



REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
for the year ended 30th June 2025

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The Trustees present their annual report and audited financial statements of the Aberdeen Endowments Trust for the year ended 30th June 2025.

The Trustees confirm that the annual report and financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the City of Aberdeen Educational Endowments Scheme 1985 (as amended), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) regulations 2006 (as amended) and Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 1 January 2019.

Reference and administrative details

Name

Aberdeen Endowments Trust

Registered charity number

SC010507

Principal office

9 Victoria Street, Aberdeen, AB10 1XB

Telephone: 01224 640194

Email: hello@aet1909.org

Website: www.aberdeenendowmentstrust.co.uk

Management

Mrs G Gordon – Clerk & Chief Operating Officer

Estate Factors

Savills, 37 Albyn Place, Aberdeen AB10 1YN

Investment Advisors

RBC Brewin Dolphin, 144 Morrison Street, Edinburgh EH3 8BR

Rathbones, 10 George Street, Edinburgh EH2 2PF

Bankers

Bank of Scotland, 39 Albyn Place, Aberdeen, AB10 1YN

Royal Bank of Scotland, 40 Albyn Place, Aberdeen, AB10 1YN

Flagstone Group Ltd, 1st Floor, Clareville House, 26-27 Oxendon Street, London SW1Y 4EL.

Solicitors

Ledingham Chalmers LLP, Johnstone House, 52 - 54 Rose Street, Aberdeen, AB10 1HA.

Independent Auditors

MHA, 12 Carden Place, Aberdeen AB10 1UR

Trustees on date of approval of Trust's Annual Report

Trustee name & office held (if any)	Dates acted if not for whole year	Name of body entitled to appoint trustee
Mr Mervyn Donald – Chair to 7 th December 2025	To 7 th December 2025	The Seven Incorporated Trades of Aberdeen
Emeritus Professor Norman Hutchison – Chair from 12 th February 2026		Senatus Academicus of the University of Aberdeen
Councillor Neil McGregor		Aberdeen City Council
Mr Kevin Reynard		Governor of Robert Gordon's College
Mrs Elizabeth Clark	To 1 st December 2025	Governor of Robert Gordon's College
Emeritus Professor Yvonne Bain		Church of Scotland, The Presbytery of the North East and Northern Isles
Reverend Carl J Irvine	From 6 th February 2025	Church of Scotland, The Presbytery of the North East and Northern Isles
Dr Olushola Ajide		Churches other than Church of Scotland
Mr Douglas Watson	To 17 th October 2025	Society of Advocates
Mrs Jane MacEachran	From 12 th February 2026	Society of Advocates
Mr Iain Clark		Co-opted
Reverend Canon Dr Jenny Holden – Convenor, Benefactions Committee		Co-opted
Mr Dave Green – Convenor, Land & Property Committee		Co-opted
Mr Jim Cruickshank		Co-opted

Trustee vacancies

The Seven Incorporated Trades of Aberdeen did not make a trustee nomination at the end of Mr Mervyn Donald's tenure. They have not yet made a new nomination but have circulated the request to their members. Mr Donald was appointed as Chair by the Trustees and held this position up to 7th December 2025. The trustees appointed a new Chair, Emeritus Professor Norman Hutchison at their Board meeting on 12th February 2026. The Committee and Board meetings in the intervening period were chaired by a Deputy Chair appointed from amongst the trustees as per the terms of the Trust's governing document.

There are currently four other Trustee vacancies, the relevant nominating bodies have received a request to make an appointment. These include two appointments due from Aberdeen City Council, one from Aberdeen Local Association of the Educational Institute of Scotland, one from a representative of Trade Unions situated having a branch in Aberdeen.

Trustee Appointments

Under the terms of the Trust's constitution, there are nine bodies with the right to appoint a Trustee and a further four co-opted trustee appointments. All trustee appointments are subject to an appointment process which is managed by the Appointments Committee. Whether a candidate has been nominated by an appointing body or recruited as a co-opted trustee, all trustee candidates are required to submit their Curriculum Vitae (CV) to ensure they have the relevant skills and experience, are interviewed by the Appointments Committee, who make their recommendation for appointment to the Board of Trustees. Appointment approval by the Board is subject to acceptable completion of an Anti-Money Laundering check, a Disclosure Scotland check and two satisfactory references. If the Appointment Committee does not recommend an appointment, the appointing body may be asked to submit another candidate for consideration.

On first appointment, each Trustee is provided with an induction pack covering the Trust's constitution and operations and is encouraged to consult with the Clerk & Chief Operating Officer on any matter of Trust business. The Clerk & Chief Operating Officer regularly draws to the attention of the Trustees matters which are relevant to their duties as Trustees. The Trustees regularly review the composition of appropriate skills and experience on the Board and its committees, and a regular review of trustee training is completed. All appointments are for a period of 3 years and, subject to Board approval, any trustee can be considered for re-election.

The Trustees are required to appoint two Robert Gordon's College Governors from their number and the College Governors are required to appoint two AET Trustees from their number. During the period 2024/25 these appointments were reflected on each board, however subsequently an agreement was reached to reduce this and both parties currently have one representative on each other's board.

Conflicts of interest

All trustees and committee members regularly update their Declaration of Interest Form. This includes details of interests that the trustee may hold in other organisations. A conflict of interest exists where there is a potential for a trustee's personal or business interests (or the interests of someone they are connected with) to be different from the interests of the Trust. Conflicts of interest are declared at the start of all meetings and Trustees must excuse themselves from any discussion or decisions on matters for which they have a conflict. The observation of conflicts of interest guidelines is embedded within the Trust's professional standards and form part of a Trustee's legal duties.

The Committees of the Trust and their Roles

A Land & Property Committee which has the responsibility for all of the Trust's Estates. Savills, the Trust's Factors; who are employed to manage the Trust's Estates on behalf of the Trust; report to each scheduled Meeting of the Land and Property Committee. The Committee meets 4 times per year.

B Finance & Investment Committee which has responsibility for the Trust's stock market investments and the general finances of the Trust. The Committee meets 4 times per year.

C Benefactions Committee which has responsibility for all of the Trust's charitable disbursements. For the awarding of places at Robert Gordon's College by way of Robert Gordon's Bursaries, the Committee makes a recommendation to the Board of Trustees. The committee has delegated powers to make all other awards charitable award decisions. The Committee meets 5 times per year.

D Audit & Risk Management Sub-committee which reviews the appointment of the auditor, the audit process and the risk register. This Committee reports and makes recommendations to the other three committees. The Committee meets 2 times per year.

The Clerk & Chief Operating Officer provides reports to each of the Committees.

From time to time, other Committees are formed to deal with specific tasks i.e. 1985 Sub-Committee which has been reviewing the constitution of the Trust.

Committee appointments

All trustees are a member of at least one of the Trust's Committees, with Committees appointments based on the Trustee's relevant skills and experience. The Board of Trustees has delegated some restricted powers to each of the Committees. Key governance and appointments decisions remain with the Board of Trustees with the Board considering the recommendations of the Committees on relevant matters.

The Trustees have appointed Dr Morag McFadyen as a Benefactions Committee member, whilst Dr McFadyen is not a trustee with the powers of that office; her appointment is subject to the same procedures and conditions relevant to a Trustee appointment. As a Benefactions Committee member, she forms part of the quorum for that Committee and has the full delegated decision-making authority of any member of that Committee.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Clerk & Chief Operating Officer as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All Trustees and Committee members give of their time freely and no remuneration is paid in any year. Details of related party transactions are disclosed in note 2. The Trustees are responsible for setting the remuneration of the Clerk & Chief Operating Officer and use Local Government conditions of service as a benchmark.

The Trust's objectives and grant making policy.

The Trust continues to provide financial support for educational opportunities that benefit those on low incomes and also the wider community. Often a financial burden prevents access to education and the Trust aims to help remove that barrier by providing educational bursaries and grants to those on a low income. The Scheme sets out the relationship between AET and its principal beneficiaries, being those belonging to the City of Aberdeen who:

1. attend secondary schools in Aberdeen including Robert Gordon's College (charity no. SC0000123), and Aberdeen City Council operated secondary schools or
2. who may otherwise benefit from awards in the advancement of education.

In addition to grants to individuals in the form of educational bursaries and grants, the Trust also provides access to wider educational opportunities that provide an educational benefit to the local community. This includes support for projects delivered locally by organisations including the National Theatre Scotland, The Benedetti Foundation, National Youth Choir of Scotland, Sistema Scotland, Aberdeen Performing Arts, Techfest, The Royal Scottish National Orchestra, Sound and Aberdeen Science Centre. These projects endeavour to complement and support the local education provision.

Charitable awards made by the Trust during the reporting period are shown in the table that follows:

		30th June 2025	1985 Scheme Budget	30th June 2024	1985 Scheme Budget
	Note	£'000	£'000	£'000	£'000
RGC Bursaries & Foundations	A	663		798	
RGC Monetary Allowances	B	12	12	15	15
Secondary School Bursaries	C	25	16	34	11
Secondary School Bursaries from donation	C	3		0	
Plan Expenditure	D	39	40	66	48
John Robb Bursaries	E	35		13	
Lewis Greg Argo	F	15		0	
Awards from Bequest Funds	G	0		1	
Awards from Ina Scott Sutherland	H	14		24	
		<u>806</u>		<u>951</u>	

Note A - RGC Bursary Support

Bursary awards are made for pupils to attend Robert Gordon's College. Applicants sit the College Entrance exam and awards are determined by a ranking composing of both exam performance and family household income. The bursary award is made for full fee payment, with a commitment made to the student up to and including S5. Although support for S6 is normally available if it is academically worthwhile, a bursary award for S6 is made at the Trustees' discretion. The bursary award is subject to satisfactory attendance and performance, with a review of family household income carried out in S2, S4 and S5. If there has been a significant improvement in the household income, the parent/guardian will be asked to contribute towards fees. The RGC support shown is for the commitment made to support 33 students for the academic year 2025/26 as this is treated as a creditor due within 12 months. Most of these students are in receipt of a 100% bursary award. The annual fee cost per student is £17,006 plus VAT at 20% = £20,406. Please note that the 2023/24 comparable year fees include VAT for only part of the year as VAT was applicable from 1st January 2025 only.

