

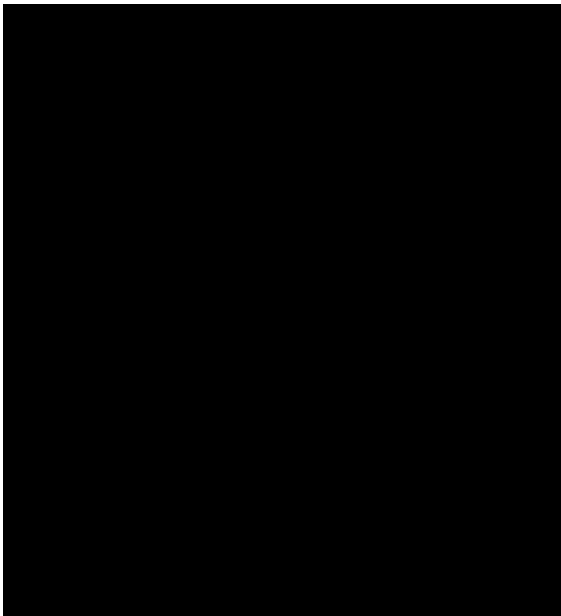
**THE MELLERSTAIN TRUST**  
**TRUSTEES' REPORT and ACCOUNTS**  
**For the year ended 5 April 2025**

**CT:**

**THE MELLERSTAIN TRUST**  
**REPORT and ACCOUNTS**  
**For the year ended 5 April 2025**

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**THE MELLERSTAIN TRUST**



**SOLICITORS**

Turcan Connell  
Princes Exchange  
1 Earl Grey Street  
Edinburgh  
EH3 9EE

**INVESTMENT ADVISERS**

RBC Brewin Dolphin  
Sixth Floor  
Atria One  
144 Morrison Street  
Edinburgh  
Midlothian  
EH3 8EX

**ACCOUNTANTS**

Chiene + Tait LLP (trading as CT)  
Chartered Accountants  
61 Dublin Street  
Edinburgh  
EH3 6NL

**BANKERS**

Bank of Scotland  
8/9 The Square  
Kelso  
TD5 7HQ

## **THE MELLERSTAIN TRUST**

### **REPORT of the TRUSTEES**

#### **For the year ended 5 April 2025**

The Trustees present their Report together with the financial statements for the year ended 5 April 2025. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019 (SORP FRS102).

#### **Reference and Administrative Information**

The Charity was founded in 1987 and is registered with the Office of the Scottish Charity Regulator under charity number SC011009. The Trustees, secretary, principal office, administrator and principal advisers are given on page 1.

#### **Objectives and Activities**

The Trust Fund is held exclusively for charitable purposes and, in particular:

- (a) to preserve for the public benefit the whole or such part or parts of the Mansion House of Mellerstain, its related buildings and its gardens and policies including Hundy Mundy as shall or may become vested in the Trustees or in respect of which the Trustees shall have any interest (referred to as "Mellerstain");
- (b) to protect and improve the amenities of Mellerstain for the public benefit;
- (c) to preserve for the public benefit as an adjunct to Mellerstain furniture, pictures, sculpture, works of art, costumes, military uniforms, arms and armour and other corporeal moveables or chattels ordinarily kept at Mellerstain or which may be given or loaned to the Trustees and which the Trustees shall consider to be appropriate to be kept at Mellerstain;
- (d) to facilitate and encourage access to and study and appreciation of Mellerstain and such corporeal moveables or chattels by the general public.

The objects of the Trust have not changed in the year.

#### **Review of achievements and performance**

The Trust continues to care for Mellerstain House and policies and works of art and to open the house to the public.

The house visitor numbers were 1,645 (1,454 for the 2023/24 season) and visitor numbers to the garden were 976 for the 2024/25 season (1,193 for the 2023/24 season). The visitor income increased to £32,782 (2023/24: £26,345 increase) with a larger number of casual visitors. See note 3.

#### **Financial Review**

The deficit for the year on the Unrestricted Income Fund was £938 (2024: £77,728). In addition, there were realised and unrealised loss of £17,150 (2024: gains of £40,928) deficit on the Endowment Fund's investments. The Trustees continue to investigate ways in which the deficit might be minimised.

