (2024: deficit of £42,222).

The balances on the funds at 31st March 2025 are as follows:

Total funds	2025	2024
	£	£
Endowment and restricted funds	15,356,856	15,356,856
Unrestricted fund (deficit)	(2,534,723)	(2,453,232)
Total funds	12,822,133	12,903,624

The deficit of Unrestricted Funds indicates that an equivalent amount of the Endowment Fund has been expended.

Plans for future periods

The Trustees remain concerned about the position of the Trust and the impact of events during the year and earlier. They have taken action to reduce costs and generate income and will be considering what can be done to rectify the position, particularly of the Endowment Fund and the possibility of recovering funds. Legal advice has been taken.

Risk management

The Trustees are acutely aware of the risks to which the Trust has been exposed since the termination of the lease of the premises in March 2018 at which point there was a significant loss of income and a very substantial increase in the burden of cost relating to the building.

The Trustees, through London SH Ltd, have taken measures which enable the building to operate as a going concern on a day to day basis. They are in discussion with the trustees of the other Regimental Trusts to secure funding to enable the Headquarters Trust to meet some upcoming capital commitments. The Headquarters Trust Trustees have designated the Scots Guards as the unit standing in place of the London Scottish Rifle Volunteers for the purposes of Clause 2 of the 1886 Trust Deed. The Trustees are, together with the other Regimental Trusts, investigating and developing closer links with the Scots Guards across a range of activities. The Scots Guards are considering what use they could make of parts of London Scottish House. The Trustees have negotiated a loan from the Scots Guards Charity to enable them to meet some urgent capital requirements. They have kept the Charity Commission fully informed of these developments.


Accordingly, while there remain concerns about the future viability of the Trust, the Trustees have at present reason to believe that the charity will be able to continue into the foreseeable future.

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2025

The Trustees' report was approved by the Board of Trustees.



Mr P.J. Layden TD KC (Chairman)

Trustee

Date: 02/12/2025



The London Scottish Headquarters Trust

Independent Examiner's Report

To the Trustees of The London Scottish Headquarters Trust

I report to the Trustees on my examination of the financial statements of The London Scottish Headquarters Trust (the Trust) for the year ended 31 March 2025.

Responsibilities and basis of report

As the Trustees of the Trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I draw attention to the wording contained in the Trustees' Report and the going concern accounting policy at Note 1.2 which explain that a material uncertainty exists that may cast doubt on the Trust's ability to continue as a going concern.

I confirm that there are no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Gilberts Chartered Accountants

Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1LJ

Dated:

The London Scottish Headquarters Trust

Statement of Financial Activities

For the year ended 31 March 2025

	Notes	Unrestricted funds 2025 £	Endowment funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
<u>Income and endowments from:</u>							
Donations and legacies	3	58,395	-	58,395	82,335	-	82,335
Investments	4	13,415	-	13,415	30,876	-	30,876
Other income	5	118	-	118	-	-	-
Total income		71,928	-	71,928	113,211	-	113,211
<u>Expenditure on:</u>							
Raising funds	6	-	-	-	52	-	52
Charitable activities	7	153,419	-	153,419	155,872	-	155,872
Other		-	-	-	-	52	52
Total expenditure		153,419	-	153,419	155,924	52	155,976
Net gains/(losses) on investments	10	-	-	-	-	543	543
Net movement in funds		(81,491)	-	(81,491)	(42,713)	491	(42,222)
Fund balances at 1 April 2024		(2,453,232)	15,356,856	12,903,624	(2,410,519)	15,356,365	12,945,846
Fund balances at 31 March 2025		(2,534,723)	15,356,856	12,822,133	(2,453,232)	15,356,856	12,903,624

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 16 form part of these financial statements.

The London Scottish Headquarters Trust

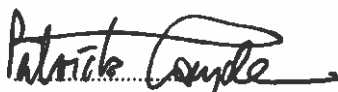
Balance Sheet

As at 31 March 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		15,053,594		15,026,889
Investments	13		1		1
			<u>15,053,595</u>		<u>15,026,890</u>
Current assets					
Debtors	14	39,936		31,154	
Cash at bank and in hand		70,832		221,560	
			<u>110,768</u>	<u>252,714</u>	
Creditors: amounts falling due within one year	16	(942,230)		(975,980)	
Net current liabilities			<u>(831,462)</u>		<u>(723,266)</u>
Total assets less current liabilities			<u>14,222,133</u>		<u>14,303,624</u>
Creditors: amounts falling due after more than one year			<u>(1,400,000)</u>		<u>(1,400,000)</u>
Net assets			<u><u>12,822,133</u></u>		<u><u>12,903,624</u></u>
Capital funds					
Endowment funds - general	17		15,356,856		15,356,856
Income funds					
Unrestricted funds			<u>(2,534,723)</u>		<u>(2,453,232)</u>
			<u><u>12,822,133</u></u>		<u><u>12,903,624</u></u>

The notes on pages 8 to 16 form part of these financial statements.

The financial statements were approved by the Trustees on 02/12/2025


 Mr P.J. Layden TD KC (Chairman)
 Trustee

The London Scottish Headquarters Trust

Notes to the Financial Statements

For the year ended 31 March 2025

1 Accounting policies

Charity information

The London Scottish Headquarters Trust is an unincorporated charitable trust registered with the Charity Commission in England and Wales, number 251499. Its principal office is London Scottish House, 95 Horseferry Road, London, SW1P 2DX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the Trust will continue in operational existence for the foreseeable future, however, the Trustees are aware of certain material uncertainties which may cause doubt on the Trust's ability to continue as a going concern.

The Trustees are concerned that the Trust will have insufficient liquid funds to continue to meet its objects. The Trustees are working towards a plan that would allow the Trust to continue in operation, however it is not certain at this time that the plan will be successful.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

1.4 Income

Income is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2025

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the Trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation charged
Fixtures and fittings	10% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The freehold property became a Grade II listed building in December 2021.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2025

1 Accounting policies

(Continued)

1.10 Financial Instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

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

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

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2025

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	58,395	52,335
Grants receivable	-	30,000
	<u>58,395</u>	<u>82,335</u>

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income	12,000	30,000
Interest receivable	1,415	876
	<u>13,415</u>	<u>30,876</u>

5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	118	-
	<u>118</u>	<u>-</u>

6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Investment management	-	52
	<u>-</u>	<u>52</u>

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2025

7 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Depreciation and impairment	9,502	28,373
Share of support and governance costs (see note)		
Support	143,917	127,499
	<u>153,419</u>	<u>155,872</u>
Analysis by fund		
Unrestricted funds	<u>153,419</u>	<u>155,872</u>

8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>9,502</u>	<u>28,372</u>

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year.

10 Gains and losses on investments

	Endowment funds 2025 £	Endowment funds 2024 £
Gains/(losses) arising on:		
Sale of investments	<u>-</u>	<u>543</u>

11 Taxation

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

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2025

12 Tangible fixed assets	Freehold land and buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2024	15,000,000	236,264	15,236,264
Additions	-	36,206	36,206
	<hr/>	<hr/>	<hr/>
At 31 March 2025	15,000,000	272,470	15,272,470
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 April 2024	-	209,374	209,374
Depreciation charged in the year	-	9,502	9,502
	<hr/>	<hr/>	<hr/>
At 31 March 2025	-	218,876	218,876
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2025	15,000,000	53,594	15,053,594
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2024	15,000,000	26,889	15,026,889
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The investment property rented to another group entity has been accounted for using the cost model. The carrying value of this investment property included within tangible fixed assets is £15,000,000 (2024 - £15,000,000).

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2025

13 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2024 & 31 March 2025	1
Carrying amount	
At 31 March 2025	1
At 31 March 2024	1

14 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Amounts owed by fellow group undertakings	39,936	31,154

15 Loans and overdrafts

	2025 £	2024 £
Bank loan - secured	1,200,000	1,200,000
Loans from related regimental trusts	912,950	912,950
Other long term loans	200,000	200,000
	<u>2,312,950</u>	<u>2,312,950</u>
Payable within one year	912,950	912,950
Payable after one year	1,400,000	1,400,000

The bank loan is secured by a fixed charge over the freehold property (95 Horseferry Road, London, SW1P 2DX). It is repayable in full before July 2025 and carries a fixed interest rate of 5.5% pa.
The loan for £200,000 was made by The Scots Guards Charity in March 2024. It will be repayable with interest on 6 months' written request, but this notice cannot be served within a year of its grant.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2025

16 Creditors: amounts falling due within one year

	2025	2024
	£	£
Loans from related regimental trusts	912,950	912,950
Trade creditors	19,636	32,694
Amounts owed to related regimental entities	-	20,485
Other creditors	-	1
Accruals and deferred income	9,644	9,850
	<u>942,230</u>	<u>975,980</u>

17 Endowment funds

Endowment funds represent assets which must be held for the ultimate benefit of the capital beneficiaries by the Trust. Income arising on the endowment funds can be used in accordance with the objects of the Trust and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 April 2024	Resources expended	Gains and losses	At 31 March 2025
	£	£	£	£
Permanent endowments				
Freehold Fund	<u>15,356,856</u>	<u>-</u>	<u>-</u>	<u>15,356,856</u>
Previous year:				
	At 1 April 2023	Resources expended	Gains and losses	At 31 March 2024
	£	£	£	£
Permanent endowments				
Freehold Fund	<u>15,356,365</u>	<u>(52)</u>	<u>543</u>	<u>15,356,856</u>

The Freehold Fund represents the carrying value of The London Scottish Regimental Trust Headquarters and funds subsequently received for dilapidations.