Note B - RGC Monetary allowances.

These are paid to recipients of RGC Bursaries if the Trustees determine that additional financial assistance is required. The allowance is provided to support the purchase of an iPad which is compulsory equipment used for lessons and homework, school uniform, school trips, and other costs associated with school attendance and so reduces the financial pressures of the bursary award on the household. Each allowance is in the range of £373 (£360, 2023/24) to £622 (£600, 2023/24) per pupil, 20 pupils have been assessed as requiring this additional assistance. The allowance level is reviewed annually, and an annual inflationary increase is applied.

Note C - Secondary School Bursaries

This is awarded to the parents of pupils at Aberdeen City Secondary Schools where the household financial circumstances are likely to make it difficult for parents to buy school supplies for their children. The

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number of applications has increased significantly in the last couple of years and due to the relatively small, fixed budget that is available, this payment is currently an annual award of £50 from S1 to S4. This was reduced from £70 in 2023/24 due to an increased number of applicants and a restricted 1985 Scheme budget.

Aberdeen City Council statistics indicate that of those on low incomes who qualify for free school meals and would therefore qualify for a Secondary School Bursary, less than 10% have made an application. Whilst the Trust would wish to support all of those who would qualify, there is insufficient budget available to fund all those who would qualify.

Note D - Plan Expenditure

Grants are awarded to support a wide range of educational travel bursary support including educational excursions, typically primary and early secondary school trips with awards in the range of £100-£300. Higher and further education bursary awards of £500 are awarded with a provision made for the student to complete their course. In addition, a wide range of other educational support is available within this budget.

Note E - John Robb Bursaries

Annual funding is received From Robb's Trust to assist students undertaking further education at University of Aberdeen, Robert Gordons University and North East Scotland College. The current award value is £500 per academic year with a provision made for the student to complete their course.

To date, the Trust has received a variable, annual sum from the Robb's Trust to support these awards, however Robb's Trust have updated their constitution and will no longer have a set scheme of annual distributions. While AET remains a beneficiary, there is no guarantee of an annual distribution. The balance in the John Robb Restricted Fund will continue to be used to benefit students until these funds are exhausted. Thereafter, Further Education Awards will be made solely from the PLAN budget.

Note F – Lewis Greig Argo

The Trust received a legacy donation, the terms of which were that the funds were to be used for bursary fees for a student at Robert Gordon's College. The Trust honoured the terms of the legacy by donating the full amount to Robert Gordon's College and passing on the express wishes of the donor.

Note G - Bequests

There are five small bequests which the Trust manages which are small value awards to support education. These are awarded at the end of the academic year.

Note H - Ina Scott Sutherland

Grants are awarded for local educational projects from funding received from the Ina Scott Sutherland Charitable Foundation. The Trust has received an award annually since 2016, however an application made in September 2025 was unsuccessful. The balance in the Ina Scott Sutherland Restricted Fund will continue to be used to benefit students until these funds are exhausted. Thereafter, Further Education Awards will be made solely from the PLAN budget. A further application will be made to the Ina Scott Sutherland Fund in September 2026.

Charitable Awards made during the year.

The Trustees are pleased to report the details of the often-transformative educational support that has been provided during the current financial year. This includes:

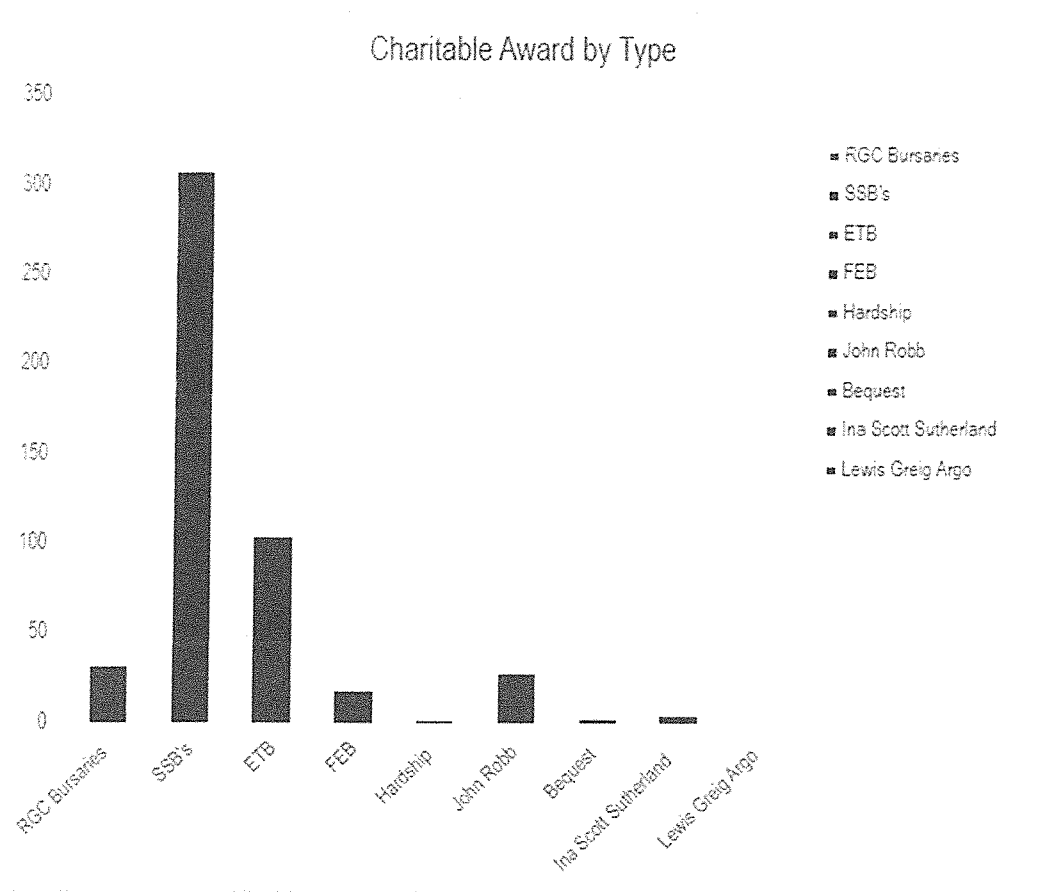
- 33 pupils being supported through their secondary education at Robert Gordon's College
- 309 Secondary School Bursaries issued to assist with school supplies.

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- 103 children financially supported with an Educational Travel Bursaries (ETB) from the PLAN budget.
- 18 grants awarded to help local young people with a Further Education Bursary (FEB) to assist with costs whilst at college and university from the PLAN budget.
- 1 other education awards for an ESOL Course from the PLAN budget.
- 3 Student Hardship Grants to local College and Universities from the PLAN budget.
- 29 John Robb Bursaries awarded to support students attending North East Scotland College, Robert Gordon University and University of Aberdeen from the John Robb Budget.
- 1 award made to Robert Gordon's College from a legacy donation received from Lewis Greg Argo, honouring the restriction for the award to be used for a bursary for a pupil to attend the College.
- 4 grants were awarded from the Bequest Budget.
- 6 grants were made to support the educational work of other clubs and organisations from the Ina Scott Sutherland Budget.

Charitable awards by type

The following table shows the number of award recipients during the financial year.



The Trustees recognise that due to public sector budget constraints, the contribution that educational charities are providing is of increasing importance. The Trustees carefully consider the application of the Trusts limited funds and endeavour to ensure that funds are targeted to those who need additional financial support to access education whilst also ensuring that support is also given to projects that deliver wider educational benefit to the local community. The Trustees regularly review their application processes and procedures to ensure there are no unnecessary barriers to those applying, offering assistance to those who need additional support to complete the application process.

Monitoring Achievement

The Trustees monitor the impact of the grants made by seeking feedback from recipients and requesting reports on the educational progress of individuals and the educational impact of projects.

A small sample of the feedback we receive is included below; individuals' names have been removed to protect their privacy.

"I am emailing to personally thank you for all you have done for me throughout my secondary education. Thank you for providing me with the opportunity to take my education to the next level and continuing to support me financially as I progressed through school." - RGC Bursary recipient

"I can't express how relieved I am to hear that my application has been successful. This generous bursary will certainly help a great deal and is a huge weight off my shoulders." Educational Travel recipient.

"On behalf of everyone at the RSNO, I would like to express our sincere thanks for this generous funding, which will be vital in enabling us to deliver the National Schools Programme, helping us to enrich as many primary school children in Aberdeen as possible."

Governing Document provisions

The 1985 Scheme sets out the educational awards that can be made to individuals and organisations to support education in arts, heritage, culture or science. Education awards made to individuals are means tested to ensure that funds are reaching those in most need. Awards to educational organisations are made on the condition that they prioritise delivery to those from areas identified as 'deprived' by the Scottish Index of Multiple Deprivation.

The 1985 Scheme sets out the following budgets:

- Robert Gordon's Foundations (bursaries) – total annual budget of £3,000, once adjusted for Retail Price Index (RPI) increase = £11,871
- Robert Gordon's Monetary Allowance – total budget of £400 to the year 1990, thereafter increased to £1,500, this award is at Trustees discretion. RPI adjustment = £4,201
- Robert Gordon's College free education - £1,100 annual budget, RPI adjustment = £4,353
- Secondary School Bursaries for Boys and Girls at local authority, grant aided or independent schools in the City – total annual budget of £4,000, RPI adjustment = £15,827
- Plan – sixteen categories of education to support individuals, clubs, societies and organisations - total annual budget of £10,000, RPI adjustment £39,569

The fees and annual sum payable to Robert Gordon's College are included in Note 7 and the balance outstanding on 30th June 2025 is shown in Note 14. The full obligations to the College are included in Note 14.

