

Macaulay Development Trust

Scotland · Charity number SC023988

Details

Status	Active
Legal form	Trust (founding document is a deed of trust) (other than educational endowment)
Registered	1994-12-14
Register	View on the OSCR register

Contact

Address	c/o James Hutton Institute Macaulay Drive Craigiebuckler Aberdeen AB15 8QH
Website	www.macaulaydevelopmenttrust.org

Activities

Activities: 'It makes grants, donations or gifts to organisations'

Purposes: 'the advancement of education', 'the advancement of environmental protection or improvement'

What the charity does: The Macaulay Development Trust is a charity which supports excellent research into the sustainable use of land and natural resources, for the benefit of people, their communities and the environment which aligns with the vision and legacy of TB Macaulay. It has financial investments, which are managed on an ethical basis, and some investment property which generate the funds which are subsequently distributed in grants.

Beneficiaries: 'No specific group, or for the benefit of the community', 'Other charities or voluntary bodies'

Objectives: The Trustees shall hold and apply the Trust Property, in trust for the following purposes: The making of such grants or contributions to the costs of individuals or organisations as the Trustees shall deem appropriate to support research into the sustainable use of land and natural resources for the benefit of people, their communities and the environment. the objectives of such research to include (i) improving the understanding of the physical, chemical and biological components of soils, waters and the atmosphere (ii) investigating economic and social inter-relationships to provide the bases for resource management decisions, and (iii) developing strategies for land management and resource use. The expense of administering the Trust , and any tax payable in relation to the Trust , shall be met in priority to all other payments and transfers of assets out of the Trust Property.

Geography

- **Main operating location:** Aberdeen
- **Geographical spread:** More than one local authority area in Scotland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£232,000	£1,019,000	-	0
2024-09-30	£257,000	£3,425,000	-	0
2023-09-30	£91,000	£619,000	-	1
2022-09-30	£90,000	£965,000	-	0
2021-09-30	£134,000	£633,000	-	0

Macaulay Development Trust

Scotland - Charity number SC023988

Accounts

MACAULAY DEVELOPMENT TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

MACAULAY DEVELOPMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr J Moore (Chair)
Prof B Clark
Miss I Davidson
Ms E Knight-Strong
Mrs S Ritchie
Prof M Shucksmith
Prof A Werritty
Mr M Gray
Mr G McIntosh
Prof J Curran

(Appointed 8 August 2025)

Charity number (Scotland) SC023988

Principal address

Macaulay Development Trust
Macaulay Drive
Craigiebuckler
Aberdeen
United Kingdom
AB15 8QH

Auditor

Azets Audit Services
5 Whitefriars Crescent
Perth
United Kingdom
PH2 0PA

Bankers

Barclays Bank Plc
Moorgate 2
Leicestershire
United Kingdom
LE87 2BB

Solicitors

Shepherd and Wedderburn
37 Albyn Place
Aberdeen
United Kingdom
AB10 1YN

Investment managers

Rathbones Investment Management Limited
Port of Liverpool Building
Pier Head
Liverpool
United Kingdom
L3 1NW

MACAULAY DEVELOPMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Investment platform

Rathbones Investment Management Limited
Port of Liverpool Building
Pier Head
Liverpool
United Kingdom
L3 1NW

MACAULAY DEVELOPMENT TRUST

CONTENTS

	Page
Trustees' report	1 - 6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 21

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Trustees present their annual report and financial statements for the year ended 30 September 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's 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 (FRS 102) (effective 1 January 2019)".

Establishment and Trust purposes

The Trust was established by a Deed of Trust by the Board of Governors of the Macaulay Land Use Research Institute (MLURI) dated 24 November 1994 and 14 December 1994, effective from 26 November 1993.