The 1986 Fund represents the residue of the equality money received from the sale of 59 Buckingham Gate and the development of 95 Horseferry Road in accordance with the Court Order dated 20th January 1986 and is to be held as part of and on the same terms as the Endowment Fund. The Trustees have power to expend the income from this Fund and the future income of the Trust from rents and investments for the benefit of The Regiment.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2025

18 Analysis of net assets between funds

	Unrestricted funds 2025 £	Endowment funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
Fund balances at 31 March 2025 are represented by:						
Tangible assets	53,594	15,000,000	15,053,594	26,889	15,000,000	15,026,889
investments	1	-	1	1	-	1
Current assets/(liabilities)	(837,578)	6,116	(831,462)	(729,382)	6,116	(723,266)
	(783,983)	15,006,116	14,222,133	(702,492)	15,006,116	14,303,624
Long term liabilities	-	(1,400,000)	(1,400,000)	-	(1,400,000)	(1,400,000)
	(783,983)	13,606,116	12,822,133	(702,492)	13,606,116	12,903,624
Interfund loan	(1,750,740)	1,750,740	-	(1,750,740)	1,750,740	-
	(2,534,723)	15,356,856	12,822,133	(2,453,232)	15,356,856	12,903,624

19 Related party transactions

Transactions with related parties

Last year, the Charity received a grant of £30,000 in the year from The London Scottish Regimental Trust, a charity with common trustees. No grant was received in the current year.

The Charity was owed £31,154 by The London Scottish Regimental Trust at the balance sheet date (2024: £31,154).

The Charity had long term loans outstanding of £816,850 (2024: £816,850) to the London Scottish Regiment 1995 Charity and £96,100 (2024: £96,100) to the London Scottish 1990 Fund at the balance sheet date.

London SH Ltd was formed to manage the property in April 2022. The Charity charged rent of £12,000 to London SH Ltd in the year (2024: £30,000). At the year end, the Charity was owed £8,783 by London SH Ltd (2024: £20,485 was due to London SH Ltd).

THE LONDON SCOTTISH HEADQUARTERS TRUST (THE HEADQUARTERS TRUST)

England & Wales - Charity number 251499

Accounts

Charity registration number 251499

The London Scottish Headquarters Trust

Annual Report and Unaudited Financial Statements

For the year ended 31 March 2024

The London Scottish Headquarters Trust

Contents

	Page
Trustees' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 16

The London Scottish Headquarters Trust

Legal and Administrative Information

Trustees

Mr P.J. Layden TD KC (Chairman)
Lady Rachel Johnstone-Burt
Mr M.V. Ormiston
Mr M.J. Felstead
Major M.D. Randall
Mr S.D. Lovelock

Charity number 251499

Principal address

London Scottish House
95 Horseferry Road
London
SW1P 2DX

Independent examiner

Gilberts Chartered Accountants
Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1UJ

Bankers

Royal Bank of Scotland
Holt's Farnborough Branch
Lawrie House
Victoria Road
Farnborough
GU14 7NR

Investment advisors

RBC Brewin Dolphin Limited
12 Smithfield Street
London
EC1A 9LA

The London Scottish Headquarters Trust

Trustees' Report

For the year ended 31 March 2024

The Trustees present their annual report and financial statements for the year ended 31 March 2024.

The Trust is registered with the Charity Commission for England and Wales charity number 251499.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The 1886 Trust Deed provides that the objects of the charity are that they shall hold the premises at 59 Buckingham Gate:

1. To provide and maintain a place of reunion and meeting in pursuit of military, athletic, social and other purposes of recreation and improvement for such natives of Scotland resident in London and under such regulations and restrictions as may be specified and imposed from time to time by the Trustees.
2. To permit the Regiment of London Scottish Rifle Volunteers or any other military body in the service of the Crown which from time to time may in the opinion of the Trustees represent or by its organisation and nationality be entitled to stand in the place of the said London Scottish Rifle Volunteers to occupy the said premises or any part of part thereof for drill, gymnastics or other purpose for any term of years.
3. In the event of the disbandment of the said regiment or body as aforesaid then at the discretion of the Trustees to hold in trust for the Highland Society of London, the Corporation (now Scotsware) and the Caledonian Asylum (now the Royal Caledonian Education Trust) or for such bodies in existence at such a time..
4. The deed provided extensive powers for the Trustees to sell and replace the building with any equality money received to be held under the same trusts.

In 1985 the Trustees made an agreement to sell the premises at 59 Buckingham Gate and to purchase a site at 95 Horseferry Road to build a new Headquarters. Equality money was received to be held as capital of the endowment fund.

Legal title to the property of the Trust is held by The London Scottish Regiment Trustee Limited.

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

Structure, governance and management

The charity is established under a Trust Deed dated 23rd August 1886 as amended by Charity Commission Schemes for the administration of the Trust sealed by the Charity Commission on 7th February 1939 and 9th August 1993.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr P.J. Layden TD KC	Chairman
Air Vice Marshal R.T.I. Munro CBE TD VR DL (Chair)	(Tenure expired 30 April 2023)
Colonel C. Stagg OBE	(Tenure expired 25 April 2024)
Mr P. Lindsay	(Resigned 3 January 2023)
Lady Rachel Johnstone-Burt	
Mr M. V. Ormiston	
Mr M.J. Felstead	
Major M.D. Randall	
Mr S.D. Lovelock	

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2024

The governing documents provide that there shall be 1 ex officio Trustee, being the Regimental Colonel, and up to 7 co-opted Trustees. The post of Regimental Colonel was discontinued by MOD with effect from 30th April 2023.

Accordingly, the post of Regimental Colonel is vacant.

Under the terms of the governing documents, the Trustees have power to co-opt new Trustees to fill vacancies within the number of Trustees required therein.

The Trustees meet regularly to discuss operational matters as required.

New Trustees were appointed on 28th October 2021. Their immediate responsibility was to review the activity of the Trust and its future.

Public Benefit

The Trustees are confident that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The Headquarters Trust provides a public benefit in that it supports the Army community and the Scottish community in London and abroad. Through its grants programme and access to London Scottish House, the Trust also enables other charities to maximise their public benefit, in support of the military family, public welfare, education and the promotion of Scottish culture and the arts.

Financial review

The lease of the premises ran out in March 2018 and the Trustees were unable to agree terms with the Reserve Forces and Cadets Association to renew the lease. This resulted in the relocation of the serving unit "A" London Scottish Company, The London Regiment to other military accommodation with the consequent loss of income and contribution to the running costs of the premises.

The Trustees embarked on an ambitious scheme to convert the premises into a Hub for Scots people in London. The plan would have involved quite extensive alteration to the building and relied heavily on raising substantial sums of capital either by loan or philanthropy. Feasibility studies and plans were commissioned as well as a fundraising initiative and advice from various consultants.

Other regimental funds were used to finance the plan.

At the same time a trading company, London Scottish Volunteer Enterprises Limited (LSVE), was created in the joint ownership of the Trust and The London Scottish Regimental Trust (LSRT) to exploit the premises from events and other commercial activities.

The timing was not propitious and it became apparent that fundraising had failed and the trading company did not succeed in raising funds sufficient to cover the overheads of the premises. In fact, the company suffered significant losses.

The future of the Trust is in some serious doubt.

Trading activity

From when LSVE was formed, it managed and operated London Scottish House on behalf of the Trust. It occupied the building on a tenancy at will and paid an annual rent to the Trust. The Trust also recovered an appropriate proportion of the rates and insurance from the trading company in addition to the rent.

LSVE was liquidated in June 2022.

A new trading company was established in April 2022, London SH Ltd, which now manages the premises. The aim of the company is to give financial support to the Trusts from achieved profit.