Payment of residue to RGC Governors

The 1985 Scheme states that the 'residue of the free income' is payable to the Governors of RGC. The residue is the income from the Trust's Endowment Fund less all asset & management costs, budgeted charitable awards, repayment of deficit and the provision of a Reserve. This residue is set out in the 1985

Scheme “to make good any deficit arising in connection with the execution of the functions of the College Governors after taking into account sums received in fees and any grants from the Secretary of State.”

Changes to RGC payments

For many decades, the accounts recorded the awards to RGC in similar values to the budgets in the 1985 Scheme with the “residue of free income” payments being recorded as a residue payment. This residue grew from around £7,500 in 1960 to £176,709 in 1985. Subsequent changes to accounting practice meant that the treatment of the residue needed to be changed, as it needed to reflect the use of the payment. From 1998, the residue payment was recorded as bursary fees for current students. In addition, the 2005 Statement of Recommended Practice (SoRP) for charities’ accounts required that the Trust’s annual accounts take into consideration the “constructive obligations”, being the value of commitments beyond the current period.

Constructive Obligation and Creditor Provision

The financial statements make a provision within creditors for commitments made for 4 types of awards:

- current RGC bursaries pupils - to complete their education through to S5, with S6 being at Trustee’s discretion.
- current Further Education award recipients to complete their current course (Plan).
- current Secondary School Bursary recipients through to S4.
- current John Robb Bursary recipients through to complete their current course.

Restricted Fund Deficit

Section 16 of the 1985 Scheme states that:

“in the event of the expenditure of the Endowments Trust in any financial year exceeding the income of the Trust, the deficit shall be carried forward to the following financial year and shall be defrayed out of the income of that year.”

This clause preceded the accounting requirement for the creditor provision detailed in the previous section. The combination of the historical decision to award 10 new RGC bursaries per year, the creditor provision for this award, increasing fees and increasing estate maintenance costs, resulted in a deficit occurring in the Restricted Fund. This deficit increased over several years and could not be fully defrayed from the income of the following year. As the deficit is outwith the terms of the 1985 Scheme, the trustees have taken steps to reduce the deficit, details of which can be found in the Financial Review section.

Reserves Policy

The Trust currently holds £349,000 in a Special Reserve. In accordance with the terms of the 1985 Scheme, this reserve is to be applied to “meet extraordinary expenditure which may be incurred in the maintenance, repair and improvement of the property belonging to the Trust”. A 1991 amendment to the 1985 Scheme, permits the Reserve Fund to be up to a maximum of £200,000 with a provision made for an annual RPI increase. This is equivalent to £560,130 in 2024/25. The Trustees have reviewed the current reserve and consider the reserve of £349,000 to be sufficient.

Funds outwith the 1985 Scheme:

Legacies & Donations

AET currently receives other external funding from Robb’s Trust, and the Ina Scott Sutherland Charitable Foundation. These funds are restricted and do not fall under the terms of the 1985 Scheme. Funds received in recent years have ranged from £10,000-£15,000 per annum, however an award is not guaranteed. The Trust provides a report to Robb’s Trust and the Ina Scott Sutherland Charitable Foundation with details of

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the charitable awards and their educational impact. The Trustees hope to continue to facilitate the additional educational benefits that these awards provide within the local community.

The balance available from Robb's Trust at 30th June 2025 is £76,126. This follows two larger payments from Robb's Trust from a reorganisation of their assets. The balance includes a provision for current students to complete their course. The Trustees have agreed to a plan to distribute the additional funds over the next 5 years.

As at 30th June 2025, a balance of £5,345 remained in the Ina Scott Sutherland Fund. Unfortunately, the Trust application made for further funds in September 2025 was unsuccessful and the Trust did not receive a further award in November 2025. A further application will be made in September 2026. It is anticipated the remaining funds will be distributed during 2025/26.

Bequests

The Trust also holds four bequest funds which were received as one-off transfers. These currently total £13,545 of which £465 was issued during 2024/25 as per the terms of the individual bequests.

Management of assets

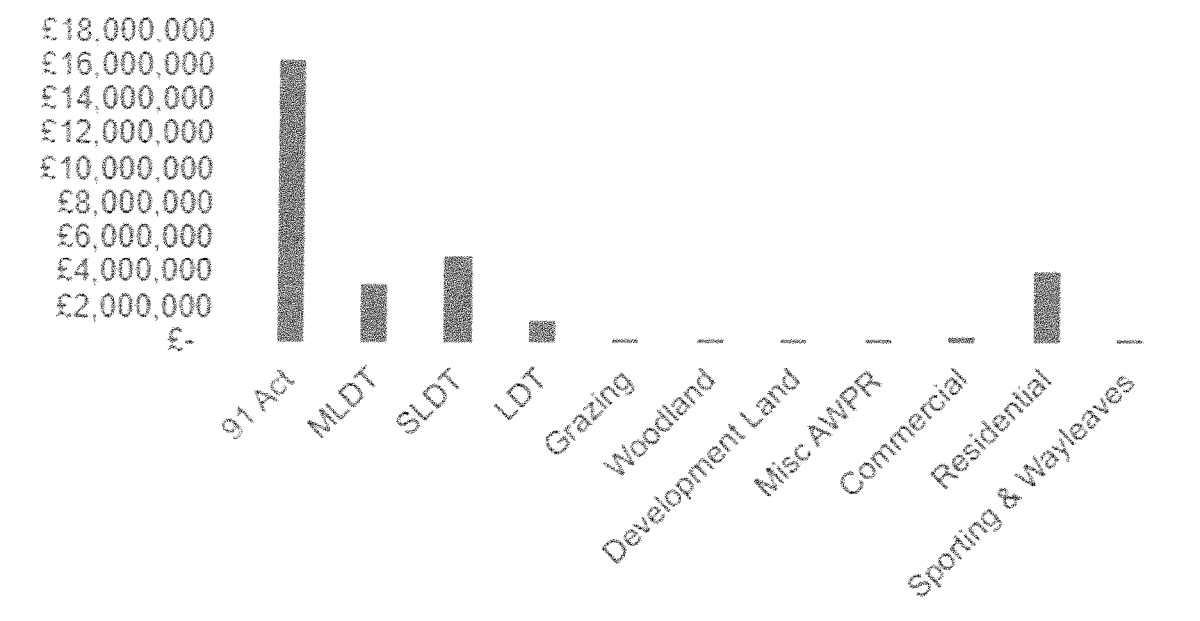
The Trust's original 1909 Endowment comprised mainly of farm estates. Since that time, the Trustees have sought to rebalance the assets to mitigate risk and generate stable returns. The current portfolio is a mix of farm properties and stock market investments. The stock market investments have been generated through land sales with the net proceeds being re-invested into the stock market and remaining within the Endowment Fund. Due to the increasing costs associated with the farm estates, the Trustees are continuing to assess the balance of assets between estate and stock market assets to maximise income and charitable disbursements. A strategic review of land assets was conducted in August 2023 to identify which properties offer the best potential for disposal. This included a review of farms, residential properties, and outbuildings that could be resumed out of farm leases and sold for development. From the farms identified for disposal, several have been sold since the review and the Trust continues to consider further opportunities as they arise. Rising costs associated with maintaining and improving residential properties has led to include a strategy to decrease the number of residential properties. Several residential sales were completed during the year with several more currently marketed for sale.

The current asset split is 61% Estate Assets, 38% Stock Market Investments and 1% cash, a change from 2023/4 of 62%/38%. Income from estates is £0.792m (2023/24 £0.813m) and realised gains from disposals of £0.101m (2023/24 £0.371m) were generated. The Trustees are taking steps to improve income by continuing to take opportunities to sell farm estate assets that offer the best opportunity for disposal, thereby decreasing maintenance costs and reinvesting the proceeds to generate a higher income.

Estate Assets Management

The day-to-day management of the farm estates and properties is conducted by the Trust's appointed Factor, Savills UK. The Factor conducts rent reviews of each individual lease every 3 years and are carried out at different dates as they run from lease commencement date. The Factor negotiates rent increase with the tenants which are then approved by the Trustees. Farm rental increases follow the Scottish Land Commission Code of Practice (2020), and rent reviews include reference to comparable evidence for similar holdings. The Factor attends the Land & Property Committee meetings to provide a report on the management of the Trust's estate properties and to discuss approval of rent reviews, improvements of fixed equipment and any other issues requiring trustee approval. The types of estate assets are broken down in the chart below:

Estate asset value by Type of Lease



Types of lease

Agricultural Holdings (Scotland) Act 1991 secure tenancy – this tenancy gives the tenant the right to transfer the tenancy by assignation of succession. The Trust may agree with a tenant farmer that it will resume a derelict/surplus farmhouse, farm cottage or steading from the tenancy agreement, and sell this for development as housing. Where necessary, the trustees may approve the use of some of the proceeds for reinvestment in the farm buildings. The Trust takes the opportunity to buy out '91 Act tenancies as they arise if this aligns with the restructuring of assets.

Modern Limited Duration Tenancy – a tenancy of not less than 10 years

Short Limited Duration Tenancy – a tenancy of 5 years or less

Limited Duration Tenancy – there are only 4 of these remaining as they are no longer offered as new leases and have been replaced by MLDT's.

Grazing tenancies – a lease for land used only for grazing, generally with no fixed equipment.

Steading – a building that has been resumed from the farm lease as it is not required by the tenant, which is retained until sold for redevelopment.

Development land – small parcels of land resumed from farm leases to be sold to developer as residential building plots.

Commercial premises – for example, stables, garages under lease agreements

Residential properties – cottages and farmhouses no longer required by the farm tenant, resumed from the farm lease and under a residential lease.