#### **Investment Policy and Performance**

The Trustees engage RBC Brewin Dolphin as Investment Managers of the portfolio. The mandate is a discretionary one and the investment objective remains one of maintaining a diversified portfolio, aiming for a balance between income and capital growth, within a medium risk profile. The performance of the portfolio is compared against the FT UK Government Securities Index and the UK FTSE All Share Index, although there is no specific mandate to match the performance of these indices. The Trustees meet with the investment manager, and the performance of the portfolio is reported to and monitored by the Trustees at each meeting.

## **THE MELLERSTAIN TRUST**

### **REPORT of the TRUSTEES** *(cont.)*

#### **For the year ended 5 April 2025**

##### **Heritage Assets**

The Trustees are mindful of the requirements to report details of heritage assets in accordance with SORP (FRS 102). Identified heritage assets where a reliable valuation is available are accounted for in the balance sheet of the Trust. Where, in the opinion of the Trustees, valuation indicators of assets lack sufficient reliability, disclosure as required under SORP (FRS 102) is detailed in note 10.

Expenditure which is required to preserve or prevent deterioration of the heritage assets is recognised in the Statement of Financial Activities when it is incurred. The heritage assets recognised are deemed to have indeterminate lives and the Trustees do not therefore consider it appropriate to charge depreciation.

##### **Risk Management**

The Trustees have Risk Management Structures in place that are reviewed on a regular basis. Where appropriate, systems and procedures have been established to mitigate the risks the charity faces. Internal risks are minimised by the implementation of procedures for authorising all transactions and projects. Procedures are in place to ensure compliance with health and safety for staff and visitors, including new procedures to mitigate ongoing risks to staff and visitors. Insurance cover is reviewed on a regular basis to ensure that adequate cover is in place.

##### **Reserves Policy**

**The Unrestricted Income Fund** represents the unrestricted funds arising from operating results. The Trust has incurred a deficit for the year and the Unrestricted Income Fund is supported from transfers from the Endowment Fund. The deficit has arisen due to the costs of the upkeep of Mellerstain House and grounds and the administrative costs of the Trust exceeding the income received. The Trustees are aware of the situation and are making every effort to remedy this.

**The Endowment Fund**'s purpose is to ensure a suitable income stream to finance the ongoing work of the charity. It is represented principally by a portfolio of investments which are managed by RBC Brewin Dolphin who have discretionary powers. The fund also holds the tangible fixed assets including certain valuable paintings.

##### **Plans for Future Periods**

The Trustees continue to look for new opportunities for opening the House to the public, to raise awareness and have as many visitors as possible. It is, therefore, intended to continue to develop the profile of the Trust.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

On 3 April 1987 the 13<sup>th</sup> Earl of Haddington executed a Deed of Trust in favour of the Trustees and conveyed to them the mansion house and policies of Mellerstain together with certain valuable paintings. Hundy Mundy was conveyed to the Trustees during the year ended 5 April 1993.

In the event of the Trustees determining that it is no longer possible or practicable for them to fulfil these purposes, they shall make over the Trust Fund to the Trustees of the National Heritage Memorial Fund, the National Trust for Scotland for Places of Historic Interest or Natural Beauty or such other body charitable in law as the Trustees in their sole discretion shall consider appropriate.

##### **Appointment of Trustees**

The Board of Trustees has the power at any time, by unanimous consent, to appoint any person as a Trustee of the charity.

##### **Trustee induction and training**

New Trustees are briefed on their legal obligations under charity and trust law, the Deed of Trust, the decision-making processes and recent financial performance of the charity.

Trustees are encouraged to attend appropriate external training events where these facilitate their role.

**THE MELLERSTAIN TRUST**

## REPORT of the TRUSTEES (cont.)

**For the year ended 5 April 2025**

## STRUCTURE, GOVERNANCE AND MANAGEMENT (CONT.)

## Organisation

The Trust is controlled by a Board of Trustees. The Administrator is responsible for the day to day running of the Trust.

## Related Parties

Details of related parties are set out in note 15.

## Key Management Personnel

The Trustees consider the Board of Trustees, including the Chairman, and the Administrator/Operations Manager as comprising the key management personnel of the charity in charge or directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give their time freely and no Trustee remuneration or expenses were paid in the year. The remuneration of the Administrator is set by the Trustees.

## Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (FRS 102) (second edition – October 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the terms of the Trust's Founding Deed.

They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

Date: 23 December 2025

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
OF THE MELLERSTAIN TRUST**

**CT:**

I report on the accounts of The Mellerstain Trust for the year ended 5 April 2025 which are set out on pages 6 to 16.

This report is made to the Trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the accounts on behalf of the Trustees and to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Trustees, as a body, for my work or for this report.

**Respective responsibilities of Trustees and independent examiner**

The Charity's Trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The Charity Trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

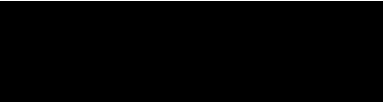
**Basis of examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Regulations. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention:-

1. which gives me reasonable cause to believe that in any material respect the requirements :
  - o to keep accounting records in accordance with Section 44(1)(a) of the Act and Regulation 4 of the Regulations; and
  - o to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Regulations;
 have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

  
For and on behalf of CT  
Chartered Accountants and Independent Examiner  
61 Dublin Street  
Edinburgh  
EH3 6NL

23 December 2025

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**THE MELLERSTAIN TRUST****STATEMENT OF FINANCIAL ACTIVITIES****For the year ended 5 April 2025**

	Notes	Un- Restricted Fund £	Endow- ment Fund £	Total Funds 2025 £	Total Funds 2024 £
<b>Income</b>					
Donations and legacies	2	189,667	-	189,667	82,166
Charitable activities	3	32,782	-	32,782	26,345
Other trading activities	4	248,053	-	248,053	206,107
Investments	5	16,224	-	16,224	19,543
<b>Total Income</b>		<b>486,726</b>	<b>-</b>	<b>486,726</b>	<b>334,161</b>
<b>Expenditure</b>					
Raising Funds	6	174,682	-	174,682	128,164
Charitable activities	6	312,982	-	312,982	283,725
<b>Total expenditure</b>		<b>487,664</b>	<b>-</b>	<b>487,664</b>	<b>411,889</b>
<b>Net expenditure before gains/(losses) on investments</b>		<b>(938)</b>	<b>-</b>	<b>(938)</b>	<b>(77,728)</b>
Net gains/(losses) on investments	11	(17,150)	-	(17,150)	40,928
<b>Net (expenditure)</b>		<b>(18,088)</b>	<b>-</b>	<b>(18,088)</b>	<b>(36,800)</b>
Transfers between funds	14	18,088	(18,088)	-	-
<b>Net movement in funds</b>		<b>-</b>	<b>(18,088)</b>	<b>(18,088)</b>	<b>(36,800)</b>
Total funds at 5 April 2024		-	1,091,818	1,091,818	1,128,618
<b>Total funds at 5 April 2025</b>		<b>-</b>	<b>1,073,730</b>	<b>1,073,730</b>	<b>1,091,818</b>

All of the above results are derived from continuing activities.

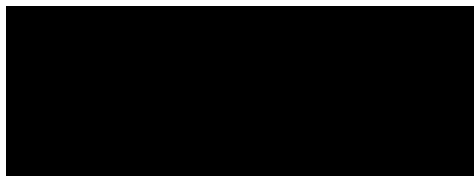
The notes on pages 8 to 16 form part of these accounts.



**THE MELLERSTAIN TRUST****BALANCE SHEET****As at 5 April 2025**

	Notes	£	2025 £	£	2024 £
<b>Fixed assets</b>					
Tangible assets	9		303,157		190,410
Heritage assets	10		137,702		137,702
Investments	11		573,885		687,804
			<u>1,014,744</u>		<u>1,015,916</u>
<b>Current assets</b>					
Stock		385		1,516	
Debtors	12	74,359		69,533	
Cash at bank and in hand		145,818		53,513	
		<u>220,562</u>		<u>124,562</u>	
Creditors: amounts falling due within one year	13	(161,576)		(48,660)	
<b>Net current assets</b>			58,986		75,902
<b>Net assets</b>			<u>1,073,730</u>		<u>1,091,818</u>
			=====		=====
<b>Funds</b>					
Endowment fund	14		1,073,730		1,091,818
Unrestricted income fund	14		-		-
			<u>1,073,730</u>		<u>1,091,818</u>
			=====		=====

