

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

ANNUAL REPORT and FINANCIAL STATEMENTS

For the Year ended 31 March 2025

CHARITY NO: SC006964

**WHITELAW WELLS
Chartered Accountants
9 Ainslie Place
Edinburgh EH3 6AT**

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

ANNUAL REPORT and FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 March 2025

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

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Memorandum and Articles of Association, 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

Charity's Purpose and activities

The purpose of the charity is to aid any objects deemed legally charitable but always giving preference, in applying the charity's funds, to any such objects which are directly or indirectly of benefit or assistance to the Board of Trustees of National Museums Scotland.

More specifically these objects are:

1. The advancement of education in all its forms and, in particular, in matters agricultural, archaeological, architectural, cultural, environmental, historical, industrial, military, scientific and social.
2. The provision of facilities, equipment and activities designed to assist the attainment of any of the objects described above.
3. The study, preservation and interpretation of matters falling within the spheres described above, the enhancement and supplementation for educational purposes of collections of items within those spheres and the establishment of new collections within those spheres.
4. The promotion of research into all aspects of human knowledge and, in particular, in the spheres described above.

The charity also holds funds that are specifically designated to support aspects of the National Museums Scotland, usually as specified by the donor of the funds and in conjunction with the relevant department in the Museum.

Funds are raised on a best endeavours basis and the charity has no funding commitments. Therefore, the primary duty of the Trustees is to safeguard the assets of the Trust and to ensure that grants are made for appropriate purposes in line with the objectives stated above and the wishes of the donors.

Grant making policy

The grant making policy takes into account the funding priorities of the Board of Trustees of National Museums Scotland. Discretionary grants are made from the General Fund. When assessing applications, the Trustees may seek expert advice. Unsolicited applications are unlikely to be considered.

Grant requests are reviewed by the Trustees and are considered with respect to the aims and policies as stated above. Therefore, the grants that are made contribute directly to meeting the aims of the charity.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 March 2025

ACHIEVEMENTS AND PERFORMANCE

During the year the Trustees approved gross grants totaling £251,885 (2024: £197,149) and grants and donations received raised a total of £1,251,418 (2024: £351,889). The year was centered around the funding of a number of acquisitions which the charity was delighted to support in ensuring that these objects were added to the National Museums Scotland collections.

Income was split between a number of donations and income from investments and expenditure was made to fund a number of acquisitions. The Trustees remain extremely grateful for all legacies which enable the National Museums Scotland to undertake considerable improvements, research and acquisitions that would otherwise be impossible without these donations. Legacies were received from [REDACTED] during the year.

FINANCIAL REVIEW

The Trust's work is reliant on income and investment returns from its share portfolio and donations received.

Investment income in the year amounted to £318,252 (2024: £298,360), an increase of 6.7%. Resources expended in the year amounted to £326,614 (2024: £264,179) including grants paid of £251,885 (2024: £197,149). Net realised gains on investments totalled £71,852 (2024: gain of £2,617), and unrealised losses on investments totalled £107,440 (2024: gain of £514,010).

The total value of the Trust's net assets increased to £11,491,324 (2024: £10,283,855). The unrestricted reserves were £1,372,504 (2024: £1,181,179), the restricted reserves were £9,086,118 (2024: £8,069,974) and the endowment fund was £1,032,702 (2024: £1,032,702).

Investment Policy

The Trustees' investment policy, implemented on their behalf by professional managers on a discretionary basis, remains unchanged and is focused on achieving a balance between income and growth. The selection of investments is based on acceptance of medium risk until January 1 2025 when it was changed to high risk to reflect better the long term nature of the portfolio.

In 2024/25, investment returns were positive as inflation remained muted and interest rates continued to decrease in the context of a positive economic backdrop. As the investment funds are not required in the short term, capital fluctuations are accepted in order to obtain long term capital appreciation of these assets which has been achieved. Among the Restricted Funds, the Trustees' policy is to hold the assets in cash unless it is determined that investments are appropriate with a longer time horizon.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 March 2025

Reserves Policy

The Trust's General Fund represents the free funds available for donations. The Trustees do not feel that it is necessary to hold a specific level of reserves in the General Fund as distributions from this fund are discretionary. At 31 March 2025 the General Fund stood at £1,372,504 (2024: £1,181,179).