Sporting & Wayleave lease – i.e. sporting lease to shoot game and deer, wayleave for telecoms tower.

The majority of the Trust's farm leases are under '91 Act tenancies. These leases are hereditary with restrictions on rental increases, limiting the return that can be achieved. The Trust continues to explore the opportunities available to sell farm properties under '91 Act tenancies alongside other farm assets as part of the restructuring of its assets within the terms of the Trust's Investment Policy. Wherever possible, farm tenants are given first refusal to buy the farms they lease.

Debtor management

The Trustees consider the risk of a loss of rental income as within manageable parameters, rental payments are received in a timely manner and any debtors are monitored and professionally managed by the Factor. Where a tenant is experiencing financial difficulty, a payment plan can usually be mutually agreed to assist the tenant. When a tenancy is not being renewed, end of tenancy notices are served well in advance of the notifiable period to give tenants additional time to find an alternative property.

Farm Assets Valuation

The estate property is professionally revalued every 5 years, with the next valuation due by October 2027. Farm value reports for comparable land are reviewed annually to consider whether there has been a material change in values that requires a new valuation or asset value adjustment to be made.

Stock market asset management.

The Trustees have continued to invest in the stock market in accordance with the Trust's Investment Policy. The Trust holds investments in stocks, bonds and equities with a view to long term, 6–10-year, appreciation in value and generation of annual dividend income. The stock market investments are valued at current stock market value. The value of these investments is currently split equally between two investment management companies: RBC Brewin Dolphin and Rathbones. The Trust has adopted a medium investment risk tolerance with a total return of Consumer Price Index plus 3.5%. This return remains the target for the long term and the Trustees believe that, based on current professional advice, that this is achievable over this period. The trustees are aware of their responsibilities under Section 4.2 of OSCR Charity Investments: Guidance and Good Practice, to act with care and diligence to ensure the assets invested are aligned with the charitable objectives of the organisation. There are no additional specific restrictions set for environmental or ethical investments as the Trustees are satisfied by the restrictions currently adopted by the investment management companies. The Trust's investment risk profile and ethical considerations are reviewed annually as part of the Investment Policy review. During the year, net proceeds from property sales were given to the investment management companies to invest in the Trust's portfolios.

Although investment returns may fluctuate year to year, the Trust is a long-term investor and views its Endowment Fund assets as an in-perpetuity fund. The Trust's investment managers mitigate short term fluctuations in the portfolio by holding a diverse portfolio of investment assets.

The Finance & Investment Committee receive quarterly reports from the Investment Managers and conduct an annual review of investment policy and budget targets. The return achieved is kept under review and, if any adjustment is required, this is reflected in the Trust's Investment Policy.

Income & Cost management

There are regulatory restrictions on the rental increases that the Trust can apply to its tenants. This together with an increase in the costs associated with the upkeep of the estate's aging fixed assets, have resulted in a reduction in the rate of return from the farm assets. Due to the age of the properties and the changes in the size and types of buildings required for modern farming, the Trust is faced with increasing costs. Where possible, the farm tenant is encouraged to contribute towards improvements, however the requirement to provide a good standard of buildings and a suitable level of maintenance remains with the Trust.

The Trust prepares a detailed annual budget and cashflow analysis for at least 12 months ahead and a 5-year financial forecast which is updated on a rolling basis. The estate budget is broken down by each individual property with an annual budget allocation for general maintenance and specific repairs and improvements.

Budgets for the estate assets, stock market investments and charitable awards are each reviewed by the relevant committee prior to approval by the Board of Trustees.

Risk Management

The Trustees have assessed the major risks and uncertainties to which the Trust is exposed and maintain a risk register which is regularly reviewed, at which time the Trustees discuss and review the risks, implementing processes to reduce these risks where practicable.

The risk register covers all aspects of the Trust's operations with identified risk levels and processes to monitor and manage them. The estates' assets are managed by an appointed Factor, who ensures that all repair and maintenance work, which is conducted by approved contractors, is completed in accordance with current health and safety requirements. For its stock market investments, the Trust minimises the financial risks with well diversified portfolios which are managed by professional advisors with income targets. These financial risks include the possibility that income received from investments may be lower than the target income set and that the value of investments may decrease.

The principal financial risks faced are from changes to the income from investments and the fees required to meet the current commitment to bursaries at Robert Gordon's College. The fee for current students is the largest single cost commitment that the Trust currently incurs; the identified risk being that the Trust has no control over future fee increases. Fees are currently paid annually for the pupil's current year of study, with a provision made for future academic years to \$5. Any fee increase, particularly above the anticipated rate for the period, results in an increase in excess of the accounting provision. The trustees are currently considering ways in which to mitigate this risk in the future by considering a change to the structure of bursary award payments to RGC, with a possible move to an annual donation basis. This could remove the need for a future commitment provision and ensure strict compliance with the terms of the 1985 Scheme.

Financial review

The Net Asset Value of the Trust has increased by £0.845 million to £50.103 million (2023/24 £49.258 million). On 30th June 2025, the Trustees were responsible for investment assets of £50.889 million (2023/24 £50.204 million).

The assets of the Trust are held in the following funds:

Endowment Fund

The Endowment Fund is an in-perpetuity endowment fund managed under the terms of the 1985 Scheme. The Trustees manage the fund to ensure a suitable income stream to finance the management of the Trust's assets and the ongoing charitable activities of the Trust. The Endowment Fund is comprised of farm estate properties, stock market investments and cash holdings. The income and costs related to the investment assets is recorded in the Restricted Fund with the net income recorded as the Revenue Surplus.

The total value of the Endowment Fund, which comprises the Trust's Estates, stock market investments and cash holdings has increased in value by £0.621m to £50.825m (2023/24 £50.204m), an increase of 1.2%. This is lower than the annual rate of inflation for the 12-month period to 30th June 2024 of 3.6%. The trustees will be monitoring the value of the Endowment Fund on a rolling 5-year basis. The purpose of this is to ensure that the Endowment Fund retains its value in real terms. As an in-perpetuity fund, the trustees will consider any steps that are necessary to ensure that the fund retains sufficient value to generate the income needed to support education in the future.

Report of the Trustees for the year ended 30th June 2025

The value of the estate assets holdings reduced to £30.875m (2023/24 £31.271m), due to a combination of disposals and revaluations, whilst the value of the stock market investments increased to £19.570m (2023/24 £19.146m), due to unrealised gains and the transfer of proceeds from property sales. The increase was less than may have been anticipated due to stock market fluctuations during the period. Under the terms of the 1985 Scheme, only the income generated by the Endowment Fund assets can be included in the Restricted Fund, realised gains from asset sales remain within the Endowment Fund.

Rate of return on estate assets

The rate of return for the estate assets is 2.57% gross (2023/24 2.54%), net 1.1% (2023/24, 1.49%) . This reduction in the net rate of return reflects an anticipated reduction in returns due to the restraints imposed on rental increases and increasing costs. Whilst the Trust works diligently to improve its properties and supports the government's policy to protect tenant's rights, the Trust's aim is to maximise the income from its assets to support education. Whilst the value of the farm assets are not subject to the fluctuations experienced in the stock market, the low rate of return from farm rents supports the trust's Investment Policy that includes a strategy to increase income by rebalancing the split between farm and stock market assets, by selling farm assets as the opportunities arise and reinvesting in the stock market to increase income.

Rate of return on stock market assets

The rate of return from the stock market assets is 2.27% (2023/4, 2.6%), net 1.61% (1.83% 2023/24). The Trust currently adopts a total return investment policy to protect the value of the Endowment Fund in real terms whilst generating dividend income to support the charitable aims of the Trust. The overall value of the Trust's stock market portfolio in the reporting period increased to £19.570m (2023/24 £19.146m), an increase of £0.424m, a 2.21% increase.

Restricted Fund

The Restricted Fund comprises:

Revenue Surplus Fund – showing a deficit of £1.166m (2023/24 deficit of £1.413m)

+

Legacies & Donations Fund of £0.81m (2023/24 £0.104m)

+

Special Reserve Fund of £0.349m (2023/24 £0.349m)

=

an overall Restricted Fund deficit of £0.736m (2023/24 deficit £0.96m).

Revenue Surplus Fund - Deficit

The Revenue Surpluses Fund is in deficit on 30th June 2025 of -£1.166m (2023/24: £1.413m). This arises because the Financial Statements incorporate the effect of liabilities which will fall due over the next five years, which is in respect of fees for pupils currently attending Robert Gordon's College, current Further Education Bursary students and current Secondary School Bursary students. The total provision is £1.428m, (2023/24 £1.659m) the largest of which is:

RGC Bursary Fees, creditor <1 year = £0.667m (2024/24 £0.798m)

RGC Bursary Fees creditor >1 year = £0.428m (2023/24 £0.854m)

The provision for future fees for current RGC students includes a 3.9% annual fee increase and a 20% VAT liability, introduced 1st January 2025. Overall, the future commitment has decreased, mainly due to the reduction in the current number of RGC supported bursary students. The creditors due after 1 year have been discounted by 4% as this is the expected rate of return that could be achieved during years 2 to 5.

The Trustees are confident that the Trust can meet its long-term commitments as they fall due. The Trustees have adopted a financial strategy to reduce the current deficit whilst continuing their support of current bursary students. This overall financial strategy also includes rebalancing the split of assets between farm and stock market to increase income, strict budget management, a regular review of financial forecasting and quarterly cashflow analysis. It is anticipated that these measures will eradicate the deficit within the next 3-4 years.