The purposes of the Trust were amended in a Supplementary Deed of Trust, registered on 24 January 2011, which empowers the Trustees to hold in trust and apply the Trust Property for the following purposes: the making of such grants or contributions to the cost of individuals or organisations as the Trustees shall deem appropriate to support research into the sustainable use of land and natural resources for the benefit of people, their communities and the environment; the objectives of such research to include:

- (i) improving the understanding of the physical, chemical and biological components of soils, waters and the Atmosphere
- (ii) investigating economic and social inter-relationships to provide the bases for resource management decisions
And
- (iii) developing strategies for land management and resource use.

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

Grant making policy

The Trustees consider applications which address the funding criteria detailed on the Trust's website. Applications are considered throughout the year and are initially viewed by the Trustees' Grants Committee which is composed of Trustees with a scientific background. This Committee makes recommendations to all the Trustees with whom decisions rest. Some applications may be decided in correspondence while others are decided at one of the regular Trustees' meetings.

The Trustees are also willing to consider initial expressions of interest of no more than two pages which touch briefly on each of the criteria and include a summary paragraph. The Trustees may then ask for further iterations providing more detail for those outline proposals of possible interest.

At a meeting of the Trustees held on 18 September 2023, the Trustees agreed to provide assistance funding to the James Hutton Institute, for a period of up to two years. As a consequence, the normal grant making procedure of the Trust was suspended for the duration of the assistance funding period. The final tranche of assistance funding was paid in March 2025. It was agreed that the normal grant making procedure would restart thereafter, with grants being available for the 2025/26 MDT financial year.

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Trustees' investment powers

The powers of investment granted to the Trustees are wide and are only restricted by their fiduciary responsibility to act in a manner that is consistent with the purposes of the Trust.

Investment Policy and Performance

The Trustees wish to ensure that, as well as making a financial return, its investments are consistent with its values as a charity so continue to invest their assets in a manner that aligns with their social, environmental, and economic grant-giving objectives. The Trustees are aware that this position may result in a lower financial return from their investments, but they consider this acceptable as it provides consistency between their investment policies and grant giving objectives.

The Trust will select funds and work with fund managers that are ethical and sustainable and will continuously review their ESG related activities.

The Trustees have a policy of maintaining the value of the fund by linking to CPI as enshrined in our Investment Policy with, in the normal course of events, resources available to support charitable objectives coming from income and any additional capital growth above CPI.

The Trusts' Investment Policy was reviewed to update investment objectives and incorporate the approach to be taken by the new advisors, Rathbones Investment Management Limited. The updated version was approved in September 2024.

The value of investments was £7.1m on 30 September 2024. In the year ended 30 September 2025 there have been £3.3m investment additions and £4.2m of disinvestments with valuation gains of £0.2m. By 30 September 2025 the value of the investments had fallen to £6.4m.

The Trustees are satisfied that the funds of the Trust are sufficient for the needs of the Trust.

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Financial review

Review of activities and future developments

The income of the Trust was £232k (2024: £257k) while expenditure was £1,019k (2024: £3,425k) and after net gains on investments of £234k (2024: gains £291k), the net movement in funds of the Trust was a loss of £553k (2024: loss £2,877k).

Due to the Trustees agreeing to provide assistance funding to the James Hutton Institute, the normal grant making procedure of the Trust was suspended during the year. However, grants agreed during previous reporting periods continued to be paid. Three tranches of assistance funding were paid to the James Hutton Institute, £500k in November 2023, £500k in April 2024 and £500k in March 2025. The Trustees were satisfied that the funding would be allocated to projects which align with MDT objectives. One additional grant was approved in the reporting period, to fund a Virtual Technologies Facilitator to oversee the deployment of the new immersive technologies suite at Craigeibuckler. The grant was paid in October 2025 (£70k), so falls out with this reporting period.

The Trust agreed to contribute £1.9m towards the construction of a new access road and car park for the Craigeibuckler Campus in Aberdeen as an integral part of the James Hutton Institute's development of the Campus to grow reach and capability, and thereby new income generation to fund additional research. Trustees were satisfied that although direct research funding by MDT would reduce as a result of paying for the new access road, the development of the Campus facilitated by the new road will significantly increase income for the James Hutton Institute, estimated to double the value of MDT's normal research funding. The road and carpark were substantively completed by August 2024 at a cost of £1.8m.