Approved by the Trustees on 23 December 2025 and signed on their behalf by:



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

# THE MELLERSTAIN TRUST

## NOTES to the ACCOUNTS

### For the year ended 5 April 2025

#### 1. Accounting Policies

##### **Accounting convention**

The accounts are prepared under the historical cost convention modified to include the revaluation of investments and certain works of art which are included at an estimated valuation. These accounts are in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities and Trustee Investment (Scotland) Act 2005 and in every material aspect with the Statement of Recommended Practice - Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (second edition – October 2019). The financial statements are prepared in line with UK GAAP FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland

The Trust constitutes a public benefit entity as defined by FRS 102. The annual financial statements are prepared in sterling (£), which is the functional currency of the company and rounded to the nearest £.

##### **Going concern**

The accounts have been prepared on a going concern basis. The directors have assessed the Trust's ability to continue as a going concern and have reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these accounts and are satisfied that no material uncertainties exist in respect of going concern.

##### **Heritage assets**

Works of art originally endowed are valued at valuation for insurance purposes on the date of transfer to the Trust with subsequent additions at cost and subsequent sales at sales value. There is no readily available market value for these investment assets and the cost of carrying out a professional valuation is considered to outweigh the benefit to the users of the accounts. However, the Trustees consider insurance values at the date of transfer to be a reliable indicator of the value of the asset.

The Trustees are mindful of the disclosure requirements under SORP (FRS 102) for Heritage Assets where, in their opinion, valuation information lacks sufficient reliability. As a consequence, disclosure requirements under SORP (FRS 102) for Mellerstain House and Hundy Mundy are reported in note 10. The valuation information disclosed is the valuation estimated for insurance purposes.

##### **House expenditure and depreciation**

Expenditure on the house and grounds is written off when incurred. Depreciation is provided on all tangible assets at rates calculated to write off the cost less estimated residual value, of each asset over its expected useful life as follows:-

Plant and equipment	20% per annum, straight line
Fixtures and fittings	10% & 20% per annum, straight line
Property conversion	2% & 4% per annum, straight line – once the work is completed

Financial Reporting Standards FRS 102 requires all tangible fixed assets to be depreciated over their useful economic life, taking account of any residual value of the assets.

Heritage Assets of the Trust are considered to have a high residual value. The depreciation charge is immaterial, and no charge has therefore been made. Where no charge for depreciation is made, an impairment review should be carried out. Such a review has been performed and the Trustees consider the value of the heritage assets, under Financial Reporting Standards FRS 102, exceed the carrying value in the accounts. Land is not depreciated.

## **THE MELLERSTAIN TRUST**

### **NOTES to the ACCOUNTS**

#### **For the year ended 5 April 2025**

#### **1. Accounting policies (cont'd)**

##### **Fund accounting**

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

The Endowment Fund is an expendable endowment fund and may at the discretion of the Trustees be used to meet the charitable objects of the Trust.

##### **Income recognition**

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

Rental income is deferred when received in advance for future periods.

Donations and legacies are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Trust, and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; 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. This is normally upon notification by our investment advisor.

##### **Expenditure recognition**

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

All expenditure is included on an accruals basis net of VAT and is recognised when there is a legal or constructive obligation to pay for expenditure.

Costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly while others are apportioned on an estimated usage basis.

The costs of raising funds consist of investment management costs, property management costs and running costs for the shop, tearoom and clock-tower.

Costs of charitable activities include house opening, house repairs, support, and governance costs.

Governance costs include costs related to legal fees together with an apportionment of accountancy costs. Governance costs have been included within the cost of charitable activities.

##### **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 quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year as part of the endowment fund.

The main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**THE MELLERSTAIN TRUST****NOTES to the ACCOUNTS****For the year ended 5 April 2025****1. Accounting policies (cont'd)****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 carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses in the year are calculated as the difference between the fair value at the year end and the opening fair value or purchase value if acquired during the year. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**Stock**

Stock is stated at the lower of cost and net realisable value.