Other funds held for specific purposes are allowed to build with an appropriate mix of investments and cash and then drawn down when the funding is required. The total amount of restricted funds at 31 March 2025 was £9,086,118 (2024: £8,069,974), with £1,032,702 (2024: £1,032,702) of endowment funds.

FUTURE PLANS

A redevelopment of the National Museum of Flight is expected to commence in the coming years albeit on a smaller scale than previously envisaged. The Scotland Galleries are also due to be renovated in the coming years and funding is held in the Masterplan Fund for this project. Donations continue to be made in support of the Pelham Clinton Fellowship and for various acquisitions that enhance the collections of the National Museums. Grants will continue to be made for the charitable purposes which fall within the scope of the Trust Deed and the conditions attached to the Restricted Funds.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

National Museums Scotland Charitable Trust is registered as a charity with the Office of the Scottish Charity Regulator (Number SC006964) and is governed by the Trust Deed dated 25 September 1987.

Recruitment and Appointment, Induction and Training of Trustees

As required by the Trust Deed, the Board includes two Trustees who are members of the Board of Trustees of National Museums Scotland but, at all times, independent Trustees form the majority. Trustees are appointed by the charity's Board and, on acceptance of appointment, are fully briefed by the Secretary on the aims and operation of the charity. As part of this induction, each Trustee is provided with a copy of the Trust Deed, background information concerning the Trust's role and relationship with National Museums Scotland, and guidance material issued by the Office of the Scottish Charity Regulator.

Key management personnel

The Trust considers that its key management personnel comprise the Trustees and the Secretary Christopher Thomson. No remuneration was payable to the Trustees. The Trust employs no staff.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 March 2025

Organisational Structure and Decision Making

The Trustees meet as and when required, normally on at least two occasions each year. At these meetings the Trustees discuss the broad strategy and areas of activity of the charity, including policies on reserves, investment and risk management.

Management of the charity's investment portfolio is delegated to professional asset managers who report to the Trustees twice a year.

Day to day administration of the charitable activities is carried out by the Secretary.

Risk Management

The Trustees have reviewed the major strategic, business and operational risks which the charity faces and confirm that systems are in place to enable regular reports to be produced and necessary steps taken to lessen these risks.

As described above the affairs of the charity are relatively straightforward with the main task being the safeguarding of the financial assets and the appropriate awarding of grants in line with the Aims and Objectives. The bank accounts are all operated under dual control as is the investment management mandate which delegates the day-to-day management to an investment professional. The management of the investments is kept under regular review and the Trustees are satisfied that the performance of the portfolio is above acceptable parameters.

The Trustees review a formal Risk Matrix at least annually and believe that suitable mechanisms are in place to ensure that risks are managed to appropriate levels. In addition, the charity's auditors complete an annual audit of the financial statements.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