The Trust initiated significant works to upgrade South Lodge, one of the two rental properties. The works were carried out to improve the energy efficiency of the building and make it more comfortable for future tenants. Specific improvements included insulating the walls, floor and roof, and installation of mechanical ventilation heat recovery. The works started in early August 2025 and are expected to be completed by February 2026. Similar works on Gardeners Cottage started in December 2025.

No TB Macaulay Lectures took place within the financial year, due to availability of the speakers. The 46th TB Macaulay Lecture, led by Kate Raworth, took place in Edinburgh on 1st October 2025. She is best known for her unique "doughnut economics" model, and is a Professor of Practice at Amsterdam University of Applied Sciences and a Senior Teaching Fellow at Oxford University's Environmental Change Institute.

The heritable land and buildings, treated as investment properties, of the Trust were independently valued, as of 30 September 2025, by Ryden LLP, Chartered Surveyors. The Trust's land and investment properties have been valued on a market value basis.

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Carbon Footprint

MDT are committed to operating ethically and sustainably, which aligns with our charitable objectives. Understanding our carbon footprint is a vital first step towards reducing it.

MDT undertook our first-ever carbon footprinting exercise covering the calendar year 2024. The footprint was calculated in line with the Greenhouse Gas (GHG) Protocol and includes emissions across Scopes 1–3, using a financial control boundary as agreed by the Trustees in October 2024. This approach ensures that emissions from all assets and activities under MDT's financial control are captured, rather than limiting reporting to operational control, which would account for only a small fraction of our impact. The results are set out in the table below:

	GHG emissions (tCO ₂ e)		
	Scope 1	Scope 2	Scope 3
Properties	59.2	3.5	
Investments			235.5
Travel and accommodation			12.9
IT and homeworking			0.4
Total	59.2	3.5	248.7

Over 80% of the carbon footprint is attributable to Scope 3 emissions, of which almost all (76%) is associated with our investment portfolio. The next highest emissions from the boundary calculated is from our properties, making up 20% of our carbon footprint and comprising the entire scope 1 and 2 emissions of the Trust.

The limitations and uncertainties associated with the process are set out below:

- There are significant uncertainties associated with gas usage at one of our properties, which is run by an independent organisation as a nursery. We are working to improve access to data on gas usage to allow us to fully understand the emissions from the property. We have calculated gas usage conservatively for 2024 and anticipate the emissions reducing in 2025 as data accuracy improves.
- The carbon footprint from 2024 does not include carbon emissions associated with the Macaulay Lecture.

The next steps are:

- In 2025, MDT will be calculating the carbon emissions associated with the Macaulay Lecture to help provide a more comprehensive overview of MDT's annual emissions.
- MDT is also undertaking an extensive retrofit of its two residential rental properties to improve their efficiency and comfort for tenants. This will result in a significant reduction in emissions from heating, as the properties will no longer require as much gas usage to be able to heat them to a comfortable level. This will have an additional benefit of reducing the carbon emissions from those properties.
- MDT's investment portfolio is already geared to align with the low carbon transition and we work with our Investment Managers, Rathbones Investment Management Limited, to understand the financed emissions associated with our portfolio. While there is little additional direct intervention that we can take to further reduce the emissions from our portfolio, the Finance and General Purposes Committee routinely discusses the emissions with the Investment Managers, and expects to see the emissions / £ invested reduce over time.
- Finally, we intend to work in future to align our carbon footprint calculations with our annual reporting, so that we can follow best practice in comparing GHG emissions with annual income and expenditure.