RGC Bursary awards

Whilst the Trust aims to increase investment income and reduce maintenance costs, this alone will not eliminate the deficit within the timeframe adopted by the Trustees. Whilst asset income and costs are closely monitored, there is a limit to the contribution that this can make towards reducing the deficit. As the largest current award commitment, a decision was made in 2022/23 and subsequent years to make no new RGC bursary awards, however an additional award is currently made to current students to permit them to continue their studies into S6 (at trustees' discretion). The reduction in the bursary commitment to RGC continues to have a positive impact on the deficit. The Trustees have therefore taken the decision to make no new bursary awards for the current year but remain fully supportive of the current 33 bursary recipients. It is anticipated that this decision will be reviewed annually but is likely to remain in place until the Revenue Surplus deficit is eliminated. This decision was not made lightly; however, the Trustees have a legal duty to apply the terms of the 1985 Scheme, one of which is to ensure that the deficit can be repaid from the following year's income. This is not possible from the current annual income, so the Trustees are taking reasonable steps to resolve this. The annual fee commitment for RGC for academic year 2025/26 includes fees of £667k plus a monetary allowance of £12k, totalling £679k (2024/25 £813k). This exceeds RGC's entitlement under the terms of the 1985 Scheme. This has arisen due to a combination of four factors; historical bursary award decisions, RGC fees increases, restrictions on income increases and increasing maintenance costs.

The terms of the 1985 Scheme states that the deficit must be repaid in order for a residue to exist, there is currently no residue of free income, therefore the maximum total annual RGC budgetary entitlement is £20,425. The Trust has a commitment to the current students in S1 to S5 with an additional 'new' discretionary award for S6 for whom it is academically beneficial to continue onto S6. The current S6 fee payment of £184,654 is considered as an additional award and currently exceeds the maximum RGC budgetary entitlement. The current fee commitment will reduce year on year as current students complete their education.

The deficit would have been due to reduce further, however the decision by the current UK Government to impose VAT on independent school fees from 1st January 2025 has resulted in an additional fee commitment provision of £0.183m.

Resumption of RGC awards

The Trustees are fully supportive of the resumption of new RGC bursary awards, once the deficit has been eradicated and the terms of the 1985 Scheme are being fully met. In the meantime, the Trustees remain fully supportive of the current RGC bursary recipients with 33 students currently being supported.

As per the terms of the 1985 Scheme, new awards will be made as an annual budget entitlement plus the "residue of free income" from the previous financial year. This should prevent a deficit in the Revenue Surplus Fund from re-occurring. A report on the use of the bursary donation and the educational outcomes will continue to be provided by RGC to monitor the benefits of this support.

Funds outwith the 1985 Scheme - Other Restricted Funds

Legacies & Donations

The Restricted Fund also includes a Legacies and Donations Fund that the Trust manages as separate Restricted Funds. These funds are sourced from external charitable bodies and are applied to specific educational projects. The source of these funds includes an annual donation from Robb's Trust and from Ina Scott Sutherland Charitable Foundation, for which an annual application is made. The legacies and donations Fund on 30th June 2025 amounted to £0.081m (2023/24 £0.104m).

Reserve Fund

The value of the reserve Fund is currently £349k, unchanged from 30th June 2024.

Other restricted Funds – Bequests

The Trust also holds five bequest funds which were received as one-off transfers. These currently total in the bequest fund is £14,000 with awards of up to £1,000 issued annually as per the terms of the individual bequests.

Asset liquidity & cash policy

Although cash holdings may fluctuate periodically, the Trust aims to hold cash holdings of around £250,000 to meet short term commitments and to cover any unplanned event or circumstance. A low level of cash is held in the Trust's Bank of Scotland and Royal Bank of Scotland accounts to cover daily operations with the majority of cash being held in Flagstone which offers a large selection of bank accounts with higher interest rates and a selection of notice periods. Funds that are not required within a 6-12 month period are invested as per the Trust's Investment Policy. No more than £120,000 is held with any single bank in order to be covered by the Financial Services Compensation Scheme (previous cover was increased from £85,000 on 1st December 2025). Periodically, the balance may be higher than the £250,000 due to the receipt of cash from property sales or biannual farm rental payments, however if not required to cover costs, this is normally invested in the stock market within a short time frame. The Trust's cash holdings would be expected to be sufficient to cover any costs associated with an unplanned event or circumstance, however if additional funds were needed, the sale of stock market assets could be achieved within a reasonably short time frame.

Employee Pension Scheme

The Aberdeen Endowments Trust participates in the North East Scotland Pension Fund which is part of the Local Government Pension Scheme (Scotland), a multi-employer, defined benefit scheme. The scheme is currently showing a surplus of £160,000; the Trustees have decided that the surplus should not be recognised in line with applicable UK FRS., full details are included in note 19.

Events after the reporting period -Constitutional changes

In February 2026, the Trustees made an application to OSCR for a Reorganisation Scheme. An application was previously made in December 2024, however this was put on hold to allow for further discussion with one of the Trust's beneficiaries, Robert Gordon's College (RGC). These discussions concluded without agreement in April 2025 and since then the Trustees have taken some time to consider further options. The Trustees have since made some changes to the beneficiary terms that they consider fairly represents the original charitable intentions of the Trust and the current and future needs of the Aberdeen's education community. RGC and ACC will have the opportunity to make their representation as part of OSCR's consideration of the application. The Trustees have engaged specialist charity legal advice throughout their considerations and for the submission to OSCR. It is anticipated that this application could take up to six months to be considered by OSCR.

Plans for the future

The Trust will continue with its Investment Policy to re-balance its mix of assets to ensure that it continues to increase annual income. The Reorganisation Application to OSCR supports that strategy.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing a Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

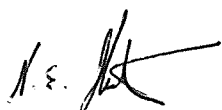
The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the applicable Charities SORP.
- make judgments 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 are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the 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.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Approved by the Trustees on 4th March 2026 and signed on their behalf by:



Emeritus Professor Norman Hutchison – Chair
on 5th March 2026



Gail Gordon – Clerk & Chief Operating Officer
on 5th March 2026

ABERDEEN ENDOWMENTS TRUST
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF ABERDEEN ENDOWMENTS TRUST

Opinion

We have audited the financial statements of Aberdeen Endowments Trust (the 'Charity') for the year ended 30 June 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2025 and of its income and expenditure, 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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.

**ABERDEEN ENDOWMENTS TRUST
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF ABERDEEN ENDOWMENTS TRUST**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- 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 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 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 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 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

ABERDEEN ENDOWMENTS TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ABERDEEN ENDOWMENTS TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



William Anderson BA CA (Senior Statutory Auditor) for and on behalf of MHA

Statutory Auditor

5/3/2026

Aberdeen United Kingdom

MHA is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

Statement of Financial Activities for the year ended 30th June 2025

	Note	Restricted funds £'000	Bequest funds £'000	Endowment funds £'000	30 June 2025 £'000	30 June 2024 £'000
Income and endowment from						
Donations and legacies	3	45	0	0	45	25
Investment Property (Estates)	4	792	0	0	792	813
Investment Portfolio	5	<u>445</u>	<u>0</u>	<u>0</u>	<u>445</u>	<u>460</u>
Total Income		<u>1,282</u>	<u>0</u>	<u>0</u>	<u>1,282</u>	<u>1,298</u>
Expenditure on:						
Raising Funds:						
Investment Property (Estates)	4	454	0	0	454	345
Investment Portfolio	5	<u>130</u>	<u>0</u>	<u>0</u>	<u>130</u>	<u>110</u>
		584	0	0	584	455
Charitable Activities	7	<u>474</u>	<u>0</u>	<u>0</u>	<u>474</u>	<u>728</u>
Total Expenditure		<u>1,058</u>	<u>0</u>	<u>0</u>	<u>1,058</u>	<u>1,183</u>
Net gains on investments	10	<u>0</u>	<u>0</u>	<u>621</u>	<u>621</u>	<u>2,134</u>
Net income/(expenditure)		224	0	621	845	2,249
Net movements in funds		224	0	621	845	2,249
Reconciliation of funds:						
Total funds brought forward		<u>(960)</u>	<u>14</u>	<u>50,204</u>	<u>49,258</u>	<u>47,009</u>
Total funds carried forward		<u>(736)</u>	<u>14</u>	<u>50,825</u>	<u>50,103</u>	<u>49,258</u>

Comparative Figures for year ended 30th June 2024

	2024	2024	2024	2024
	Restricted	Bequest	Endowment	Total funds
	funds	funds	funds	£'000
	£'000	£'000	£'000	£'000
Income and endowment from				
Donations and legacies	25	0	0	25
Investment Property (Estates)	813	0	0	813
Investment Portfolio	<u>460</u>	<u>0</u>	<u>0</u>	<u>460</u>
Total Income	<u>1,298</u>	<u>0</u>	<u>0</u>	<u>1,298</u>
Expenditure on:				
Raising Funds:				
Investment Property (Estates)	345	0	0	345
Investment Portfolio	<u>110</u>	<u>0</u>	<u>0</u>	<u>110</u>
	<u>455</u>	<u>0</u>	<u>0</u>	<u>455</u>
Charitable Activities	<u>727</u>	<u>1</u>	<u>0</u>	<u>728</u>
Total Expenditure	<u>1,182</u>	<u>1</u>	<u>0</u>	<u>1,183</u>
Net gains on investments	<u>0</u>	<u>0</u>	<u>2,134</u>	<u>2,134</u>
Net income/(expenditure)	<u>116</u>	<u>(1)</u>	<u>2,134</u>	<u>2,249</u>
Net movements in funds	116	(1)	2,134	2,249
Reconciliation of funds:				
Total funds brought forward	<u>(1,076)</u>	<u>15</u>	<u>48,070</u>	<u>47,009</u>
Total funds carried forward	<u>960</u>	<u>14</u>	<u>50,204</u>	<u>49,258</u>