**2. Donations and legacies**

	<b>2025</b>	<b>2024</b>
	£	£
Sundry donations from charities	76,270	31,366
Sundry donations from individuals including Gift Aid	113,397	50,800
	=====	=====
	189,667	82,166

**3. Charitable activities**

	<b>2025</b>	<b>2024</b>
	£	£
Visitor income	32,782	26,345
	=====	=====

**4. Other trading activities**

	<b>2025</b>	<b>2024</b>
	£	£
Shop/tearoom	40,215	17,077
Rental income	204,003	181,245
Sundry income	3,835	7,785
	-----	-----
	248,053	206,107
	=====	=====

**5. Investment income**

	<b>2025</b>	<b>2024</b>
	£	£
Dividends and interest on listed investments	13,424	14,431
Interest on short term deposits	2,800	5,112
	-----	-----
	16,224	19,543
	=====	=====

# THE MELLERSTAIN TRUST

## NOTES to the ACCOUNTS

**For the year ended 5 April 2025**

	Raising funds	Chari- table activities	Total 2025	Raising funds	Chari- table activities	Total 2024
	£	£	£	£	£	£
<b>6. Total resources expended</b>						
<b>Costs directly allocated to activities</b>						
Publicity expenses	-	1,035	1,035	-	2,541	2,541
Shop/tearoom/catering expenses	8,905	-	8,905	6,720	-	6,720
Property repairs and upkeep	97,067	79,418	176,485	80,622	65,151	145,773
Galbraith – rent collection and management fees	26,631	-	26,631	15,415	-	15,415
Irrecoverable VAT	21,530	-	21,530	11,357	-	11,357
Provision for bad debts	-	-	-	(2,588)	-	(2,588)
Donations	-	619	619	-	-	-
<b>Support costs allocated to activities</b>						
Wages and salaries (Note 8)	1,956	95,852	97,808	1,707	83,653	85,360
Rates and insurance	1,978	96,931	98,909	1,778	87,074	88,852
Legal fees	-	6,725	6,725	-	13,429	13,429
Accounting support	225	11,026	11,251	143	6,994	7,137
Professional fees	-	990	990	-	1,076	1,076
IT	-	2,360	2,360	-	2,637	2,637
Health and safety	-	1,619	1,619	-	7,025	7,025
Telephone	41	2,019	2,060	34	1,658	1,692
Motor and travel expenses	1	22	23	-	-	-
Postage and stationery	8	396	404	2	121	123
Miscellaneous, including staff training and recruitment	64	3,119	3,183	21	1,014	1,035
Bank charges	38	1,873	1,911	35	1,730	1,765
Depreciation	11,556	1,018	12,574	5,290	1,662	6,952
Governance costs (Note 7)	-	7,960	7,960	-	7,960	7,960
<b>Investment management costs</b>	4,682	-	4,682	7,628	-	7,628
<b>Total resources expended</b>	174,682	312,982	487,664	128,164	283,725	411,889
	=====	=====	=====	=====	=====	=====

The Trust apportions its support costs directly relating to house opening (included within charitable activities) and shop/tearoom (included within raising funds) where applicable, and in the ratio 98:2 on a basis consistent with the use of the resources where support is provided to both activities.

<b>7. Governance Costs</b>	<b>2025</b>	<b>2024</b>
	£	£
Legal fees	2,000	2,000
Independent examiner's fee	2,500	2,500
Accountancy fees	3,460	3,460
	=====	=====
	7,960	7,960
	=====	=====

**THE MELLERSTAIN TRUST****NOTES to the ACCOUNTS****For the year ended 5 April 2025**

<b>8. Wages and Salaries</b>	<b>2025</b>	<b>2024</b>
	£	£
Gross wages	95,272	81,981
Social security costs	1,333	184
Employer pension contributions	722	1,163
Casual wages	481	2,032
	-----	-----
	97,808	85,360
	=====	=====

The key management personnel of the Trust comprise the Trustees and the Administrator/Operations Manager. The total employee benefits of the key management personnel of the Trust, including employer National Insurance Contributions and Employer Pension Contributions, were £33,344 (2024: £29,336).

All Trustees give their time freely and no Trustee remuneration or expenses were paid in the year.

	<b>2025</b>	<b>2024</b>
Average number of employees	14	11
	=====	=====

Staff costs are included within support costs. No employee earns more than £60,000.