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Reserves policy

The accumulated income of the Trust will be applied to the objectives of the Trust. The Trustees accept that this may involve the use of Trust funds in excess of the income generated in one year, while in other years the cycle of suitable projects to fund does not allow the distribution of all the income from the Trust. Free reserves (unrestricted funds less the net book value of tangible fixed assets) as of 30 September 2025 were £6,875k (2024: £7,498k).

At a meeting held on 18th September 2023, the Trustees considered the case made by The James Hutton Institute for the provision of assistance funding to the Institute to help address a short/medium term depletion of their unrestricted reserves, forecast to be restored over the next two-three years by significant new income growth, principally via their newly developed Invergowrie Research Campus near Dundee.

Trustees subsequently approved the payment of assistance funding (up to £1m/year) from the Trust reserves to the James Hutton Institute, for a period of up to two years, but subject to suspension of the Trust's normal grant awarding powers to the Institute (other than for already committed funding of research projects) for the duration of the assistance funding. As outlined above, within the reporting period £0.5m of assistance funding was provided to the James Hutton Institute.

Risk management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to manage these risks. The risk register is reviewed at each Trustees' meeting.

Structure, governance and management

The Trust is recognised by the HMRC as a charity and its Scottish Charity Number is SC023988.

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

Mr J Moore (Chair from 12 March 2024)
Prof B Clark
Miss I Davidson
Mrs P Gordon Duff (resigned 23 July 2025)
Ms E Knight-Strong
Mrs S Ritchie
Prof M Shucksmith
Dr A Malik (resigned 23 April 2025)
Prof A Werritty
Mr M Gray
Mr G McIntosh
Prof J Curran (appointed 8 August 2025)

The Trust Deed provides that there may be between five and nine Trustees, or such a number as the Trustees may decide, who are appointed by resolution of the existing Trustees and retire by rotation. Trustees may be reappointed on a maximum of three occasions, so they may serve for a maximum of four, three-year terms. The Supplementary Deed of Trust (2025) increased the number of terms a Trustee may serve from three to four.

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Trust's solicitors, Shepherd and Wedderburn, 37 Albyn Place, Aberdeen, AB10 1YN act on all legal matters as they affect the Trust. The Trustees in the administration and execution of the Trust shall have all powers, privileges and immunities of gratuitous Trustees acting under the law of Scotland.

Management of the charity

Under the Finance Act 2010, HMRC requires that, to remain eligible to benefit from the tax advantages of charitable status, charities must be managed by "fit and proper persons". All Trustees have signed a declaration that they are fit and proper persons.

The Trust does not employ any staff and most of the administration and management was provided by Elizabeth Shepherd. Select and financial services were provided by Acumen Accountants & Advisors Limited. The James Hutton Institute, along with Homeguard Leasing Ltd, provided property management services.

In 2020 the Trust appointed Azets Audit Services as external auditors.

Statement of Trustees' responsibilities

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

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the total income and total expenditure of the Trust for that year.

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

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Mr J Moore (Chair) Trustee

Dated: 11th February 2026

MACAULAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF MACAULAY DEVELOPMENT TRUST

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2025 and of its total income and total 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Trust'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

MACAULAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MACAULAY DEVELOPMENT TRUST

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and 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 indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

MACAULAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MACAULAY DEVELOPMENT 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.



Sally Cheeney (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

18/02/2026

Chartered Accountants
Statutory Auditor

5 Whitefriars Crescent
Perth
United Kingdom
PH2 0PA

Azets Audit Services is eligible for appointment as auditor of the Trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

MACAULAY DEVELOPMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

		Unrestricted funds	Unrestricted funds
		2025	2024
	Notes	£000	£000
<u>Income from:</u>			
Investments	3	232	257
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	4	50	95
Charitable activities	5	969	3,330
		<hr/>	<hr/>
Total expenditure		1,019	3,425
		<hr/>	<hr/>
Net gains on investments	11	234	291
		<hr/>	<hr/>
Net movement in funds		(553)	(2,877)
Fund balances at 1 October 2024		9,718	12,595
		<hr/>	<hr/>
Fund balances at 30 September 2025		9,165	9,718
		<hr/> <hr/>	<hr/> <hr/>