Balance Sheet as of 30th June 2025

					30 June 2025	30 June 2024
	Note	Restricted funds £'000	Bequest funds £'000	Endowment funds £'000	Total funds £'000	Total funds £'000
Fixed assets						
Investments	12	<u>64</u>	<u>0</u>	<u>50,825</u>	<u>50,889</u>	<u>50,546</u>
Total Fixed Assets		<u>64</u>	<u>0</u>	<u>50,825</u>	<u>50,889</u>	<u>50,546</u>
Current assets						
Debtors	13	291	0	0	291	243
Cash at bank	13	<u>334</u>	<u>14</u>	<u>0</u>	<u>348</u>	<u>405</u>
Total current assets		<u>625</u>	<u>14</u>	<u>0</u>	<u>639</u>	<u>648</u>
Liabilities						
Creditors: amounts falling due within one year	14	<u>965</u>	<u>0</u>	<u>0</u>	<u>965</u>	<u>1,055</u>
Net current assets		<u>(340)</u>	<u>14</u>	<u>0</u>	<u>(326)</u>	<u>(407)</u>
Total assets less current liabilities		<u>(276)</u>	<u>14</u>	<u>50,825</u>	<u>50,563</u>	<u>50,139</u>
Creditors: amounts falling due after more than one year	14	<u>460</u>	<u>0</u>	<u>0</u>	<u>460</u>	<u>881</u>
Total net assets		<u>(736)</u>	<u>14</u>	<u>50,825</u>	<u>50,103</u>	<u>49,258</u>
The funds of the charity						
Endowment funds	15	0	0	50,825	50,825	50,204
Bequest Funds	16	0	14	0	14	14
Restricted funds	15	<u>(736)</u>	<u>0</u>	<u>0</u>	<u>(736)</u>	<u>(960)</u>
Total charity funds		<u>(736)</u>	<u>14</u>	<u>50,825</u>	<u>50,103</u>	<u>49,258</u>

The notes at pages 29 to 47 form part of these financial statements.

Approved by the Trustees on 4th March 2026 and signed on their behalf by:



Emeritus Professor Norman Hutchison – Chair

on 5th March 2026



Gail Gordon – Clerk & Chief Operating
Officer

on 5th March 2026

Scottish Charity No. SC010507

Statement of Cash Flows for the year ended 30th June 2025

	Note	30 June 2025 £'000	30 June 2024 £'000
Cash flows from operating activities			
Net cash used in operating activities	17	1,617	1,532
Cash flows from investing activities			
Income from estates & investments		1,282	1,298
Investment in estate property		0	(2)
Net proceeds from sale of estate property		789	1,698
Net proceeds from sale of investments		2,769	4,721
Reduction in cash held by fund managers		(315)	49
Purchase of investments		(2,965)	(6,538)
Investment in farm tenancy		<u>0</u>	<u>0</u>
Net cash provided by investing activities		<u>1,560</u>	<u>1,217</u>
Change in cash and cash equivalents in the year		(57)	(315)
Cash and cash equivalent brought forward	18	405	720
Cash & cash equivalents carried forward	18	<u>348</u>	<u>405</u>

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention 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 applicable to charities preparing their financial statements in accordance with the Charities Statement of Recommended Practice (SORP) (FRS 102) the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 1st January 2019, the Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trust constitutes a public benefit entity as defined by FRS 102.

Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operation for the foreseeable future. This expectation is based on reviewing and analysing detailed annual budgets and the 5-year Financial Forecast prepared by the Clerk & Chief Operating Officer. Estate and investment assets are held for the long term but are managed in such a way that cash is realised on a regular and planned basis to allow the Trust to meet its operating and other financial obligations on a timely basis. Accordingly, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

The most significant areas of adjustment and key assumptions that affect items in the financial statements are to do with estimating the liability from multi-year bursary commitments (see note 14 for information).

(b) Fund structure

Endowment funds

The funds were transferred to the Trust under the Robert Gordon's Technical College and Aberdeen Endowments Trust Order Confirmation Act 1909.

Restricted funds

These comprise:

Revenue Surpluses

Revenue surpluses arising since 1991 have been retained within the Trust to be available to smooth the transition to a lower level of new awards to the College. Under paragraph 50 of the City of Aberdeen Educational Endowments Scheme 1985, as amended, the Trustees are required to pay the residue of the Trust's free income to the Governors of Robert Gordon's College. Accordingly, all retained surpluses are restricted funds.

Legacies and donations

The Restricted Fund also includes a Legacies and Donations Fund that the Trust manages, these funds are sourced from external charitable bodies for specific education projects.

Special Reserve Fund

Section 27(1) of the City of Aberdeen Educational Endowments Scheme 1985, as amended, requires the Trust to maintain a Reserve Fund from which it may meet extraordinary expenditure in connection with the maintenance, repair and improvement of property belonging to the Trust. Section 27(2) permitted the Trust to transfer an initial maximum sum of £200,000 to this Special Reserve Fund and permits an annual uplift of the value of the Fund in terms of the retail price index.

Unrestricted income

This fund comprises of those funds which the Trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 15.

(c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Interest 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. Income from farm and property rent is recognised when it is due to be received under the terms of the property lease.

(d) Expenditure recognition

All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution see note (f) below.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

(e) Taxation

The Trust has been granted charitable status by HM Revenue & Customs and as a consequence its income is not liable to taxation.

The Trust is registered for VAT. For the majority of its agricultural land, it has waived its exempt status and can reclaim VAT on related expenditure.

(f) Allocation of governance and support costs

Support costs include governance and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Governance and support costs are apportioned based on an assessment of the time commitment of staff in relation to the Trust's three committees. The allocation of governance and support costs is analysed in note 6.

(g) Costs of raising funds

The costs of generating funds consist of investment management costs, estate management costs and an allocation of governance and support costs.

(h) Charitable activities

Costs of charitable activities include grants made and an apportionment of governance and support costs as shown in note 7.

(i) Leases

Income from agricultural leases is recognised on a straight-line basis over the lease term.

(j) Tangible fixed assets and depreciation

All assets costing more than £600 are capitalised and valued at historic cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its useful life. IT equipment is depreciated over 3 years and office furniture and equipment over 10 years.

(k) Investment property

All properties and land held by the Trust are held for investment purposes. Investment properties are included in the financial statements at market value. No depreciation is charged. When works are conducted on a property, these are capitalised if they are considered to enhance the value of the property.

(l) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(m) Debtors

Debtors are the amounts due to the Trust, reduced for any unknown reason which might restrict their receipt. Debtors are recognised at the settlement amount due after any discount. Prepayments are valued at the amount prepaid net of any discount.

(n) Creditors

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

(o) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind in the current or prior year. No expenses were paid to Trustees during either year.

Mr Douglas Watson was a consultant with Ledingham Chalmers LLP, the Trust's main solicitors for property matters, until his retirement on 31st March 2025. In terms of Section 67 of the Charities and Trustee Investment (Scotland) Act 2005, the maximum amount of annual fees payable to Ledingham Chalmers LLP was set at £60,000 for 2024/5, based on a 12-month period. This limit includes fees payable by the Trust for general legal issues as well as fees resulting from property sales. Property sales can vary from year to year and can therefore change significantly from year to year. The maximum is set based on budgeted sales, but this can differ from actual sales made during the accounting period. In the current accounting period, fees payable to Ledingham Chalmers LLP were £31,738(excluding disbursements), (2023/24 £43,683).

Under the City of Aberdeen Educational Endowments Scheme 1985 (As Amended), the Aberdeen Endowments Trust is required to pay the residue of its free income to the Governors of Robert Gordon's College to be used for the purposes set out in the Scheme. Under the Scheme, the Trustees are required to appoint two College Governors from their number and the College Governors are required to appoint two AET Trustees from their number. During the period 2024/25 these appointments were reflected on each board, however subsequently an agreement was reached whereby to reduce this and as of February 2026, both parties have one representative on each other's board. The fees and annual sum payable to Robert Gordon's College are included in Note 7 and the balance outstanding on 30th June 2025 is shown in Note 14. The full obligations to the College are included in Note 14.

3. Donations and legacies

Within the Restricted Fund there are two annual donations. The Robb's Trust completed a review of their awards and whilst AET will remain a beneficiary, the award received will no longer be a guaranteed annual sum. The Ina Scott Charitable Foundation invite the Trust to apply for funds in October each year and the receipt of an award is not guaranteed.

The Donation from Robb's Trust is awarded on the condition that it is used to assist people to access Further Education in Aberdeen at University of Aberdeen, Robert Gordon University or North East Scotland College.

The Ina Scott Sutherland award is restricted to assist education projects that benefit the wider Aberdeen community.

An additional restricted donation was received within the current financial year, a legacy donation that requested that the funds be applied as a bursary for a student to attend Robert Gordon's College. The trustees approved the transfer of the donation to RGC for them to apply as a bursary.

	30 June 2025	30 June 2024
Income from donations and legacies	£'000	£'000
Ina Scott Sutherland Charitable Foundation	10	10
Robb's Trust	17	15
Donation	3	0
Lewis Greig Argo - RGC	<u>15</u>	<u>0</u>
	<u>45</u>	<u>25</u>

All of the donations and investment income in the current year and prior years is attributable to Restricted Funds.

4. Investment Properties – Estates

	30 June 2025	30 June 2024
Estates revenue - rents from:	£'000	£'000
Farms	571	572
Let properties	129	159
Commercial lets	63	54
Sporting & miscellaneous	29	28
Insurance claims	<u>0</u>	<u>0</u>
Investment income from the Trust's estates	<u>792</u>	<u>813</u>

	30 June 2025	30 June 2024
	£'000	£'000
Estates expenditure from:		
Repairs and general upkeep	138	97
Factoring fee	105	108
Insurances	91	75
Legal fees	21	9
Consultancy & Professional fees	12	6
VAT (irrecoverable)	(8)	(21)
Bad debts	2	0
Other costs	<u>0</u>	<u>1</u>
Direct estates expenditure	361	275
Allocation of governance and support costs (note 6)	<u>93</u>	<u>70</u>
Total estates expenditure	<u>454</u>	<u>345</u>

All estates income and expenditure, in the current and prior financial year, is attributable to Restricted Fund.