<b>9. Tangible Fixed Assets</b>	<b>Plant &amp; Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Motor Vehicles</b>	<b>Property Conversion &amp; Improvements</b>	<b>Total</b>
	£	£	£	£	£
<b>Cost or valuation</b>					
At 6 April 2024	75,917	108,113	21,200	264,491	469,721
Additions	-	-	-	125,321	125,321
	-----	-----	-----	-----	-----
At 5 April 2025	75,917	108,113	21,200	389,812	595,042
	-----	-----	-----	-----	-----
<b>Depreciation</b>					
At 6 April 2024	75,204	106,497	21,200	76,410	279,311
Charge for the year	628	390	-	11,556	12,574
	-----	-----	-----	-----	-----
At 5 April 2025	75,832	106,887	21,200	87,966	291,885
	-----	-----	-----	-----	-----
<b>Net Book Value</b>					
At 5 April 2025	85	1,226	-	301,846	303,157
	=====	=====	=====	=====	=====
At 5 April 2024	713	1,616	-	188,081	190,410
	=====	=====	=====	=====	=====

**THE MELLERSTAIN TRUST****NOTES to the ACCOUNTS****For the year ended 5 April 2025**

<b>10. Heritage assets</b>	<b>Works of Art £</b>	<b>Buildings £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 5 April 2024 and 5 April 2025	137,702 =====	- =====	137,702 =====

In 1987 the mansion house and policies of Mellerstain together with certain valuable paintings were conveyed to the Trustees. In 1993 Hundy Mundy was conveyed to the Trustees. Both properties are listed. Two of the works of art have been included at cost (£31,702) and five have been included at valuation (£106,000).

Mellerstain House and Hundy Mundy are included in the accounts at £nil; being the cost to the Trust. The Trustees consider that whilst the properties are Heritage Assets, it is not practicable to produce reliable cost information, nor do they consider conventional valuation approaches to hold sufficient reliability. The Trustees have insurance valuations, which indicate the value of the property assets to be approximately £52.6 million. However, in the opinion of the Trustees, this valuation information lacks sufficient reliability for accounting purposes. As a consequence, the assets have not been valued in the accounts. Further heritage fine art and collections held within the property, have been provided under a loan arrangement to the Trust by the Earl of Haddington for public display. Insurance values for such items are approximately £9.7m.

There have been no transactions regarding heritage assets in the past 5 years and therefore a summary is not necessary.

**11. Investments**

All investments are listed on the UK stock exchange. The investments are managed by RBC Brewin Dolphin and are operated under a discretionary agreement.

	<b>2025 £</b>	<b>2024 £</b>
Market value at 5 April 2024	687,804	722,266
Acquisitions at cost	83,460	202,810
Disposals at opening market value (proceeds £180,228 including realised gain of £4,552)	(175,677)	(277,761)
Net gain/(loss) on revaluation	(21,702)	40,489
	=====	=====
Market value at 5 April 2025	573,885	687,804
	=====	=====
Cost at 5 April 2025	555,264	633,144
	=====	=====
Net realised and unrealised gain/(loss)	(17,150)	40,928
	=====	=====

**THE MELLERSTAIN TRUST****NOTES to the ACCOUNTS****For the year ended 5 April 2025****11. Investments** *(cont'd)*

Investments comprising 5% or greater of the market value of the portfolio at 5 April 2025 are:

	£
T Bailey Fund Evenlode Income	39,956
Brown Advisory Funds	34,057
Vanguard Funds PLC S&P	48,169
Fidelity UCITS ICAV US Quality Income	39,087
UK (Govt of) 4.5% GILT BOS 07/09/2025 GBP1000	31,852
Robeco Luxembourg Global Credits IBH GBP	44,892
	-----
	238,013
Other listed investments	335,872
	-----
	573,885
	=====
Whereof:	
UK investments	186,455
Non-UK investments	387,430
	-----
	573,885
	=====

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

The significance of financial instruments to the ongoing financial stability of the charity is considered in the financial review and investment policy sections of the Report of the Trustees. The Trust's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions. The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

<b>12. Debtors</b>	<b>2025</b>	<b>2024</b>
	£	£
Trade debtors	40,113	40,964
Rent receivable	21,436	19,543
VAT recoverable	7,634	2,873
Other debtors	3,316	2,804
Prepayments and accrued income	1,860	3,349
	-----	-----
	74,359	69,533
	=====	=====



**THE MELLERSTAIN TRUST****NOTES to the ACCOUNTS****For the year ended 5 April 2025**

<b>13. Creditors: amounts falling due within one year</b>	<b>2025</b>	<b>2024</b>
	£	£
Trade creditors	61,623	18,538
Taxation and social security	2,310	14
Other creditors	311	318
Accruals and deferred income	31,332	29,790
Loan from Will Trust	66,000	-
	-----	-----
	161,576	48,660
	=====	=====

Deferred income represents rent received in advance for the following month.