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

MACAULAY DEVELOPMENT TRUST

BALANCE SHEET

AS AT 30 SEPTEMBER 2025

	Notes	2025 £000	£000	2024 £000	£000
Fixed assets					
Investment properties	13		2,290		2,220
Investments	14		6,387		7,099
			<u>8,677</u>		<u>9,319</u>
Current assets					
Debtors	15	96		16	
Cash and cash equivalents		485		534	
		<u>581</u>		<u>550</u>	
Creditors: amounts falling due within one year	16	(93)		(151)	
Net current assets			488		399
Total assets less current liabilities			<u>9,165</u>		<u>9,718</u>
Income funds					
Unrestricted funds			9,165		9,718
			<u>9,165</u>		<u>9,718</u>

The financial statements were authorised for approval by the Trustees on 11th February 2026

.....
Mr J Moore (Chair)
Trustee

MACAULAY DEVELOPMENT TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Notes	2025 £000	£000	2024 £000	£000
Cash flows from operating activities					
Cash absorbed by operations	21		(1,157)		(3,459)
Investing activities					
Purchase of investments		(3,300)		(7,777)	
Proceeds from disposal of investments		4,176		11,367	
Investment income received		232		257	
		<hr/>		<hr/>	
Net cash generated from investing activities			1,108		3,847
			<hr/>		<hr/>
Net (decrease)/increase in cash and cash equivalents			(49)		388
Cash and cash equivalents at beginning of year			534		146
			<hr/>		<hr/>
Cash and cash equivalents at end of year			485		534
			<hr/> <hr/>		<hr/> <hr/>

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

Charity information

Macaulay Development Trust is a registered charity, registered in Scotland. The principal address and nature of the Trust's operations are set out within the Trustees' Report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust'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 (FRS 102) (effective 1 January 2019)". The Trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £000.

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

1.2 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 operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Any grants awarded by the Trust are taken into full consideration by the board with reference to availability of funds prior to being approved. No grant would be awarded without funds being available. Alongside this the Trust has readily available liquid assets by the way of investment holdings, if these should be required.

1.3 Charitable funds

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

1.4 Income

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

Investment income is derived from managed investment portfolios and the Trust's investment properties and is recognised in the period to which it relates.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

Expenditure is recognised on the accruals basis inclusive of any irrecoverable VAT.

Grants payable

Grants payable are recognised on a performance-related basis; otherwise the full liability is recognised in the first year.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure).

Full valuations are made by an independent professionally qualified valuer with sufficient regularity and in the intervening years these valuations are updated by the Trustees with the assistance of independent professional advice as required.

1.7 Fixed asset investments

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The Trust has been granted charitable status by HMRC and therefore is not liable to corporation tax on charitable income and grants.

2 Critical accounting estimates and judgements

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

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

The following judgements or estimation uncertainties have a significant effect on amounts recognised in the financial statements:

Carrying value of investment properties

At each reporting date the Trustees are required to consider the fair value of its investment properties. In order to assess whether there has been any change in fair value, The Trustees are required to consider market values in the local property market along with any valuations provided by an independent surveyor.

The Trustees consider that there are no other judgements, estimates and underlying assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3 Income from investments

	Unrestricted funds 2025 £000	Unrestricted funds 2024 £000
Rental income	90	98
Income from listed investments	120	82
Interest receivable	22	77
	<u>232</u>	<u>257</u>

4 Raising funds

	Unrestricted funds 2025 £000	Unrestricted funds 2024 £000
Investment management	50	95
	<u>50</u>	<u>95</u>

5 Expenditure on charitable activities

	Unrestricted funds 2025 £000	Unrestricted funds 2024 £000
Direct costs		
Grant funding of activities (see note 6)	802	1,467
Share of support and governance costs (see note 7)		
Support	144	1,841
Governance	23	22
	<u>969</u>	<u>3,330</u>
Analysis by fund		
Unrestricted funds	<u>969</u>	<u>3,330</u>