5. Investment Portfolio

	30 June 2025	30 June 2024
	£'000	£'000
Investment Income from funds managed by:		
Stocks, bonds and equities	435	441
Special Deposits	<u>10</u>	<u>19</u>
Total investment income	<u>445</u>	<u>460</u>

	30 June 2025	30 June 2024
	£'000	£'000
Investment Management		
Investment management fees including irrecoverable VAT	83	75
Allocation of Support and Governance costs (note 6)	<u>47</u>	<u>35</u>
Total investment management costs	<u>130</u>	<u>110</u>

All of the investment income in the current and prior years is attributable to Restricted Funds.

6. Allocation of Support & Governance costs

The breakdown of support costs and how these were allocated between governance and support cost is shown in the table below:

	30 June 2025	30 June 2024
	£'000	£'000
Support costs		
Staff costs (note 8)	101	99
Other Administration costs	4	7
Other expenses in relation to 19 Albert St.	21	14
Depreciation	<u>0</u>	<u>0</u>
Total Support costs	<u>126</u>	<u>120</u>
 Governance costs		
Auditors remuneration (note 9)	18	9
Legal & Professional	<u>89</u>	<u>45</u>
	<u>233</u>	<u>174</u>

The governance and support costs are allocated as:

Estates Expenditure (note 4)	93	70
Investment management (note 5)	47	35
Cost of grant making (note 7)	<u>93</u>	<u>70</u>
Total governance and support costs	<u>233</u>	<u>175</u>

The apportionment of support costs across Estate management, Investment management and Cost of grant making is based on an assessment of the time commitment of the Trust's staff in relation to these activities. The result of this assessment is shown in the table above.

7. Charitable Activities

The charity undertakes its charitable activities through grant making and awarded the following grants to individuals in the year:

	30 June 2025 £'000	30 June 2024 £'000
Fees payable to Robert Gordon's College for assisted places	662	797
Annual sum payable to Robert Gordon's College	1	1
Monetary Allowances for holders of assisted places	12	15
Secondary school bursaries	25	34
Secondary School Bursaries from donation	3	0
Plan grants for education	39	65
Plan grants for Arts	0	1
John Robb Bursaries	35	13
Lewis Greig Argo	15	0
Grants from bequest funds	0	1
Grants from Ina Scott Sutherland Charitable Foundation	14	24
	806	951
Movement in constructive obligation in the year (note 14)	(425)	(293)
Allocation of governance and support costs (note 6)	93	70
	<u>474</u>	<u>728</u>

	30 June 2025 £'000	30 June 2024 £'000
Attributed to:		
Restricted Funds	474	727
Bequest Funds	0	1
	<u>474</u>	<u>728</u>

There are no uncertainties about the amount or timing of grants payable in relation to performance related conditions at the year end.

8. Analysis of staff costs and remuneration of key management personnel

	30 June 2025 £'000	30 June 2024 £'000
Salaries and wages	80	81
Social Security costs	2	1
Superannuation contributions	18	17
HR Consultancy Costs	1	0
Total	<u>101</u>	<u>99</u>

At 30th June 2025, the Trust had three part-time employees; a Chief Operations Officer, an Accounts Administrator and a Funding Administrator, with all employees' time involved in providing either support to the governance of the charity or support services to charitable and income raising activities. The average headcount number of staff is 2 full time equivalent employee (2023/24:2).

The Trust considers its key management personnel comprise the Trustees and Chief Operations Officer. The total employment benefits including social security costs and pension contributions of the key management personnel were £50,835 (2023/24: £47,772) No employee had employee benefits in excess of £60,000.

Staff Pensions Scheme

Employees of the charity are entitled to join the North East Scotland Pension Fund, a defined benefit scheme which is funded by contributions from employee and employer. The North East Scotland Pension Fund is a multi-employer defined benefit scheme administered for the benefit of local authorities and other admitted bodies. Past and present employees are covered by the provisions of the North East Scotland Pension Fund. Members of the pension scheme accrue an index linked pension of 1/49 of the best of the last three years pensionable service for each year of service. The assets of the scheme are held in a separate trustee-administered fund. Note 19 gives further information on the scheme.

The employer's contributions made to the scheme in the accounting period were £17,893 (2023/24 £17,107) with an employer's contribution rate of 22.4% of pensionable pay and an average employee's contribution rate of 5.8% of pensionable pay. The Trustees are satisfied that any foreseeable change in employer's contributions can be budgeted for without detriment to the charity's ongoing activities.

9. Auditor's remuneration

The auditor's remuneration constituted an audit fee of £12,000 (2023/24 £9,000) and additional advisory work of £5,678 (2023/24: £6,099)

10. Net gains on investments

	30 June 2025	30 June 2024
	£'000	£'000
Realised gain on disposal of estate properties	101	371
Net realised gain (loss) on disposal of stocks, bonds and equities held by Investment Advisors	(47)	(19)
Net realised gain(loss)on revaluation of stocks, bonds and equities	278	1,555
Unrealised gain/(loss) on revaluation of estates	<u>289</u>	<u>227</u>
Total gains/(losses) on revaluation and disposals of investment assets	<u>621</u>	<u>2,134</u>

The £278,000 unrealised gain on stocks, bonds and equities above comprises an unrealised gain on investments held by Investment Advisors, note 12b.

The £292,000 unrealised gain on revaluation of estates is detailed in note 12a.

11. Leases

a) The future minimum lease payments receivable under non-cancellable operating leases:

	30 June 2025	30 June 2024
	£'000	£'000
Not later than one year	118	479
Later than one year and not later than five years	101	422
Later than 5 years	<u>0</u>	<u>0</u>
Total	<u>219</u>	<u>901</u>

The Trust's investment properties shown in note 12a are let out to tenants under operating leases. The Trust's farms are let under agricultural tenancy leases, mainly those regulated under the Agricultural holdings (Scotland) Act 1991 and are designated in the table above. The Trust's properties are rural properties in North East Scotland and are let to tenants on short, assured tenancy agreements. These typically can be ended, subject to the prevailing legislation within one year. The Trust's commercial properties leases are for telecom mast sites.

b) The future minimum lease payments payable that relate to the lease of the Trust's office premises at 9 Victoria Street:

The lease at 19 Albert Street expired on 13th September 2025, the new office premises at 9 Victoria Street started on 18th September 2025 under three-year lease with an option for a further two years if required, with the first six months rent free. The current rent is £17,880 per annum.

	30 June 2025	30 June 2024
	£'000	£'000
Not later than one year	7	10
Later than one year and not later than five years	71	3
Later than 5 years	<u>4</u>	<u>0</u>
Total	<u>82</u>	<u>13</u>

12. Fixed asset investments

	1 July 2024 £'000	Additions and Improv. £'000	Re-class £'000	Disposals £'000	Revaluation £'000	30 June 2025 £'000
Investment properties (note a)	31,271	0	0	(688)	292	30,875
Stocks, bonds and equities managed by investment advisors (note b)	19,146	2,965	0	(2,819)	278	19,570
Cash and settlements pending	<u>129</u>	<u>0</u>	<u>0</u>	<u>315</u>	<u>0</u>	<u>444</u>
Total value of investments	<u>50,546</u>	<u>2,965</u>	<u>0</u>	<u>(3,192)</u>	<u>570</u>	<u>50,889</u>

(a) Investment properties at valuation

	Farms £'000	Domestic £'000	Comm. £'000	Sporting £'000	Total £'000
At 1 July 2024	26,417	4,485	340	29	32,271
Re-categorisation	0	0	0	0	0
Additions/Improvements	0	0	0	0	0
Disposals	(48)	(640)	0	0	(688)
Revaluation	<u>0</u>	<u>292</u>	<u>0</u>	<u>0</u>	<u>292</u>
At 30 June 2025	<u>26,369</u>	<u>4,137</u>	<u>340</u>	<u>29</u>	<u>30,875</u>

The investment properties form part of the original assets endowed to the Trust in 1909 and are included in the financial statements based on valuation. The most recent valuation of the Estate assets was conducted by an external valuer, Kirsten Mitchell MRICS of Savills (UK) Ltd, Chartered Surveyors on 31st October 2022. An annual report of property market trends has been reviewed by the Trustees and the Trust's Factor and no adjustments have been judged as being necessary. The next full revaluation is scheduled to be completed by October 2027. The nature of agricultural tenancies restricts the ability to realise investment properties. The Trust has granted standard securities in favour of a developer in respect of options to construct windfarms on two of the Trust's properties.

(b) Movement in fixed asset listed investment

	30 June 2025	01 July 2024
	£'000	£'000
Market value brought forward	19,146	15,793
Additions to investments at cost	2,965	6,538
Disposals	(2,819)	(4,740)
Net unrealised gains/(losses)	<u>278</u>	<u>1,555</u>
Market value at 30 June 2024	<u>19,570</u>	<u>19,146</u>

Investment at fair value comprised:

	30 June 2025	01 July 2024
	£'000	£'000
Equities	17,822	17,303
Fixed interest securities	<u>1,748</u>	<u>1,843</u>
Total	<u>19,570</u>	<u>19,146</u>

All investments are carried at their fair value. Investments in equities and fixed interest 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 held at their mid-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 at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The Trust manages investment risk 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. The Trust does not make use of derivatives and similar financial instruments as it takes the view that investments are held for their longer term (6-10 year) yield. Total return and historic studies of quoted financial instruments have shown that volatility in any particular 5-year period will normally be corrected during this term.

13. Analysis of Current Assets

	30 June 2025	30 June 2024
	£'000	£'000
Office Rent Deposit	3	3
Other Debtors	39	62
Prepayments	153	101
Accrued Income	56	56
Farm Rent Arrears	34	12
Other Rent Arrears	6	9
Total Debtors	291	243
Cash in Bank	<u>348</u>	<u>405</u>
Total	<u>625</u>	<u>648</u>

14. Analysis of current liabilities and long-term creditors

(a) Creditors amount falling due within one year.