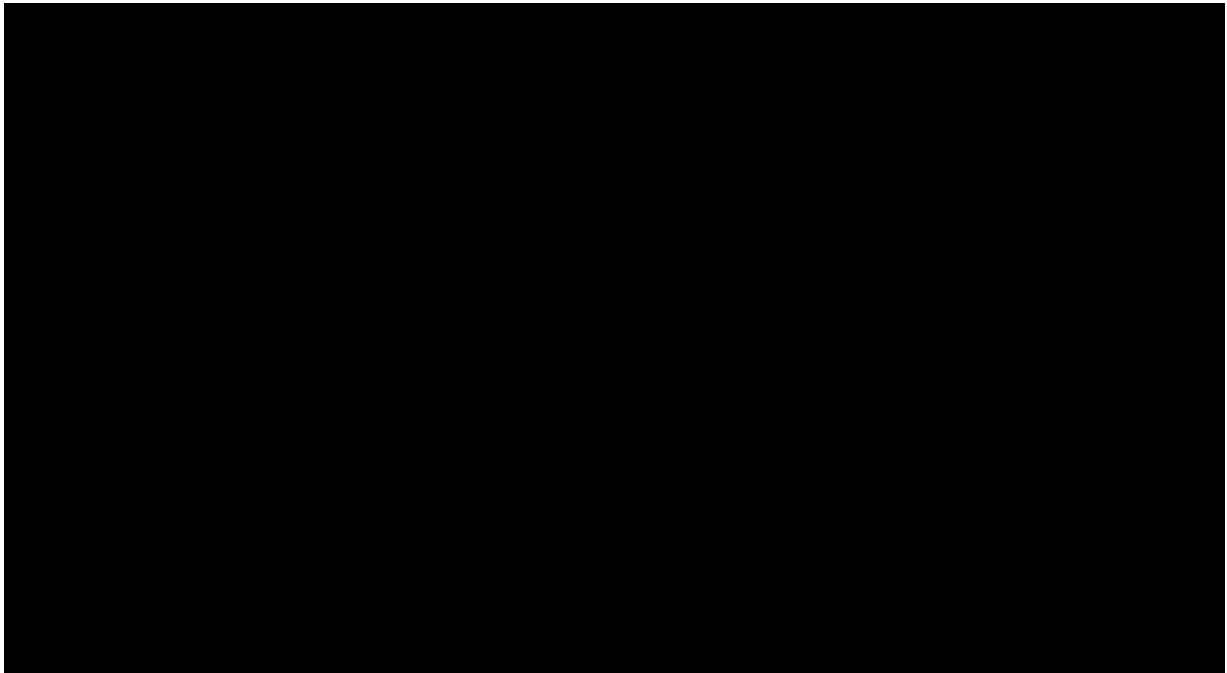
TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 March 2025

REFERENCE and ADMINISTRATIVE INFORMATION

Charity name National Museums Scotland Charitable Trust

Charity registration number SC006964



Statutory Auditor Whitelaw Wells
Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

Bankers Bank of Scotland
300 Lawnmarket
Edinburgh
EH1 2PH

Investment Manager Brooks Macdonald
Hobart House
80 Hanover Street
Edinburgh
EH2 1EL

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 March 2025

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 Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

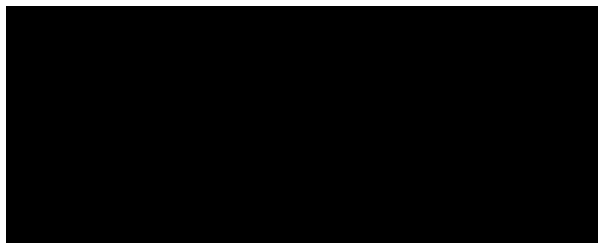
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities & Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all the steps he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the Board of Trustees on 25 November 2025 and signed on its behalf by:-



NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 March 2025

Opinion

We have audited the financial statements of National Museums Scotland Charitable Trust for the year ended 31 March 2025, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of the resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 audit or otherwise appears to be materially misstated.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31 March 2025

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires 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' annual report;
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31 March 2025

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

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

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

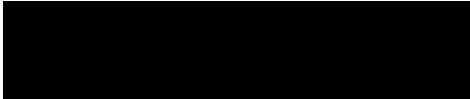
Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We performed income and expenditure testing which was designed to identify any irregularities as a result of mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Whitelaw Wells, Statutory Auditor,
9 Ainslie Place, Edinburgh, EH3 6AT