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2024

Results

Unrestricted income for the year amounts to £113,211 (2023: £100,460).

Unrestricted income	2024	2023
	£	£
London Scottish Regimental Trust	30,000	52,500
Donations from organisations	34,335	-
Donations from individuals	18,000	-
Other income	30,876	47,960
Total income	113,211	100,460

The results show that there was an overall deficit in the year of £42,222 (2023: deficit of £24,644).

The balances on the funds at 31st March 2024 are as follows:

Total funds	2024	2023
	£	£
Endowment and restricted funds	15,356,856	15,356,365
Unrestricted fund (deficit)	(2,453,232)	(2,410,519)
Total funds	12,903,624	12,945,846

The deficit of Unrestricted Funds indicates that an equivalent amount of the Endowment Fund has been expended.

Investment

The Trust held a small investment portfolio with RBC Brewin Dolphin Ltd. This was liquidated during the year.

Plans for future periods

The Trustees are very concerned about the position of the Trust and the impact of events during the year and earlier. They have taken action to reduce costs and generate income and will be considering what can be done to rectify the position, particularly of the Endowment Fund and the possibility of recovering funds. Legal advice has been taken.

New Trustees were appointed in 2021 and during the current financial year who have, with the Trustees of the other regimental charities, been considering what can be done to rectify the position.

A loan facility for £1.2m was taken with Hoare's Bank in 2020. This was secured on the Freehold premises. At the year end £6,116 remained unused and was held in an account at Hoare's Bank. There is a possibility, which the Trustees are actively pursuing, that they may be able to secure funding to settle the Hoare loan when it falls due in 2025 without selling the building and to pay the interest on the loan until that time.

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2024

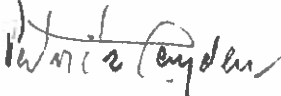
Risk management

The Trustees are acutely aware of the risks to which the Trust has been exposed since the termination of the lease of the premises in March 2018 at which point there was a significant loss of income and a very substantial increase in the burden of cost relating to the building.

The Trustees, through London SH Ltd, have taken measures which enable the building to operate as a going concern on a day to day basis. They are in discussion with the trustees of the other Regimental Trusts to secure funding to enable the Headquarters Trust to meet some upcoming capital commitments. The Headquarters Trust Trustees have designated the Scots Guards as the unit standing in place of the London Scottish Rifle Volunteers for the purposes of Clause 2 of the 1886 Trust Deed. The Trustees are, together with the other Regimental Trusts, investigating and developing closer links with the Scots Guards across a range of activities. The Scots Guards are considering what use they could make of parts of London Scottish House. The Trustees have negotiated a loan from the Scots Guards Charity to enable them to meet some urgent capital requirements. They have kept the Charity Commission fully informed of these developments.

Accordingly, while there remain concerns about the future viability of the Trust, the Trustees have at present reason to believe that the charity will be able to continue into the foreseeable future.

The Trustees' report was approved by the Board of Trustees.



Mr P.J. Layden TD KC (Chairman)
Trustee

10 October 2024

The London Scottish Headquarters Trust

Independent Examiner's Report

To the Trustees of The London Scottish Headquarters Trust

I report to the Trustees on my examination of the financial statements of The London Scottish Headquarters Trust (the Trust) for the year ended 31 March 2024.

Responsibilities and basis of report

As the Trustees of the Trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I draw attention to the wording contained in the Trustees' Report and the going concern accounting policy at Note 1.2 which explain that a material uncertainty exists that may cast doubt on the Trust's ability to continue as a going concern.

I confirm that there are no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Gilberts Chartered Accountants

Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1LJ

Dated: 10 November 2024

The London Scottish Headquarters Trust

Statement of Financial Activities

For the year ended 31 March 2024

	Notes	Unrestricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	82,335	-	82,335	52,500	-	52,500
Investments	4	30,876	-	30,876	47,960	-	47,960
Total income		113,211	-	113,211	100,460	-	100,460
Expenditure on:							
Raising funds	5	52	-	52	61	-	61
Charitable activities	6	155,872	-	155,872	124,705	-	124,705
Other		-	52	52	-	61	61
Total expenditure		155,924	52	155,976	124,766	61	124,827
Net gains/(losses) on investments	9	-	543	543	-	(277)	(277)
Net movement in funds		(42,713)	491	(42,222)	(24,306)	(338)	(24,644)
Fund balances at 1 April 2023		(2,410,519)	15,356,365	12,945,846	(2,386,213)	15,356,703	12,970,490
Fund balances at 31 March 2024		(2,453,232)	15,356,856	12,903,624	(2,410,519)	15,356,365	12,945,846

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 16 form part of these financial statements.

The London Scottish Headquarters Trust

Balance Sheet

As at 31 March 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11	15,026,889		15,028,124	
Investments	12		1	13,035	
		<u>15,026,890</u>		<u>15,041,159</u>	
Current assets					
Debtors	13	31,154		19,480	
Cash at bank and in hand		221,560		44,748	
		<u>252,714</u>		<u>64,228</u>	
Creditors: amounts falling due within one year	15	<u>(975,980)</u>		<u>(959,541)</u>	
Net current liabilities			<u>(723,266)</u>		<u>(895,313)</u>
Total assets less current liabilities			<u>14,303,624</u>		<u>14,145,846</u>
Creditors: amounts falling due after more than one year			<u>(1,400,000)</u>		<u>(1,200,000)</u>
Net assets			<u>12,903,624</u>		<u>12,945,846</u>
Capital funds					
Endowment funds - general	16	15,356,856		15,356,365	
Income funds					
Unrestricted funds		<u>(2,453,232)</u>		<u>(2,410,519)</u>	
		<u>12,903,624</u>		<u>12,945,846</u>	

The notes on pages 8 to 16 form part of these financial statements.

The financial statements were approved by the Trustees on 10 October 2024

Mr P.J. Layden TD KC (Chairman)
Trustee

The London Scottish Headquarters Trust

Notes to the Financial Statements

For the year ended 31 March 2024

1 Accounting policies

Charity information

The London Scottish Headquarters Trust is an unincorporated charitable trust registered with the Charity Commission in England and Wales, number 251499. Its principal office is London Scottish House, 95 Horseferry Road, London, SW1P 2DX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the Trust will continue in operational existence for the foreseeable future, however, the Trustees are aware of certain material uncertainties which may cause doubt on the Trust's ability to continue as a going concern.

The Trustees are concerned that the Trust will have insufficient liquid funds to continue to meet its objects. The Trustees are working towards a plan that would allow the Trust to continue in operation, however it is not certain at this time that the plan will be successful.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

1.4 Income

Income is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2024

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the Trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation charged
Fixtures and fittings	10% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The freehold property became a Grade II listed building in December 2021.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2024

1 Accounting policies

(Continued)

1.10 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

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

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

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	52,335	-
Grants receivable	30,000	52,500
	<u>82,335</u>	<u>52,500</u>

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	30,000	47,500
Income from listed investments	-	8
Interest receivable	876	452
	<u>30,876</u>	<u>47,960</u>

5 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Investment management	52	61

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2024

6 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Depreciation and impairment	28,373	47,716
Grant funding of activities (see note 7)	-	12,500
Share of support and governance costs (see note)		
Support	127,499	64,489
	<u>155,872</u>	<u>124,705</u>
Analysis by fund		
Unrestricted funds	<u>155,872</u>	<u>124,705</u>

7 Grants payable

In the year ended 31 March 2023, the Trust made a grant of £12,500 to The London Scottish Regimental Trust.

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year.

9 Gains and losses on investments

	Endowment funds 2024 £	Endowment funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	-	(277)
Sale of investments	543	-
	<u>543</u>	<u>(277)</u>

10 Taxation

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

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2024

11 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2023	15,000,000	209,125	15,209,125
Additions	-	27,138	27,138
	<u>15,000,000</u>	<u>236,263</u>	<u>15,236,263</u>
At 31 March 2024	15,000,000	236,263	15,236,263
Depreciation and impairment			
At 1 April 2023	-	181,002	181,002
Depreciation charged in the year	-	28,372	28,372
	<u>-</u>	<u>209,374</u>	<u>209,374</u>
At 31 March 2024	-	209,374	209,374
Carrying amount			
At 31 March 2024	<u>15,000,000</u>	<u>26,889</u>	<u>15,026,889</u>
At 31 March 2023	<u>15,000,000</u>	<u>28,124</u>	<u>15,028,124</u>

The investment property rented to another group entity has been accounted for using the cost model. The carrying value of this investment property included within tangible fixed assets is £15,000,000 (2023 - £15,000,000).