	30 June 2025	30 June 2024
	£'000	£'000
Payable to Robert Gordon's College as balance of fees for assisted pupils for 2025-2026 school year	667	806
Trade creditors	23	0
Other creditors	157	131
Accrued Expenditure	64	68
Deferred Income	11	13
VAT	<u>43</u>	<u>37</u>
Total	<u>965</u>	<u>1,055</u>

The fees shown for Robert Gordon's College are those due within 1 year, for the academic year 2025/26. Other creditors include a provision for academic year 2025/26 of £22,052 for current Further Education Bursary (PLAN), £11,800 for current Secondary School Bursary recipients and £10,500 for John Robb Bursary recipients.

(b) Creditors amount falling due after more than one year

	30th June 2025 £'000	30th June 2024 £'000
Future commitments for fees for assisted pupils currently in years 2 to 5 at Robert Gordon's College:		
At 1 July 2024	853	1,146
Movement in year	<u>(425)</u>	<u>(293)</u>
	428	853
Future commitments for Secondary School Bursaries and Further Education from Plan	22	28
Future commitment to John Robb Bursaries	<u>10</u>	<u>0</u>
At 30 June 2025	<u>460</u>	<u>881</u>

The Trustees have accrued as a liability the fees payable to assisted pupils at Robert Gordon's College until they complete S5. Each bursary is reviewed every 2 years and is subject to satisfactory attendance, conduct and progress. An accrual for this commitment is made, including a provision for VAT due on fees.

The Trustees have also included a provision of £7,477 for current Further Education (PLAN) students to complete their course, £14,760 for current Secondary School Bursary recipients to receive support up to and including S4 and £10,399 for John Robb Bursary recipients to complete their course.

All creditors relate to Restricted Funds.

15. Analysis of charitable funds

	Restricted Funds	Bequest Funds	Endowment Funds	30 June 2025 Total	30 June 2024 Total
	£'000	£'000	£'000	£'000	£'000
At 1 July 2024	(960)	14	50,204	49,258	47,009
Net (outgoing)/incoming resources Before transfers and investments gains	224	0	0	224	115
Gain/(loss) on investment assets	0	0	332	332	1,907
Unrealised gain/(loss) from Revaluation of Estates	0	0	289	289	227
Revaluation of Pension	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
At 30th June 2025	<u>(736)</u>	<u>14</u>	<u>50,825</u>	<u>50,103</u>	<u>49,258</u>
	Restricted Funds	Bequest Funds	Endowment Funds	30 June 2025 Total	30 June 2024 Total
	£'000	£'000	£'000	£'000	£'000
Represented by:					
Tangible fixed assets investments	64	0	50,825	50,889	50,546
Net current assets	(340)	14	0	(326)	((407))
Creditors due after more than one year	<u>(460)</u>	<u>0</u>	<u>0</u>	<u>(460)</u>	<u>(881)</u>
	<u>(736)</u>	<u>14</u>	<u>50,825</u>	<u>50,103</u>	<u>49,258</u>

Restricted Funds

	Revenue Surpluses	Legacies & Donations	Special Reserve	30th June 2025 Total
	£000	£000	£000	£000
These comprise:				
At 1 July 2024	(1,413)	104	349	(960)
Net outgoing resources before transfers and investment gains	<u>247</u>	<u>(23)</u>	<u>0</u>	<u>224</u>
At 30th June 2025	<u>(1,166)</u>	<u>81</u>	<u>349</u>	<u>(736)</u>

The deficit in the fund of £1.166m (2023/24 £1.413m) includes the creditor provision for continuing RGC students, Further Education Students and Secondary School bursary recipients as detailed in note 14

The Special Reserve Fund was established via the amended 1985 Scheme to be available to meet extraordinary expenditure on the maintenance, repair and improvement of the properties of the Trust and the fund may be added to each year by up to an amount which is determined by the retail price index.

The Bequest funds represent funds that have been earmarked by the donor and are analysed in more detail in note 16.

The Endowment Fund is a restricted fund under the terms of the City of Aberdeen Educational Endowment Scheme 1985, as amended. The purpose of the fund is to ensure a suitable income stream to finance the on-going activities of the Trust, and, in particular to provide financial help for its principal beneficiaries, being those belonging to the City of Aberdeen who: 1) attend secondary schools in Aberdeen or 2) who may otherwise benefit from awards in the advancement of education from the Trust. The Endowment Fund comprises the value of the original endowment with gains and losses arising on the disposal or revaluation of the assets held within the fund.

16. Bequest Funds

	01 July 2024 £'000	Resources Expended £'000	30 June 2025 £'000
Summerhill Academy bursary fund (note a)	2	0	2
Dr A A Cormack prize fund (note b)	0	0	0
Douglas Wilson's bequest (note c)	3	0	3
Alexander Nicol (note d)	7	0	7
Doug Pauline memorial award (note e)	<u>2</u>	<u>0</u>	<u>2</u>
	<u>14</u>	<u>0</u>	<u>14</u>

(a) Summerhill Academy Bursary Fund

On the closure of Summerhill Academy in 1990, £3,000 was paid to the Trust. This sum represented the balance of the school funds. The Trustees, with the approval of the Head Teacher, agreed that the income should be applied towards the award of a bursary to a pupil at any local authority secondary school in the City of Aberdeen District area to take advantage of opportunities for travel to improve his/her knowledge of modern languages or for such other related purposes approved by the Trustees. In 2024/25, no awards were made (2023/24 £1,000) were made from this fund.

(b) Dr A A Cormack prize fund

A donation of £100 was made to the Trust by Dr A A Cormack in 1964 for the award of a prize to a pupil at the then Rosemount Secondary School who had been earnest in study and who required financial aid. The prize is now awarded at Aberdeen Grammar School. An award of £15 was made in 2024/25 (2023/24 £15)

(c) Douglas Wilson's Bequest

A bequest of £2,000 was received from the estate of Dr Douglas Wilson. The bequest is for the assistance of school pupils at Robert Gordon's College. In 2024/25 £100 (2023/24 £50) was awarded.

(d) Mr Alexander M. Nicol Bequest

A legacy of £5,000 was received from the late Alexander M. Nicol. The legacy for the assistance of a boy at Robert Gordon's College or a girl at St. Margaret's School, to be paid in alternative years. An award of £250 was made in 2024/25 to a pupil at St Margaret's (2023/24 £250 to a pupil at RGC)

(e) Bridge of Don Academy - Doug Pauline Memorial Award

Doug Pauline was a teacher at Bridge of Don Academy who died in 1995. The Academy raised funds to create a monetary award to be called the "Doug Pauline Memorial Award" to be presented annually to a pupil at Bridge of Don academy "who has demonstrated success or achievement, for the purpose of providing financial assistance for the pursuit of personal educational development". During 1997 the Trust agreed to hold the funds on behalf of the Academy who would nominate the annual winner of the award. In 2024/25 an award of £80 was made. (2023/24 £80)

17. Reconciliation of net movements in funds to net cash flow from operating activities

	30 June 2025	30 June 2024
	£'000	£'000
Net movement in funds	845	2,249
Deduct income shown in investing activities	(1,282)	(1,298)
deduct gains on investments	(621)	(2,134)
(Increase) in debtors	(48)	(39)
Increase in creditors	(511)	(310)
Net cash used in operating activities	<u>(1,617)</u>	<u>(1,532)</u>

18. Analysis of cash and cash equivalents

	30 June 2025	30 June 2024
	£'000	£'000
Cash at bank	<u>348</u>	<u>405</u>

19. Pensions

The Aberdeen Endowments Trust participates in the North East Scotland Pension Fund which is part of the Local Government Pension Scheme (Scotland), a multi-employer, defined benefit scheme.

Information about the overall funding position has been provided by the Actuary to the Fund. The results of actuarial valuation at 31st March 2023 have been updated by the qualified actuary independent of the scheme's sponsoring employer.

Effects of changes in the amount of surplus that is recoverable.

As noted in the Trustee's report, the trustees have decided that the surplus on the defined pension scheme of £160,000 should not be recognised. This is in line with FRS002.28.22 whereby an entity should recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus through either reduced contributions in the future or through refunds from the plan. An analysis of the funding position and major assumptions used by the actuary are shown below.

	30 June 2025	30 June 2024
	£'000	£'000
(a) Balance Sheet Items		
Present value of benefit obligations (note 19 (b))	347	361
Fair value of plan assets (note 19 (c) and (e))	<u>507</u>	<u>492</u>
Net pension surplus	160	131
Restriction of Asset	<u>(160)</u>	<u>(131)</u>
Total	<u>0</u>	<u>0</u>
(b) change in benefit obligation during the year		
Benefit obligation at start of period	361	394
Current service cost	16	14
Interest on pension liabilities	18	20
Member contributions	5	4
Remeasurements (liabilities):		

Experience* gain/loss)	(20)	(35)
(Gain)/loss on assumptions	5	9
Benefits/transfers paid	<u>(38)</u>	<u>(45)</u>
Benefit obligation at end of period	<u>347</u>	<u>361</u>
(c) change in plan assets during the year		
Fair value of plan assets at start of period	492	477
Interest on plan assets	25	25
Remeasurement (assets)	5	14
Contributions by employers	18	17
Contribution by members	5	4
Benefits/transfers paid	<u>(38)</u>	<u>(45)</u>
Fair value of plan assets at end of period	<u>507</u>	<u>492</u>
(d) Components of pension cost for the year		
Current service cost	15	14
Net interest cost	<u>(9)</u>	<u>(5)</u>
	30 June 2025	30 June 2024
	£'000	£'000
Total pension cost recognised	<u>6</u>	<u>9</u>
(e) Share of pension assets		
Equities	294	286
Government bonds	96	27
Other bonds	0	0
Property	76	31
Cash/liquidity	41	14
Other bonds	<u>0</u>	<u>134</u>
Total	<u>507</u>	<u>492</u>