25 November 2025

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

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 March 2025

	Notes	Unrestricted Fund £	Restricted Fund £	Endow -ment Fund £	2025 Total £	2024 Total £
<u>Income and endowments from:</u>						
Donations and legacies	2	186,752	1,064,666	-	1,251,418	351,889
Investments	2	43,606	274,646	-	318,252	298,360
Total income		230,358	1,339,312	-	1,569,670	650,249
<u>Expenditure on:</u>						
Charitable activities	3	28,662	251,885	-	280,547	223,961
Raising funds	4	5,852	40,215	-	46,067	40,218
Total expenditure		34,514	292,100	-	326,614	264,179
Net income before gains/(losses) on investments		195,844	1,047,212	-	1,243,056	386,070
Net gains/(losses) on investments	10	(4,519)	(31,068)	-	(35,587)	516,627
Net income		191,325	1,016,144	-	1,207,469	902,697
Transfers between funds	10	-	-	-	-	-
Net movement in funds		191,325	1,016,144	-	1,207,469	902,697
Reconciliation of funds						
Fund balances at 31 March 2024	10	1,181,179	8,069,974	1,032,702	10,283,855	9,381,158
Fund balances at 31 March 2025	10	1,372,504	9,086,118	1,032,702	11,491,324	10,283,855

All of the results relate to continuing activities.

There are no gains or losses other than those dealt with in the Statement of Financial Activities.

The notes on pages 15 to 27 form part of these financial statements.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

BALANCE SHEET

As at 31 March 2025

	Note	£	2025 £	2024 £
Fixed Assets				
Investments	7		9,677,629	9,007,848
Current Assets				
Debtors	8	68,711		50,352
Cash at bank		1,783,594		1,262,142
Total current assets		1,852,305		1,312,494
Creditors: Amounts falling due within one year	9	(38,610)		(36,487)
Total Net Current Assets			1,813,695	1,276,007
Net Assets			11,491,324	10,283,855
Funds				
Unrestricted funds	10		1,372,504	1,181,179
Restricted funds	10		9,086,118	8,069,974
Endowment funds:-				
Lindsay Endowment Fund	10		1,032,702	1,032,702
Total Funds			11,491,324	10,283,855

These financial statements were approved by the Board of Trustees on 25 November 2025 and were signed on its behalf by:

Chairman

Trustee

The notes on pages 15 to 27 form part of these financial statements.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 March 2025

	2025	2024
	£	£
Cash flows from operating activities:		
Net cash (used in)/provided operating activities below	908,568	(125,148)
	<hr/>	<hr/>
Cash flows from investing activities:		
Dividends and interest from investments	318,252	298,360
Proceeds from sale of investments	3,995,650	293,297
Purchase of investments	(4,579,810)	(1,710,463)
Movement in capital cash	(121,208)	(5,888)
	<hr/>	<hr/>
Net cash provided by/(used in) investing activities	(387,116)	(1,124,694)
	<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period	521,452	(1,249,842)
Cash and cash equivalents brought forward	1,262,142	2,511,984
	<hr/>	<hr/>
Cash and cash equivalents carried forward	1,783,594	1,262,142
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<u>Cash and cash equivalents</u>		
Cash at bank – current account	690,392	218,282
Cash at bank – deposit accounts	1,093,202	1,043,860
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	1,783,594	1,262,142
	<hr/> <hr/>	<hr/> <hr/>
<u>Reconciliation of net income to net cash flow from operating activities</u>		
Net income for the year	1,207,469	902,697
(as per Statement of Financial Activities)		
<u>Adjusted for:</u>		
Dividends and interest from investments	(318,252)	(298,360)
(Increase)/ decrease in debtors	(18,359)	(25,120)
(Decrease)/ increase in creditors	2,123	(187,738)
(Gain)/loss on investments	35,587	(516,627)
	<hr/>	<hr/>
Net cash provided by operating activities	908,568	(125,148)
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NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

1. ACCOUNTING POLICIES

1.1 Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention, modified to include investment at fair value, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charity's transactions are denominated.

National Museums Scotland Charitable Trust meets the definition of a public benefit entity under FRS 102. The financial statements are denominated in £ sterling.

1.2 Going concern basis

The financial statements have been prepared on a going concern basis. The Trustees have assessed the charity's ability to continue as a going concern and have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements and consider that there are no material uncertainties relating to going concern.