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2024

12 Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 April 2023	13,034	1	13,035
Valuation changes	544	-	544
Investment management fees	(103)	-	(103)
Disposals	(13,475)	-	(13,475)
	<u>-</u>	<u>1</u>	<u>1</u>
Carrying amount			
At 31 March 2024	<u>-</u>	<u>1</u>	<u>1</u>
At 31 March 2023	<u>13,034</u>	<u>1</u>	<u>13,035</u>

13 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Amounts owed by fellow group undertakings	<u>31,154</u>	<u>19,480</u>

14 Loans and overdrafts

	2024	2023
	£	£
Bank loan - secured	1,200,000	1,200,000
Loans from related regimental trusts	912,950	912,950
Other long term loans	200,000	-
	<u>2,312,950</u>	<u>2,112,950</u>
Payable within one year	912,950	912,950
Payable after one year	<u>1,400,000</u>	<u>1,200,000</u>

The bank loan is secured by a fixed charge over the freehold property (95 Horseferry Road, London, SW1P 2DX). It is repayable in full before July 2025 and carries a fixed interest rate of 5.5% pa.

The loan for £200,000 was made by The Scots Guards Charity in March 2024. It will be repayable with interest on 6 months' written request, but this notice cannot be served within a year of its grant.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2024

15 Creditors: amounts falling due within one year

	2024	2023
	£	£
Loans from related regimental trusts	912,950	912,950
Trade creditors	32,694	19,524
Amounts owed to related regimental entities	20,485	-
Other creditors	1	1
Accruals and deferred income	9,850	27,066
	<u>975,980</u>	<u>959,541</u>

16 Endowment funds

Endowment funds represent assets which must be held for the ultimate benefit of the capital beneficiaries by the Trust. Income arising on the endowment funds can be used in accordance with the objects of the Trust and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 April 2023	Resources Gains and losses expended		At 31 March 2024
	£	£	£	£
Permanent endowments				
Freehold Fund	15,356,317	(52)	543	15,356,808
1986 Fund	48	-	-	48
	<u>15,356,365</u>	<u>(52)</u>	<u>543</u>	<u>15,356,856</u>
Previous year:				
	At 1 April 2022	Resources Gains and losses expended		At 31 March 2023
	£	£	£	£
Permanent endowments				
Freehold Fund	15,356,655	(61)	(277)	15,356,317
1986 Fund	48	-	-	48
	<u>15,356,703</u>	<u>(61)</u>	<u>(277)</u>	<u>15,356,365</u>

The Freehold Fund represents the carrying value of The London Scottish Regimental Trust Headquarters and funds subsequently received for dilapidations.

The 1986 Fund represents the residue of the equality money received from the sale of 59 Buckingham Gate and the development of 95 Horseferry Road in accordance with the Court Order dated 20th January 1986 and is to be held as part of and on the same terms as the Endowment Fund. The Trustees have power to expend the income from this Fund and the future income of the Trust from rents and investments for the benefit of The Regiment.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2024

17 Analysis of net assets between funds

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:						
Tangible assets	26,889	15,000,000	15,026,889	28,124	15,000,000	15,028,124
Investments	1	-	1	-	13,035	13,035
Current assets/(liabilities)	(729,382)	6,116	(723,266)	(903,497)	8,184	(895,313)
	(702,492)	15,006,116	14,303,624	(875,373)	15,021,219	14,145,846
Long term liabilities	-	(1,400,000)	(1,400,000)	-	(1,200,000)	(1,200,000)
	(702,492)	13,606,116	12,903,624	(875,373)	13,821,219	12,945,846
Interfund loan	(1,750,740)	1,750,740	-	(1,535,146)	1,535,146	-
	(2,453,232)	15,356,856	12,903,624	(2,410,519)	15,356,365	12,945,846

18 Related party transactions

Transactions with related parties

The Charity received a grant of £30,000 in the year (2023: £52,500) from The London Scottish Regimental Trust, a charity with common trustees. In the previous year, a grant of £12,500 was made to The London Scottish Regimental Trust (current year: £nil).

The Charity was owed £31,153 by The London Scottish Regimental Trust at the balance sheet date (2023: £13,594).

The Charity had long term loans outstanding of £816,850 (2023: £816,850) to the London Scottish Regiment 1995 Charity and £96,100 (2023: £96,100) to the London Scottish 1990 Fund at the balance sheet date.

London Scottish Volunteer Enterprises Limited was placed into voluntary liquidation on 30th June 2022.

London SH Ltd was formed to manage the property in April 2022. The Charity charged rent of £30,000 to London SH Ltd in the year. At the year end, the Charity owed £20,485 to London SH Ltd (2023: £5,887 was due from London SH Ltd).

THE LONDON SCOTTISH HEADQUARTERS TRUST (THE HEADQUARTERS TRUST)

England & Wales - Charity number 251499

Accounts

The London Scottish Headquarters Trust

Annual Report and Unaudited Financial Statements

For the year ended 31 March 2023

The London Scottish Headquarters Trust

Contents

	Page
Trustees' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 16

The London Scottish Headquarters Trust

Legal and Administrative Information

Trustees	Colonel C. Stagg OBE Lady Rachel Johnstone-Burt Mr M.V. Ormiston Mr M.J. Felstead Major M.D. Randall Mr S.D. Lovelock Mr P.J. Layden TD KC (Appointed 16 February 2023)
Charity number	251499
Principal address	London Scottish House 95 Horseferry Road London SW1P 2DX
Independent examiner	Gilberts Chartered Accountants Pendragon House 65 London Road St Albans Hertfordshire AL1 1LJ
Bankers	Royal Bank of Scotland Holt's Farnborough Branch Lawrie House Victoria Road Farnborough GU14 7NR
Investment advisors	RBC Brewin Dolphin Limited 12 Smithfield Street London EC1A 9LA

The London Scottish Headquarters Trust

Trustees' Report

For the year ended 31 March 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The Trust is registered with the Charity Commission for England and Wales charity number 251499.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The 1886 Trust Deed provides that the objects of the charity are that they shall hold the premises at 59 Buckingham Gate:

1. To provide and maintain a place of reunion and meeting in pursuit of military, athletic, social and other purposes of recreation and improvement for such natives of Scotland resident in London and under such regulations and restrictions as may be specified and imposed from time to time by the Trustees.
2. To permit the Regiment of London Scottish Rifle Volunteers or any other military body in the service of the Crown which from time to time may in the opinion of the Trustees represent or by its organisation and nationality be entitled to stand in the place of the said London Scottish Rifle Volunteers to occupy the said premises or any part of part thereof for drill, gymnastics or other purpose for any term of years.
3. In the event of the disbandment of the said regiment or body as aforesaid then at the discretion of the Trustees to hold in trust for the Highland Society of London, the Corporation (now Scotsware) and the Caledonian Asylum (now the Royal Caledonian Education Trust) or for such bodies in existence at such a time..
4. The deed provided extensive powers for the Trustees to sell and replace the building with any equality money received to be held under the same trusts.

In 1985 the Trustees made an agreement to sell the premises at 59 Buckingham Gate and to purchase a site at 95 Horseferry Road to build a new Headquarters. Equality money was received to be held as capital of the endowment fund.

Legal title to the property of the Trust is held by The London Scottish Trustee Limited.

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

Structure, governance and management

The charity is established under a Trust Deed dated 23rd August 1886 as amended by Charity Commission Schemes for the administration of the Trust sealed by the Charity Commission on 7th February 1939 and 9th August 1993.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Air Vice Marshal R.T.I. Munro CBE TD VR DL (Chair)	(Tenure expired 30 April 2023)
Brigadier A. Bruce of Crionach OBE VR ADC DL	(Resigned 1 April 2021)
Mr W.D. Foot	(Resigned 1 October 2021)
Colonel C. Stagg OBE	
Mr P. Lindsay	(Resigned 3 January 2023)
Mrs N. Miller	(Appointed 1 August 2020 and resigned 28 October 2021)
Lady Rachel Johnstone-Burt	
Commodore The Hon M. Cochrane OBE	(Appointed 25 April 2020 and resigned 6 October 2021)
Mr M. V. Ormiston	
Mr M.J. Felstead	
Major M.D. Randall	
Mr S.D. Lovelock	
Mr P.J. Layden TD KC	

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2023

The governing documents provide that there shall be 1 ex officio Trustee, being the Regimental Colonel, and up to 7 co-opted Trustees. The post of Regimental Colonel was discontinued by MOD with effect from 30th April 2023.

Accordingly, the post of Regimental Colonel is vacant.