The loan from Will Trust is unsecured, interest free and has no fixed terms of repayment.

<b>14. Funds</b>	<b>Unrestricted Fund</b>	<b>Endowment Fund</b>	<b>Total</b>
	£	£	£
At 6 April 2024	-	1,091,818	1,091,818
Net outgoing resources for the year	(938)	-	(938)
Investment gains/(losses)	(17,150)	-	(17,150)
Transfers	18,088	(18,088)	-
	-----	-----	-----
At 5 April 2025	-	1,073,730	1,073,730
	=====	=====	=====
<b>Represented by:</b>			
Fixed assets	-	303,157	303,157
Heritage Assets	-	137,702	137,702
Investments	-	573,885	573,885
Net current assets	-	58,986	58,986
	-----	-----	-----
	-	1,073,730	1,073,730
	=====	=====	=====

The Unrestricted Income Fund represents the general reserves of the Trust which the Trustees are free to use in accordance with the charitable objects.

The Endowment Fund is an expendable endowment fund and may at the discretion of the Trustees be used to meet the charitable objects of the Trust.

Having considered the balance on the Unrestricted Income Fund the Trustees have made a transfer from the Endowment Fund to offset the cumulative deficit.

**THE MELLERSTAIN TRUST****NOTES to the ACCOUNTS****For the year ended 5 April 2025****15. Related party transactions**

On the 30 March 2007, The late 13<sup>th</sup> Earl of Haddington granted a lease in favour of the Trustees, at an entirely nominal rent, of some 25 properties on Mellerstain Estate; the interposed lease being for a duration of 20 years. Rental income receivable by the Trust during the year was £139,173 (2024: £139,155) per the agreement.

During the year a donation of £65,000 (2024: £ Nil) was received from Borders Sculpture Park, an organisation in which one or more of the charity's trustees have a controlling or significant interest.

During the year, the late 13<sup>th</sup> Earl of Haddington's Trust for [REDACTED] reimbursed the Trust £ Nil (2024: £4,480) for gardener's wage recharge, fire safety costs of £ Nil (2024: £239), insurance costs of £ Nil (2024: £16,432). At the year end there was a balance of £39,806 (2024: £39,806) due from Earl of Haddington's Trust for [REDACTED] included within trade debtors.

During the year the Trust received unrestricted donations amounting to £30,000 (2024: £60,000) in aggregate from Trustees.

	<b>Un- restricted Fund £</b>	<b>Endow- ment Fund £</b>	<b>Total Funds 2024 £</b>
<b>16. Prior year statement of financial activities</b>			
<b>Income</b>			
Donations and legacies	82,166	-	82,166
Charitable activities	26,345	-	26,345
Other trading activities	206,107	-	206,107
Investments	19,543	-	19,543
<b>Total Income</b>	<b>334,161</b>	<b>-</b>	<b>334,161</b>
<b>Expenditure</b>			
Raising Funds	128,164	-	128,164
Charitable activities	283,725	-	283,725
<b>Total expenditure</b>	<b>411,889</b>	<b>-</b>	<b>411,889</b>
<b>Net expenditure before (losses) on investments</b>	<b>(77,728)</b>	<b>-</b>	<b>(77,728)</b>
Net (losses) on investments	40,928	-	40,928
<b>Net (expenditure)/income</b>	<b>(36,800)</b>	<b>-</b>	<b>(36,800)</b>
Transfers between funds	36,800	(36,800)	-
<b>Net movement in funds</b>	<b>-</b>	<b>(36,800)</b>	<b>(36,800)</b>
Total funds at 5 April 2023	-	1,128,618	1,128,618
<b>Total funds at 5 April 2024</b>	<b>=====</b>	<b>1,091,818</b>	<b>1,091,818</b>