1.3 Income

Donations, legacies and similar income is included in the year in which it is receivable, which is when the charity becomes entitled to the income, it is probable that it will be received, and the amount can be measured reliably.

Interests on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

1.4 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure, it is probable that settlement will be required, and the amount of obligation can be measured reliably.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

1. ACCOUNTING POLICIES (cont)

- Costs of raising funds are those associated with generating grants, donations, and investment income, and charitable activities costs are those expended on meeting the charity's objectives.
- Charitable activities include expenditure associated with meeting the charity's primary objectives and include both the direct costs and the support costs relating to these activities.
- Included within support costs are Governance costs which are those of a constitutional, strategic, or statutory nature with respect to the general running of the charity, rather than day to day management.

1.5 Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the charity.

1.6 Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising, both realised and unrealised, on revaluation and disposals throughout the year.

The Trust does not directly acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair values at the year end and their carrying value. Realised and unrealised investment gains are combined in the Statement of Financial Activities.

1.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

1. ACCOUNTING POLICIES (cont)

1.8 Debtors

Debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

1.9 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

1.11 Critical judgements and estimates

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

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

1.12 Provisions

Provisions are recognised when the charity has a present obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation.

1.13 Funds

Unrestricted general funds are the funds which can be used in accordance with the charitable objects at the discretion of the Trustees. Endowment funds are the funds held permanently by the charity. Income generated from these funds is transferred to general funds when receivable. Restricted funds are the funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

1.14 VAT

The Trust is not registered for VAT and accordingly expenditure includes VAT where appropriate.

1.15 Taxation

The trust is recognised by H M Revenue and Customs as a charity for income tax purposes under Number SC006964. As a result, no liability to taxation is anticipated on any of its income so long as it is applied for its charitable purposes.

2. Income

	Unrestricted £	Restricted £	2025 £	2024 £
Donations and Legacies:-				
National Museums Scotland	-	800,000	800,000	-
Donations from Charitable Trusts and Foundations	153,213	264,666	417,879	243,808
Individual donations and legacies	33,539	-	33,539	108,081
	<hr/>	<hr/>	<hr/>	<hr/>
	186,752	1,064,666	1,251,418	351,889
	<hr/>	<hr/>	<hr/>	<hr/>
Investment income:-				
Dividends received	32,778	225,246	258,024	248,543
Bank interest received	10,828	49,400	60,228	49,817
	<hr/>	<hr/>	<hr/>	<hr/>
Total income	230,358	1,339,312	1,569,670	650,249
	<hr/>	<hr/>	<hr/>	<hr/>

3. Analysis of charitable activities

	Unrestricted £	Restricted £	2025 £	2024 £
Grants awarded	-	251,885	251,885	197,149
Support costs:				
Administration	18,500	-	18,500	18,500
Governance costs:				
Auditor's Remuneration	7,800	-	7,800	7,200
Bank charges	1,607	-	1,607	741
Meeting expenses	755	-	755	371
	<hr/>	<hr/>	<hr/>	<hr/>
	28,662	251,885	280,547	223,961
	<hr/>	<hr/>	<hr/>	<hr/>

No grants were awarded to individuals during the year (2024: £nil). The trustees consider there to be only one type of charitable activity in the year, namely grant giving.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

3. Analysis of charitable activities (cont)

During the year, institutional grants of £251,885 (2024: £197,149) were made from the following funds:

Fund	Purpose (collection)	2025 £	2024 £
Lindsay Endowment Fund	Peebles Hoard	40,000	-
Lindsay Endowment Fund	Archery Box	-	9,950
NMS Special Projects Fund	Project – Re-spiriting taxidermy	-	11,496
NMS Special Projects Fun	Post - Negaunee Foundation	47,195	46,081
NMS Special Projects Fund	Post – [REDACTED] Textile Conversion	25,135	-
NMS Special Projects Fund	Wrights & Masons Flags	23,644	-
NMS Special Projects Fund	Publication - Hamilton Place	-	13,350
NMS Special Projects Fund	Publication - Scottish Furniture	-	9,886
NMS Special Projects Fund	Acquisition - [REDACTED] "Twin Form"	-	9,906
NMS Special Projects Fund	Acquisition - Scottish Herald's tabard	-	24,000
NMS Special Projects Fund	Acquisition - [REDACTED] "Faerie Bust 2"	-	6,480
NMS Special Projects Fund	Acquisition – Standing Stone	11,412	-
NMS Special Projects Fund	Acquisition – A Pier Glass (mirror)	5,355	-
NMS Special Projects Fund	Acquisition – Replicas of Traprain Treasure	16,375	-
Pelham Clinton Fund	Project - Tree of Life, Peru	70,934	66,000
Pelham Clinton Fund	Project – Biodiversity Peru	10,925	-
Pelham Clinton Fund	Acquisition – [REDACTED]	910	-
		<hr/>	<hr/>
		251,885	197,149
		<hr/>	<hr/>

4. Expenditure on Raising Funds

	Unrestricted £	Restricted £	2025 £	2024 £
Investment management costs	5,852	40,215	46,067	40,218
	<hr/>	<hr/>	<hr/>	<hr/>
	5,852	40,215	46,067	40,218
	<hr/>	<hr/>	<hr/>	<hr/>

5. Net income for the year

	2025 £	2024 £
This is stated after charging:		
Auditor's remuneration: audit fees	7,800	7,200
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NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

6. Staff costs and key management personnel

The Trust does not directly employ staff. During the year to March 2025, fundraising and administrative services were undertaken by the National Museums Scotland for the Trust. £18,500 administrative fee (2024: £18,500) has been paid to National Museums Scotland for the current year.

The Trustees received £755 of meeting and travel expenses during the year (2024: Nil).

The Trustees and Secretary are considered to be the key management personnel of the Trust. The Secretary received no remuneration from the Trust during the year (2024: £Nil).

7. Investments

	2025	2024
	£	£
Market value at 1 April 2024	8,909,891	6,976,098
Additions at cost	4,579,810	1,710,463
Disposals in the year	(3,995,650)	(293,297)
Realised gain/(loss)	71,852	2,617
Unrealised gain/(loss)	(107,440)	514,010
Market value at 31 March 2025	9,458,463	8,909,891
Cash held by investment managers	219,166	97,957
Total Investments	9,677,629	9,007,848
 Historical cost at 31 March 2025	 8,947,267	 8,214,841
	2025	2024
	£	£
Investments at fair value comprised:		
UK equities	1,838,216	1,551,900
UK fixed interest securities	1,797,736	2,475,917
Overseas equities	4,548,651	3,217,469
Property	193,236	195,141
International fixed interest	261,370	179,247
Hedge Funds & Alternatives	405,160	677,838
Structured Returns	414,094	612,379
	9,458,463	8,909,891

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

7. Investments (cont)

The investments are held within two portfolios representing restricted and unrestricted funds.

All investments are carried at their fair value. Investments in equities and fixed securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade (that is their transaction value).

The significance of financial instruments to the continuing financial stability of the charity is considered in the financial review and investment policy sections of the Trustees' Report.

The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

8. Debtors

	2025	2024
	£	£
Income tax recoverable	6,832	3,715
Gift Aid receivable	16,879	1,637
Donations receivable	45,000	45,000
	<hr/>	<hr/>
	68,711	50,352
	<hr/> <hr/>	<hr/> <hr/>

9. Creditors: Amounts falling due within one year

	2025	2024
	£	£
Grants payable	-	-
Other creditors	38,610	36,487
	<hr/>	<hr/>
	38,610	36,487
	<hr/> <hr/>	<hr/> <hr/>