Under the terms of the governing documents, the Trustees have power to co-opt new Trustees to fill vacancies within the number of Trustees required therein.

The Trustees meet regularly to discuss operational matters as required.

New Trustees were appointed on 28th October 2021. Their immediate responsibility was to review the activity of the Trust and its future.

Public Benefit

The Trustees are confident that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The Headquarters Trust provides a public benefit in that it supports the Army community and the Scottish community in London and abroad. Through its grants programme and access to London Scottish House, the Trust also enables other charities to maximise their public benefit, in support of the military family, public welfare, education and the promotion of Scottish culture and the arts.

Financial review

The lease of the premises ran out in March 2018 and the Trustees were unable to agree terms with the Reserve Forces and Cadets Association to renew the lease. This resulted in the relocation of the serving unit "A" London Scottish Company, The London Regiment to other military accommodation with the consequent loss of income and contribution to the running costs of the premises.

The Trustees embarked on an ambitious scheme to convert the premises into a Hub for Scots people in London. The plan would have involved quite extensive alteration to the building and relied heavily on raising substantial sums of capital either by loan or philanthropy. Feasibility studies and plans were commissioned as well as a fundraising initiative and advice from various consultants.

Other regimental funds were used to finance the plan.

At the same time a trading company, London Scottish Volunteer Enterprises Limited (LSVE), was created in the joint ownership of the Trust and The London Scottish Regimental Trust (LSRT) to exploit the premises from events and other commercial activities.

The timing was not propitious and it became apparent that fundraising had failed and the trading company did not succeed in raising funds sufficient to cover the overheads of the premises. In fact, the company suffered significant losses.

The future of the Trust is in some serious doubt.

Trading activity

From when LSVE was formed, it managed and operated London Scottish House on behalf of the Trust. It occupied the building on a tenancy at will and paid an annual rent to the Trust. The Trust also recovered an appropriate proportion of the rates and insurance from the trading company in addition to the rent.

LSVE was liquidated in June 2022.

A new trading company has been established, London SH Ltd, which now manages the premises. It is owned jointly with the London Scottish Regimental Trust.

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2023

Results

Unrestricted income for the year amounts to £87,870 (2022: £35,689).

Unrestricted income	2023	2022
	£	£
London Scottish Regimental Trust	52,500	-
London SH Ltd	12,500	-
Donations from individuals	-	5,331
Other income	22,870	30,358
Total income	87,870	35,689

The results show that there was an overall deficit in the year of £24,644 (2022; deficit of £402,773) and investment losses of £277 (2022: gain of £125).

The balances on the funds at 31st March 2023 are as follows:

Total funds	2023	2022
	£	£
Endowment and restricted funds	15,356,365	15,356,703
Unrestricted fund (deficit)	(2,410,519)	(2,386,213)
Total funds	12,945,846	12,970,490

The deficit of Unrestricted Funds indicates that an equivalent amount of the Endowment Fund has been expended.

Investment

The Trust has a small investment portfolio with RBC Brewin Dolphin Ltd.

Plans for future periods

The Trustees are very concerned about the position of the Trust and the impact of events during the year and earlier. They have taken action to reduce costs and generate income and will be considering what can be done to rectify the position, particularly of the Endowment Fund and the possibility of recovering funds. Legal advice has been taken.

New Trustees were appointed in 2021 and during the current financial year who have, with the Trustees of the other regimental charities, been considering what can be done to rectify the position.

A loan facility for £1.2m was taken with the Hoare's Bank in 2020. This was secured on the Freehold premises. At the year end £8,184 remained unused and held in an account at Hoare's Bank. There is a possibility, which the Trustees are actively pursuing, that they may be able to secure funding to settle the Hoare loan when it falls due in 2025 without selling the building and to pay the interest on the loan until that time.

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2023

Risk management

The Trustees are acutely aware of the risks to which the Trust has been exposed since the termination of the lease of the premises in March 2018 at which point there was a significant loss of income and a very substantial increase in the burden of cost relating to the building.

The Trustees, through London SH Ltd, have taken measures which enable the building to operate as a going concern on a day to day basis. They are in discussion with the trustees of the other Regimental Trusts to secure funding to enable the Headquarters Trust to meet some upcoming capital commitments. The Headquarters Trust Trustees are actively engaging with the residuary beneficiaries with a view to adjusting the Trust purposes and are keeping the Charity Commission fully informed as to their present and future plans.

Accordingly, while there remain concerns about the future viability of the Trust, the Trustees have at present good reason to believe that the current financial difficulties may be overcome and that the charity will be able to continue into the foreseeable future.

The Trustees' report was approved by the Board of Trustees.

Trustee

15 December 2023



The London Scottish Headquarters Trust

Independent Examiner's Report

To the Trustees of The London Scottish Headquarters Trust

I report to the Trustees on my examination of the financial statements of The London Scottish Headquarters Trust (the Trust) for the year ended 31 March 2023.

Responsibilities and basis of report

As the Trustees of the Trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I draw attention to the wording contained in the Trustees' Report and the going concern accounting policy at Note 1.2 which explain that a material uncertainty exists that may cast doubt on the Trust's ability to continue as a going concern.

I confirm that there are no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Gilberts Chartered Accountants

Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1LJ

Dated: 15 December 2023

The London Scottish Headquarters Trust

Statement of Financial Activities

For the year ended 31 March 2023

		Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	52,500	-	52,500	5,331	-	5,331
Investments	4	47,960	-	47,960	30,358	-	30,358
Total income		100,460	-	100,460	35,689	-	35,689
Expenditure on:							
Raising funds	5	61	-	61	54,367	-	54,367
Charitable activities	6	124,705	-	124,705	384,172	-	384,172
Other		-	61	61	-	48	48
Total expenditure		124,766	61	124,827	438,539	48	438,587
Net gains/(losses) on investments	9	-	(277)	(277)	-	125	125
Net movement in funds		(24,306)	(338)	(24,644)	(402,850)	77	(402,773)
Fund balances at 1 April 2022		(2,386,213)	15,356,703	12,970,490	(1,983,363)	15,356,626	13,373,263
Fund balances at 31 March 2023		(2,410,519)	15,356,365	12,945,846	(2,386,213)	15,356,703	12,970,490

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 16 form part of these financial statements.

The London Scottish Headquarters Trust

Balance Sheet

As at 31 March 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11	15,028,124		15,075,840	
Investments	12	13,035		13,425	
		<u>15,041,159</u>		<u>15,089,265</u>	
Current assets					
Debtors	13	19,480		458	
Cash at bank and in hand		44,748		80,739	
		<u>64,228</u>		<u>81,197</u>	
Creditors: amounts falling due within one year	15	<u>(959,541)</u>		<u>(999,972)</u>	
Net current liabilities		<u>(895,313)</u>		<u>(918,775)</u>	
Total assets less current liabilities		14,145,846		14,170,490	
Creditors: amounts falling due after more than one year		(1,200,000)		(1,200,000)	
Net assets		<u>12,945,846</u>		<u>12,970,490</u>	
Capital funds					
Endowment funds - general	16	15,356,365		15,356,703	
Income funds					
Unrestricted funds		<u>(2,410,519)</u>		<u>(2,386,213)</u>	
		<u>12,945,846</u>		<u>12,970,490</u>	

The notes on pages 8 to 16 form part of these financial statements.

The financial statements were approved by the Trustees on 15 December 2023

Trustee

The London Scottish Headquarters Trust

Notes to the Financial Statements

For the year ended 31 March 2023

1 Accounting policies

Charity information

The London Scottish Headquarters Trust is a an unincorporated charitable trust registered with the Charity Commission in England and Wales, number 251499. Its principal office is London Scottish House, 95 Horseferry Road, London, SW1P 2DX .

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the Trust will continue in operational existence for the foreseeable future, however, the Trustees are aware of certain material uncertainties which may cause doubt on the Trust's ability to continue as a going concern.

The Trustees are concerned that the Trust will have insufficient liquid funds to continue to meet its objects. The Trustees are working towards a plan that would allow the Trust to continue in operation, however it is not certain at this time that the plan will be successful.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

1.4 Income

Income is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the Trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation charged
Fixtures and fittings	10% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The freehold property became a Grade II listed building in December 2021.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.10 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

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

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

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2023

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	-	331
Grants receivable	52,500	5,000
	<u>52,500</u>	<u>5,331</u>

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	47,500	30,000
Income from listed investments	8	318
Interest receivable	452	40
	<u>47,960</u>	<u>30,358</u>

5 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Other fundraising costs	-	54,319
Investment management	61	48
Total costs	<u>61</u>	<u>54,367</u>

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2023

6 Expenditure on charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Direct costs		
Depreciation and impairment	47,716	46,190
Grant funding of activities (see note 7)	12,500	36,305
Share of support and governance costs (see note)		
Support	64,489	301,677
	<u>124,705</u>	<u>384,172</u>
Analysis by fund		
Unrestricted funds	<u>124,705</u>	<u>384,172</u>

7 Grants payable

	Charitable activities 2023 £	Charitable activities 2023 £
Grants to institutions:		
The London Scottish Regimental Trust	12,500	36,305
-		

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year.