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

6 Grants payable

	Unrestricted funds 2025 £000	Unrestricted funds 2024 £000
Grants to institutions:		
Fellowships	109	167
Studentships	192	299
Other - student prizes	1	1
JHI Assistance Funding	500	1,000
	<u>802</u>	<u>1,467</u>

7 Support costs allocated to activities

	2025 £000	2024 £000
Management services	34	44
Other expenses	44	37
Macaulay lecture	-	84
ILUSC works	66	1,676
Governance costs	23	22
	<u>167</u>	<u>1,863</u>

Governance costs comprise:	2025 £000	2024 £000
Audit fees	15	14
Accountancy	3	3
Trustee expenses	5	5
	<u>23</u>	<u>22</u>

8 Net movement in funds

	2025 £000	2024 £000
The net movement in funds is stated after charging:		
Fees payable for the audit of the charity's financial statements	15	14
	<u>15</u>	<u>14</u>

9 Trustees

The Trustees do not receive remuneration from the Trust.

Expenses of £1,555 (2024: £1,832) were paid to 7 (2024: 7) Trustees during the year.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

10 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Total	-	-
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

11 Gains and losses on investments

	Unrestricted	Unrestricted
	funds	funds
	2025	2024
	£000	£000
Gains/(losses) arising on:		
Revaluation of investments	162	(51)
Sale of investments	2	542
Revaluation of investment properties	70	(200)
	<u> </u>	<u> </u>
	234	291
	<u> </u>	<u> </u>

12 Taxation

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

13 Investment properties

	2025
	£000
Fair value	
At 1 October 2024	2,220
Net gains or losses through fair value adjustments	70
	<u> </u>
At 30 September 2025	2,290
	<u> </u>

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

13 Investment properties

(Continued)

Investment properties comprise Gardener's Cottage, the South Lodge and the Cunningham Building. It also includes South Field land which has 3.55 acres in South Field West, which has development potential, and 2.09 acres in South Field East, which is an amenity area adjacent to housing. There are also 2.25 acres of land and pond adjacent to the Cunningham Building.

The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30 September 2025 by Ryden LLP, Chartered Surveyors (regulated by RICS), who are not connected with the Trust.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties and land. This valuation conducted on 30 September 2025 by Ryden LLP adjusted the fair value of the investment property upwards by £70,000.

The historical cost of Gardener's Cottage, the South Lodge and the Cunningham Building is £533,000. The historic cost of the South Field land from 1930 is £20,000. The historic cost of the land and pond adjacent to Cunningham Building is £56,000.

The carrying value of land included in investment properties comprises:

	2025 £000	2024 £000
Heritable land	740	650

14 Fixed asset investments

	Listed investments £000
Cost or valuation	
At 1 October 2024	7,099
Additions	3,300
Valuation gains	164
Disposals	(4,176)
At 30 September 2025	6,387
Carrying amount	
At 30 September 2025	6,387
At 30 September 2024	7,099

The listed investments were managed by the Trustees supported by investment consultancy services from Rathbones Investment Management Limited to manage their investment portfolio.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

15 Debtors		
	2025	2024
	£000	£000
Amounts falling due within one year:		
Prepayments and accrued income	96	16
	<u> </u>	<u> </u>

16 Creditors: amounts falling due within one year		
	2025	2024
	£000	£000
Other creditors	47	100
Accruals and deferred income	46	51
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 October 2024	Income	Expenditure	Gains and losses	At 30 September 2025
	£000	£000	£000	£000	£000
General funds	9,718	232	(1,019)	234	9,165
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 October 2023	Income	Expenditure	Gains and losses	At 30 September 2024
	£000	£000	£000	£000	£000
General funds	12,595	257	(3,425)	291	9,718
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Financial commitments, guarantees and contingent liabilities

At 30 September 2025 the Trust had committed to provide funding of £193k to The James Hutton Institute over the next three years for future fellowships, studentships and research projects.