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

10. Statement of Funds

	1 April 2024 £	Income £	Expenditure £	Net gains on investments £	Transfers £	31 March 2025 £
Restricted Funds						
Pelham Clinton Memorial Fund	1,018,429	28,314	(87,164)	(3,396)	-	956,183
NMS Special Projects Fund	634,709	205,963	(129,116)	-	-	711,556
Lindsay Endowment Fund	247,278	37,714	(46,180)	(4,775)	-	234,037
NMS Masterplan Fund	745,081	62,727	(2,947)	(2,276)	-	802,585
Drue Heinz Fund	1,432,546	43,411	(6,843)	(5,287)	-	1,463,827
National Museums Scotland Fund	1,753,492	873,730	(8,793)	(6,793)	-	2,611,636
National Museum of Flight	2,238,439	87,452	(11,056)	(8,541)	-	2,306,294
	<u>8,069,974</u>	<u>1,339,311</u>	<u>(292,099)</u>	<u>(31,068)</u>	<u>-</u>	<u>9,086,118</u>
Endowment Funds						
Lindsay Endowment Fund	1,032,702	-	-	-	-	1,032,702
Unrestricted funds	<u>1,181,179</u>	<u>230,359</u>	<u>(34,515)</u>	<u>(4,519)</u>	<u>-</u>	<u>1,372,504</u>
Total Funds	<u>10,283,855</u>	<u>1,569,670</u>	<u>(326,614)</u>	<u>(35,587)</u>	<u>-</u>	<u>11,491,324</u>

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

10. Statement of Funds (cont'd)

	1 April 2023 £	Income £	Expenditure £	Net gains on investments £	Transfers £	31 March 2024 £
Restricted Funds						
Pelham Clinton Memorial Fund	992,622	32,726	(70,988)	64,069	-	1,018,429
NMS Special Projects Fund	584,273	181,585	(131,149)	-	-	634,709
Lindsay Endowment Fund	122,866	42,022	(6,955)	-	89,345	247,278
NMS Masterplan Fund	625,833	85,960	(2,810)	36,098	-	745,081
Drue Heinz Fund	1,310,008	45,232	(6,526)	83,832	-	1,432,546
National Museums Scotland Fund	1,641,061	50,812	(5,202)	66,821	-	1,753,492
National Museum of Flight	2,063,751	68,644	(8,952)	114,996	-	2,238,439
	<u>7,340,414</u>	<u>506,981</u>	<u>(232,582)</u>	<u>365,816</u>	<u>89,345</u>	<u>8,069,974</u>
Endowment Funds						
Lindsay Endowment Fund	1,032,702	-	-	89,345	(89,345)	1,032,702
Unrestricted funds	<u>1,008,042</u>	<u>143,268</u>	<u>(31,597)</u>	<u>61,466</u>	<u>-</u>	<u>1,181,179</u>
Total Funds	<u>9,381,158</u>	<u>650,249</u>	<u>(264,179)</u>	<u>516,627</u>	<u>-</u>	<u>10,283,855</u>

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

10. Statement of Funds (cont'd)

The purpose of the endowment and restricted funds are as follows:

Pelham Clinton Memorial Fund

This fund was established to provide for the institution and maintenance of a Fellowship for the curation of the entomological collection of National Museums Scotland. It may also be applied more generally for the advancement and benefit of the collection, for research and for education in the sphere of entomology.

NMS Special Projects Fund

Donations earmarked for specific projects within National Museums Scotland are held in this fund on a temporary basis until required.

Lindsay Endowment

The purpose of the fund is to assist in the acquisition, conservation, protection and display of important items to add to the national collections relating to the Museum of Scotland or its successors. A review of the original funding documents was undertaken and it was identified that only the original capital of the fund is maintained as a permanent endowment. Any income and capital gains derived are accounted for as a restricted fund to be applied in line with the fund purposes.

NMS Masterplan Fund

The fund was established to support large scale development and refurbishment projects of the National Museums Scotland.

Drue Heinz Fund

The fund was established for the long-term redevelopment of Hawthornden Court.