9 Gains and losses on investments

	Endowment funds 2023 £	Endowment funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	(277)	125
	<u>(277)</u>	<u>125</u>

10 Taxation

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

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2023

11 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2022	15,000,000	212,939	15,212,939
Disposals	-	(3,814)	(3,814)
At 31 March 2023	15,000,000	209,125	15,209,125
Depreciation and impairment			
At 1 April 2022	-	137,099	137,099
Depreciation charged in the year	-	45,618	45,618
Eliminated in respect of disposals	-	(1,716)	(1,716)
At 31 March 2023	-	181,001	181,001
Carrying amount			
At 31 March 2023	15,000,000	28,124	15,028,124
At 31 March 2022	15,000,000	75,840	15,075,840

The investment property rented to another group entity has been accounted for using the cost model. The carrying value of this investment property included within tangible fixed assets is £15,000,000 (2022 - £15,000,000).

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2023

12 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2022	13,424	1	13,425
Additions	8	-	8
Valuation changes	(277)	-	(277)
Investment management fees	(121)	-	(121)
	<u>13,034</u>	<u>1</u>	<u>13,035</u>
Carrying amount			
At 31 March 2023	<u>13,034</u>	<u>1</u>	<u>13,035</u>
At 31 March 2022	<u>13,424</u>	<u>1</u>	<u>13,425</u>

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Amounts owed by fellow group undertakings	19,480	-
Prepayments and accrued income	-	458
	<u>19,480</u>	<u>458</u>

14 Loans and overdrafts

	2023 £	2022 £
Bank loan - secured	1,200,000	1,200,000
Loans from related regimental trusts	912,950	912,950
	<u>2,112,950</u>	<u>2,112,950</u>
Payable within one year	912,950	912,950
Payable after one year	1,200,000	1,200,000

The bank loan is secured by a fixed charge over the freehold property (95 Horseferry Road, London, SW1P 2DX). It is repayable in full before July 2025 and carries a fixed interest rate of 5.5% pa.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Loans from related regimental trusts	912,950	912,950
Trade creditors	19,524	40,415
Amounts owed to related regimental trusts	-	28,496
Other creditors	1	-
Accruals and deferred income	27,066	18,111
	<u>959,541</u>	<u>999,972</u>

16 Endowment funds

Endowment funds represent assets which must be held for the ultimate benefit of the capital beneficiaries by the Trust. Income arising on the endowment funds can be used in accordance with the objects of the Trust and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 April 2022	Resources Gains and losses expended		At 31 March 2023
	£	£	£	£
Permanent endowments				
Freehold Fund	15,069,017	(61)	(277)	15,068,679
1986 Fund	287,686	-	-	287,686
	<u>15,356,703</u>	<u>(61)</u>	<u>(277)</u>	<u>15,356,365</u>
Previous year:				
	At 1 April 2021	Resources Gains and losses expended		At 31 March 2022
	£	£	£	£
Permanent endowments				
Freehold Fund	15,069,017	-	-	15,069,017
1986 Fund	287,609	(48)	125	287,686
	<u>15,356,626</u>	<u>(48)</u>	<u>125</u>	<u>15,356,703</u>

The Freehold Fund represents the carrying value of The London Scottish Regimental Trust Headquarters and funds subsequently received for dilapidations.

The 1986 Fund represents the residue of the equality money received from the sale of 59 Buckingham Gate and the development of 95 Horseferry Road in accordance with the Court Order dated 20th January 1986 and is to be held as part of and on the same terms as the Endowment Fund. The Trustees have power to expend the income from this Fund and the future income of the Trust from rents and investments for the benefit of The Regiment.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

17 Analysis of net assets between funds

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	28,124	15,000,000	15,028,124	75,840	15,000,000	15,075,840
Investments	-	13,035	13,035	-	13,425	13,425
Current assets/(liabilities)	(903,497)	8,184	(895,313)	(987,489)	68,714	(918,775)
	(875,373)	15,021,219	14,145,846	(911,649)	15,082,139	14,170,490
Long term liabilities	-	(1,200,000)	(1,200,000)	-	(1,200,000)	(1,200,000)
	(875,373)	13,821,219	12,945,846	(911,649)	13,882,139	12,970,490
Interfund loan	(1,535,146)	1,535,146	-	(1,474,564)	1,474,564	-
	(2,410,519)	15,356,365	12,945,846	(2,386,213)	15,356,703	12,970,490

18 Related party transactions

Transactions with related parties

The Charity paid a grant of £12,500 in the year to The London Scottish Regimental Trust (2022: £36,305), a charity with common trustees. The charity owed £5,978 to The London Scottish Regimental Trust at the balance sheet date. (2022: £23,027).

The Charity had long term loans outstanding of £816,850 (2022: £816,850) to the London Scottish Regiment 1995 Charity and £96,100 (2022: £96,100) to the London Scottish 1990 Fund at the balance sheet date.

London Scottish Volunteer Enterprises Limited was placed into voluntary liquidation on 30th June 2022. London SH Ltd was formed to manage the property. The Charity charged rent of £22,500 to London SH Ltd in the year.

THE LONDON SCOTTISH HEADQUARTERS TRUST (THE HEADQUARTERS TRUST)

England & Wales - Charity number 251499

Accounts

The London Scottish Headquarters Trust

Annual Report and Financial Statements

For the year ended 31 March 2022

The London Scottish Headquarters Trust

Contents

	Page
Trustees' report	1 - 4
Independent auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 21

The London Scottish Headquarters Trust

Legal and Administrative Information

Trustees	Colonel C. Stagg OBE Lady Rachel Johnstone-Burt Mr M.V. Ormiston Mr M.J. Felstead Major M.D. Randall Mr S.D. Lovelock Mr P.J. Layden TD KC	(Appointed 28 October 2021) (Appointed 28 October 2021) (Appointed 28 October 2021) (Appointed 28 October 2021) (Appointed 16 February 2023)
Charity number	251499	
Principal address	London Scottish House 95 Horseferry Road London SW1P 2DX	
Auditor	Gilberts Chartered Accountants Pendragon House 65 London Road St Albans Hertfordshire AL1 1UJ	
Bankers	Royal Bank of Scotland Holt's Farnborough Branch Lawrie House Victoria Road Farnborough GU14 7NR	
Investment advisors	RBC Brewin Dolphin Limited 12 Smithfield Street London EC1A 9LA	

The London Scottish Headquarters Trust

Trustees' Report

For the year ended 31 March 2022

The Trustees present their annual report and financial statements for the year ended 31 March 2022.

The Trust is registered with the Charity Commission for England and Wales charity number 251499.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The 1886 Trust Deed provides that the objects of the charity are that they shall hold the premises at 59 Buckingham Gate:

1. To provide and maintain a place of reunion and meeting in pursuit of military, athletic, social and other purposes of recreation and improvement for such natives of Scotland resident in London and under such regulations and restrictions as may be specified and imposed from time to time by the Trustees.
2. To permit the Regiment of London Scottish Rifle Volunteers or any other military body in the service of the Crown which from time to time may in the opinion of the Trustees represent or by its organisation and nationality be entitled to stand in the place of the said London Scottish Rifle Volunteers to occupy the said premises or any part of part thereof for drill, gymnastics or other purpose for any term of years.
3. In the event of the disbandment of the said regiment or body as aforesaid then at the discretion of the Trustees in trust for the Highland Society of London, the Corporation (now Scotscare) and the Caledonian Asylum (now the Royal Caledonian Education Trust).
4. The deed provided extensive powers for the trustee to sell and replace the building with any equality money received to be held under the same trusts.

In 1985 the Trustees made an agreement to sell the premises at 59 Buckingham Gate and to purchase a site at 95 Horseferry Road to build a new Headquarters. Equality money was received to be held as capital of the endowment fund.

Legal title to the property of the Trust is held by The London Scottish Trustee Limited.

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

Structure, governance and management

The charity is established under a Trust Deed dated 23rd August 1886 as amended by a Charity Commission Scheme for the administration of the Trust sealed by the Charity Commission on 9th August 1993.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Air Vice Marshal R.T.I. Munro CBE TD VR DL	(Ex Officio Tenure Expired 30 April 2023)
Brigadier A. Bruce of Crionaich OBE VR ADC DL	(Ex Officio Tenure Expired 1 April 2021)
Mr W.D. Foot	(Resigned 1 October 2021)
Colonel C. Stagg OBE	
Mr P. Lindsay	(Resigned 3 January 2023)
Mrs N. Miller	(Resigned 28 October 2021)
Lady Rachel Johnstone-Burt	
Commodore The Hon M. Cochrane OBE	(Resigned 6 October 2021)
Mr M.V. Ormiston	(Appointed 28 October 2021)
Mr M.J. Felstead	(Appointed 28 October 2021)
Major M.D. Randall	(Appointed 28 October 2021)
Mr S.D. Lovelock	(Appointed 28 October 2021)
Mr P.J. Layden TD KC	(Appointed 16 February 2023)

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2022

The governing document provides that there shall be 1 ex officio Trustee, being the Regimental Colonel, and up to 7 co-opted Trustees.

At the date of signing the financial statements the post of Regimental Colonel was vacant.

Under the terms of the governing documents, the Trustees have power to co-opt new Trustees to fill vacancies within the number of Trustees required therein.

The Trustees meet regularly to discuss operational matters as required.

New Trustees were appointed on 28th October 2021. Their immediate responsibility was to review the activity of the Trust and its future.

Public Benefit

The previous Trustees were confident that they had complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The Headquarters Trust provides a public benefit in that it supports the Army community and the Scottish community in London and abroad. Through its grants programme and access to London Scottish House, the Trust also enables other charities to maximise their public benefit, in support of the military family, public welfare, education and the promotion of Scottish culture and the arts.

Financial review

The lease of the premises ran out in March 2018 and the Trustees were unable to agree terms with the Reserve Forces and Cadets Association to renew the lease. This resulted in the relocation of the serving unit "A" London Scottish Company to other military accommodation with the consequent loss of income and contribution to the running costs of the premises.

The Trustees embarked on an ambitious scheme to convert the premises into a Hub for Scots people in London. The plan would have involved quite extensive alteration to the building and relied heavily on raising substantial sums of capital either by loan or philanthropy. Feasibility studies and plans were commissioned as well as a fundraising initiative and advice from various consultants.

Other regimental funds were used to finance the plan.

At the same time a trading company, London Scottish Volunteer Enterprises Limited (LSVE), was created in the joint ownership of the Trust and The London Scottish Regimental Trust (LSRT) to exploit the premises from events and other commercial activities.

The timing was not propitious and it became apparent that fundraising has failed and the trading company has not succeeded in raising funds sufficient to cover the overheads of the premises. In fact, the company has suffered significant losses.

The future of the Trust is in some serious doubt.

Trading activity

From when LSVE was formed, it managed and operated London Scottish House on behalf of the Trust. It occupied the building on a tenancy at will and paid an annual rent to the Trust for the office space that, as a business, it occupied. The Trust also recovered an appropriate proportion of the rates and insurance from the trading company in addition to the rent.

The position of the trading company at 31st March 2020 was that it was in deficit by £347,193. It was liquidated in June 2022.

A new trading company has been established, London S/H Ltd, which now manages the premises. It is owned jointly with the London Scottish Regimental Trust.

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2022

Results

Unrestricted income for the year amounts to £35,689 (2021: £34,344).

Unrestricted income	2022	2021
	£	£
London Scottish 1990 Fund	-	-
London Scottish 1995 Charity	-	-
Donations from individuals	5,331	4,000
Other income	30,358	30,344
Total income	35,689	34,344

The results show that there was an overall deficit in the year of £402,773 (2021; £548,725) and investment gains of £125 (£2,038).

The balances on the funds at 31st March 2022 are as follows:

Total funds	2022	2021
	£	£
Endowment and restricted funds	15,356,703	15,356,626
Unrestricted fund (deficit)	(2,386,213)	(1,983,363)
Total funds	12,970,490	13,373,263

The deficit on unrestricted funds indicates that an equivalent amount of endowment fund has been expended.

Investment

The Trust has a small investment portfolio with Brewin Dolphin Ltd.

Plans for future periods

The Trustees are very concerned about the position of the Trust and the impact of events during the year and earlier. They have taken action to reduce costs and generate income and will be considering what can be done by all the regimental charities to rectify the position, particularly of the Endowment Fund and the possibility of recovering funds. Legal advice has been taken.

New Trustees have been appointed during the year end who will be considering what can be done by all the regimental charities to rectify the position.

A loan facility for £1.2m was taken with the Hoare's Bank during the prior year. This was secured on the Freehold premises. At the year end £63,714 remained unused and held in an account at Hoare's Bank.

Risk management

The Trustees are acutely aware of the risks to which the charity was exposed since the termination of the lease of the premises in March 2018 at which point there was a significant loss of income and a very substantial increase in the burden of cost relating to the building.

There is now concern over the future viability of the charity.

The London Scottish Headquarters Trust

Trustees' Report (Continued)

For the year ended 31 March 2022

Statement of Trustees' responsibilities

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Board of Trustees.

.....*Patrick Lynden*.....

Trustee

Date: *26th July 2023*



The London Scottish Headquarters Trust

Independent Auditor's Report

To the Trustees of The London Scottish Headquarters Trust

Opinion

We have audited the financial statements of The London Scottish Headquarters Trust (the 'Trust') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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 Trust 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.

The audit report for the previous year was qualified on the basis of uncertainty as to the treatment of monies received, expenses incurred and the consequent treatment of the Trust's property. The nature of this uncertainty in itself gives rise to uncertainty regarding the opening balances within these financial statements and the consequent balances as at 31st March 2021. The Trustees have been working to resolve these issues and arrive at balances that correctly reflect the nature of transactions undertaken.

Material uncertainty relating to going concern

We draw attention to note 1.2 in the financial statements which indicates that while the Trustees have a reasonable expectation that the Trust will continue in operational existence for the foreseeable future that there are material uncertainties as to whether there will be sufficient liquid funds to allow the Trust to do so and consequently cast doubt on the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.



The London Scottish Headquarters Trust

Independent Auditor's Report (Continued)

To the Trustees of The London Scottish Headquarters Trust

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 Trust'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



The London Scottish Headquarters Trust

Independent Auditor's Report (Continued)

To the Trustees of The London Scottish Headquarters Trust

Richard Hattrell BA FCA (Senior Statutory Auditor)
for and on behalf of Gilberts Chartered Accountants

Richard Hattrell
26/07/23

Chartered Accountants
Statutory Auditor

Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1LJ

Gilberts Chartered Accountants is eligible for appointment as auditor of the Trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The London Scottish Headquarters Trust

Statement of Financial Activities

For the year ended 31 March 2022

	Notes	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	5,331	-	5,331	4,000	-	4,000
Investments	4	30,358	-	30,358	30,344	-	30,344
Other income		-	-	-	(795,000)	795,000	-
Total income and endowments		35,689	-	35,689	(760,656)	795,000	34,344
Expenditure on:							
Raising funds	5	54,367	-	54,367	84,929	-	84,929
Charitable activities	6	384,172	-	384,172	274,148	225,983	500,131
Other	9	-	48	48	-	47	47
Total expenditure		438,539	48	438,587	359,077	226,030	585,107
Net gains/(losses) on investments	10	-	125	125	-	2,038	2,038
Net movement in funds		(402,850)	77	(402,773)	(1,119,733)	571,008	(548,725)
Fund balances at 1 April 2021		(1,983,363)	15,356,626	13,373,263	(863,630)	14,785,618	13,921,988
Fund balances at 31 March 2022		(2,386,213)	15,356,703	12,970,490	(1,983,363)	15,356,626	13,373,263

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 10 to 21 form part of these financial statements.

The London Scottish Headquarters Trust

Balance Sheet

As at 31 March 2022

	Notes	2022		2021 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	12		15,075,840		15,122,030
Investments	13		13,425		13,397
			<u>15,089,265</u>		<u>15,135,427</u>
Current assets					
Debtors	14	458		458	
Cash at bank and in hand		80,739		402,046	
		<u>81,197</u>		<u>402,504</u>	
Creditors: amounts falling due within one year	16	<u>(999,972)</u>		<u>(964,668)</u>	
Net current liabilities			<u>(918,775)</u>		<u>(562,164)</u>
Total assets less current liabilities			<u>14,170,490</u>		<u>14,573,263</u>
Creditors: amounts falling due after more than one year			<u>(1,200,000)</u>		<u>(1,200,000)</u>
Net assets			<u><u>12,970,490</u></u>		<u><u>13,373,263</u></u>
Capital funds					
Endowment funds - general	17		15,356,703		15,356,626
Income funds					
Unrestricted funds			<u>(2,386,213)</u>		<u>(1,983,363)</u>
			<u><u>12,970,490</u></u>		<u><u>13,373,263</u></u>

The notes on pages 10 to 21 form part of these financial statements.