National Museums Scotland Fund

The fund was established to hold funds which can only be used to maintain and develop the museums, collections and associated storage and display facilities operated by National Museums Scotland.

National Museum of Flight

The fund was established in the year ended 31 March 2018 to hold funds that are being raised for the specific purpose of funding a redevelopment of the National Museum of Flight which may commence in future years.

The Unrestricted General Fund represents the normal operations of the Trust.

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

11. Analysis of net assets between funds

	Investments	Net Current Assets	Total 2025
	£	£	£
<u>Restricted funds</u>			
Pelham Clinton Memorial Fund	856,355	99,828	956,183
NMS Special Projects Fund	309,129	402,427	711,556
Lindsay Endowment Fund	-	234,037	234,037
NMS Masterplan Fund	641,683	160,902	802,585
Drue Heinz fund	1,321,764	142,063	1,463,827
National Museums Scotland Fund	2,005,707	605,929	2,611,636
National Museums of Flight	2,108,310	197,984	2,306,294
	<u>7,242,948</u>	<u>1,843,170</u>	<u>9,086,118</u>
<u>Endowment funds</u>			
Lindsay Endowment Fund	1,212,104	(179,402)	1,032,702
Unrestricted funds	<u>1,222,577</u>	<u>149,927</u>	<u>1,372,504</u>
Total funds	<u><u>9,677,629</u></u>	<u><u>1,813,695</u></u>	<u><u>11,491,324</u></u>

	Investments	Net Current Assets	Total 2024
	£	£	£
<u>Restricted funds</u>			
Pelham Clinton Memorial Fund	972,938	45,491	1,018,429
NMS Special Projects Fund	343,884	290,825	634,709
Lindsay Endowment Fund	-	247,278	247,278
NMS Masterplan Fund	639,958	105,123	745,081
Drue Heinz fund	1,326,460	106,086	1,432,546
National Museums Scotland Fund	1,384,462	369,030	1,753,492
National Museums of Flight	1,965,847	272,592	2,238,439
	<u>6,633,549</u>	<u>1,436,425</u>	<u>8,069,974</u>
<u>Endowment funds</u>			
Lindsay Endowment Fund	1,331,252	(298,550)	1,032,702
Unrestricted funds	<u>1,043,047</u>	<u>138,132</u>	<u>1,181,179</u>
Total funds	<u><u>9,007,848</u></u>	<u><u>1,276,007</u></u>	<u><u>10,283,855</u></u>

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

12. Related party transactions

During the year to 31 March 2025 the Trust received £800,000 (2024: £Nil) from National Museums Scotland.

In addition, £18,500 administrative fee has been paid to National Museums Scotland for the current year (2024: £18,500).

NATIONAL MUSEUMS SCOTLAND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2025

13. Prior year Statement of Financial activities

	Notes	Unrestricted Fund £	Restricted Fund £	Endow -ment Fund £	2024 Total £	2023 Total £
<u>Income and endowments from:</u>						
Donations and legacies	2	106,922	244,967	-	351,889	786,193
Investments	2	36,346	262,014	-	298,360	225,412
Total income		143,268	506,981	-	650,249	1,011,605
<u>Expenditure on:</u>						
Charitable activities	3	26,812	197,149	-	223,961	279,398
Raising funds	4	4,785	35,433	-	40,218	32,019
Total expenditure		31,597	232,582	-	264,179	311,417
Net income before gains/(losses) on investments		111,671	274,399	-	386,070	700,188
Net gains/(losses) on investments	7	61,466	365,816	89,345	516,627	(380,864)
Net income		173,137	640,215	89,345	902,697	319,324
Transfers between funds	10	-	89,345	(89,345)	-	-
Net movement in funds		173,137	729,560	-	902,697	319,324
Reconciliation of funds						
Fund balances at 31 March 2023	10	1,008,042	7,340,414	1,032,702	9,381,158	9,061,834
Fund balances at 31 March 2024	10	1,181,179	8,069,974	1,032,702	10,283,855	9,381,158