The financial statements were approved by the Trustees on

26th July 2023

Patricia Boydson

Trustee

The London Scottish Headquarters Trust

Notes to the Financial Statements

For the year ended 31 March 2022

1 Accounting policies

Charity information

The London Scottish Headquarters Trust is a an unincorporated charitable trust registered with the Charity Commission in England and Wales, number 251499. Its principal office is London Scottish House, 95 Horseferry Road, London, SW1P 2DX .

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the Trust will continue in operational existence for the foreseeable future, however, the Trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

The Trustees are concerned that the Trust will have insufficient liquid funds to continue to meet its objects. The Trustees are working towards a plan that would allow the Trust to continue in operation, however it is not certain at this time that the plan will be successful.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

1.4 Income

Income is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the Trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation charged
Fixtures and fittings	10% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The freehold property became a Grade II listed building in December 2021.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

1 Accounting policies

(Continued)

1.10 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

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

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

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2022

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	331	-
Grants receivable	5,000	4,000
	<u>5,331</u>	<u>4,000</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Rental income	30,000	30,000
Income from listed investments	318	318
Interest receivable	40	26
	<u>30,358</u>	<u>30,344</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	54,319	84,882
	<u>48</u>	<u>47</u>
<u>Investment management</u>		
	<u>54,367</u>	<u>84,929</u>

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

6 Charitable activities

	Charitable activities 2022 £	Charitable activities 2021 £
Staff costs	-	225,983
Depreciation and impairment	46,190	68,217
Activities undertaken directly	-	(225,983)
	<u>46,190</u>	<u>68,217</u>
Grant funding of activities (see note 7)	36,305	500
Share of support costs (see note)	301,677	431,414
	<u>384,172</u>	<u>500,131</u>
Analysis by fund		
Unrestricted funds	384,172	274,148
Endowment funds - general	-	225,983
	<u>384,172</u>	<u>225,983</u>

7 Grants payable

	Charitable activities 2022 £	Charitable activities 2021 £
Grants to institutions:		
The London Scottish Regimental Trust	36,305	-
Other	-	500
	<u>36,305</u>	<u>500</u>

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year.

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2022

9 Other

	Endowment funds general 2022 £	Endowment funds general 2021 £
Other expenditure	48	47
	<u>48</u>	<u>47</u>

10 Net gains/(losses) on investments

	Endowment funds general 2022 £	Endowment funds general 2021 £
Revaluation of investments	125	2,038
	<u>125</u>	<u>2,038</u>

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Fixtures and fittings £	Total £
Cost				
At 1 April 2021	15,000,000	401,227	212,939	15,614,166
Disposals	-	(401,227)	-	(401,227)
	<u>15,000,000</u>	<u>-</u>	<u>212,939</u>	<u>15,212,939</u>
At 31 March 2022	15,000,000	-	212,939	15,212,939
Depreciation and impairment				
At 1 April 2021	-	401,227	90,909	492,136
Depreciation charged in the year	-	-	46,190	46,190
Eliminated in respect of disposals	-	(401,227)	-	(401,227)
	<u>-</u>	<u>-</u>	<u>137,099</u>	<u>137,099</u>
At 31 March 2022	-	-	137,099	137,099
Carrying amount				
At 31 March 2022	15,000,000	-	75,840	15,075,840
	<u>15,000,000</u>	<u>-</u>	<u>122,030</u>	<u>15,122,030</u>
At 31 March 2021	15,000,000	-	122,030	15,122,030

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

12 Tangible fixed assets

(Continued)

Investment properties rented to another group entity have been accounted for using the cost model. The carrying value of these investment properties included within tangible fixed assets is £15,000,000 (2021 - £15,000,000).

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

13 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2021	13,396	1	13,397
Revaluations	124	-	124
Investment management fees	(96)	-	(96)
At 31 March 2022	<u>13,424</u>	<u>1</u>	<u>13,425</u>
Carrying amount			
At 31 March 2022	<u>13,424</u>	<u>1</u>	<u>13,425</u>
At 31 March 2021	<u>13,396</u>	<u>1</u>	<u>13,397</u>

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Prepayments and accrued income	458	458
	<u>458</u>	<u>458</u>

15 Loans and overdrafts

	2022 £	2021 £
Bank loan - secured	1,200,000	1,200,000
Loans from related regimental trusts	912,950	912,950
	<u>2,112,950</u>	<u>2,112,950</u>
Payable within one year	912,950	912,950
Payable after one year	1,200,000	1,200,000
	<u>2,112,950</u>	<u>2,112,950</u>

The bank loan is secured by fixed charges over the freehold property (95 Horseferry Road, London, SW1P 2DX). It is repayable in full before July 2025 and carries a fixed interest rate of 5.5% pa.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Loans from related regimental trusts	912,950	912,950
Trade creditors	40,415	17,440
Amounts owed to related regimental trusts	28,496	23,028
Accruals and deferred income	18,111	11,250
	999,972	964,668

The London Scottish Headquarters Trust
Notes to the Financial Statements (Continued)
For the year ended 31 March 2022

17 Endowment funds

Endowment funds represent assets which must be held permanently by the Trust. Income arising on the endowment funds can be used in accordance with the objects of the Trust and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 April 2020	Movement in funds				Balance at 1 April 2021	Revaluations gains and losses	Resources expended	Revaluations gains and losses	Balance at 31 March 2022
		Incoming resources	Resources expended	Revaluations gains and losses	Resources expended					
	£	£	£	£	£	£	£	£	£	
Permanent endowments										
Freehold Fund	14,500,000	569,017	-	-	15,069,017	-	-	-	15,069,017	
1986 Fund	285,618	-	(47)	2,038	287,609	(48)	(48)	125	287,686	
	14,785,618	569,017	(47)	2,038	15,356,626	(48)	(48)	125	15,356,703	

The Freehold Fund represents the carrying value of The London Scottish Regimental Trust Headquarters and funds subsequently received for dilapidations.

The 1986 Fund represents the residue of the equality money received from the sale of 59 Buckingham Gate and the development of 95 Horseferry Road in accordance with the Court Order dated 20th January 1986. The Trustees have power to expend the income from this Fund and the future income of the Trust from rents and investments for the benefit of The Regiment.

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

18 Analysis of net assets between funds

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	75,840	15,000,000	15,075,840	122,030	15,000,000	15,122,030
Investments	-	13,425	13,425	-	13,397	13,397
Current assets/(liabilities)	(987,442)	68,714	(918,775)	(846,653)	284,489	(562,164)
	(911,602)	15,082,139	14,170,490	(724,623)	15,297,886	14,573,263
Long term liabilities	-	(1,200,000)	(1,200,000)	-	(1,200,000)	(1,200,000)
	(911,602)	13,882,139	12,970,490	(724,623)	14,097,886	13,373,263
Interfund loan	(1,474,564)	1,474,564	-	(1,258,787)	1,258,787	-
	(2,386,166)	15,356,703	12,970,490	(1,983,410)	15,356,673	13,373,263

19 Events after the reporting date

In June 2022, London Scottish Volunteer Enterprises Limited, a company which is 50% owned by the Charity, was placed in Voluntary Liquidation. In April 2022 a new trading company was established London SH Limited to assume responsibility for managing the premises, the new company is owned 50% by the charity.

20 Related party transactions

Transactions with related parties

The London Scottish Headquarters Trust

Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

20 Related party transactions

(Continued)

The Charity paid grants of £36,305 (2021: £nil) to The London Scottish Regimental Trust, a charity with common trustees, during the year. The charity owed £5,978 to The London Scottish Regimental Trust at the balance sheet date. (2021: £23,027).

The Charity owed £816,850 (2021: £816,850) to the London Scottish Regiment 1995 Charity and £96,100 (2021: £96,100) to the London Scottish 1990 Fund at the balance sheet date.

The Charity paid management fees in respect of staff salaries of £90,500 (2021: £105,840) to London Scottish Volunteer Enterprises Limited, a company in which it has a 50% shareholding. The Charity owed £22,517 (2021: £nil) to this company at the balance sheet date.

The Charity charged rent of £30,000 (2021: £30,000) to London Scottish Volunteer Enterprises Limited.

London Scottish Volunteer Enterprises Limited was placed into voluntary liquidation on 30th June 2022.