19 Capital commitments

Amounts contracted for but not provided in the financial statements totalled £77,920, and these costs have been committed for the refurbishment of investment property.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

20 Related party transactions

There were no transactions with related parties.

Transactions with Trustees have been disclosed at note 9.

21 Cash absorbed by operations	2025	2024
	£000	£000
Deficit for the year	(553)	(2,877)
Adjustments for:		
Investment income recognised in statement of financial activities	(232)	(257)
Gain on disposal of investments	(2)	(542)
Fair value (gains) and losses on investment properties	(70)	200
Fair value (gains) and losses on investments	(162)	51
Movements in working capital:		
(Increase)/decrease in debtors	(80)	21
(Decrease) in creditors	(58)	(55)
Cash absorbed by operations	<u>(1,157)</u>	<u>(3,459)</u>

22 Analysis of changes in net funds

The Trust had no material debt during the year.

Macaulay Development Trust

Scotland - Charity number SC023988

Accounts

Charity registration number SC023988 (Scotland)

MACAULAY DEVELOPMENT TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

MACAULAY DEVELOPMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

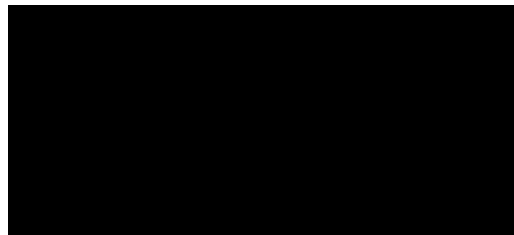
Trustees



Charity number (Scotland)

SC023988

Principal address



Auditor

Azets Audit Services
5 Whitefriars Crescent
Perth
United Kingdom
PH2 0PA

Bankers

Barclays Bank Plc
Moorgate 2
Leicestershire
LE87 2BB

Solicitors

Shepherd and Wedderburn
37 Albyn Place
Aberdeen
United Kingdom
AB10 1YN

Investment managers

Rathbones Investment Management Ltd
Port of Liverpool Building
Pier Head
Liverpool
United Kingdom
L3 1NW

MACAULAY DEVELOPMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Investment platform

Hargreaves Lansdown (ceased 17 November 2023)
One College Square South
Anchor Road
Bristol
BS1 5HL

Rathbones Investment Management Ltd (started 30 October 2023)
Port of Liverpool Building
Pier Head
Liverpool
United Kingdom
L3 1NW

MACAULAY DEVELOPMENT TRUST

CONTENTS

	Page
Trustees' report	1 - 5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 20

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Trustees present their annual report and financial statements for the year ended 30 September 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's 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 (FRS 102) (effective 1 January 2019)".

Establishment and Trust purposes

The Trust was established by a Deed of Trust by the Board of Governors of the Macaulay Land Use Research Institute (MLURI) dated 24 November 1994 and 14 December 1994, effective from 26 November 1993.

The purposes of the Trust were amended in a Supplementary Deed of Trust, registered on 24 January 2011, which empowers the Trustees to hold in trust and apply the Trust Property for the following purposes: the making of such grants or contributions to the cost of individuals or organisations as the Trustees shall deem appropriate to support research into the sustainable use of land and natural resources for the benefit of people, their communities and the environment; the objectives of such research to include:

- (i) improving the understanding of the physical, chemical and biological components of soils, waters and the Atmosphere
- (ii) investigating economic and social inter-relationships to provide the bases for resource management decisions
And
- (iii) developing strategies for land management and resource use.

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

Grant making policy

The Trustees consider applications which address the funding criteria detailed on the Trust's website. Applications are considered throughout the year and are initially viewed by the Trustees' Grants Committee which is composed of Trustees with a scientific background. This Committee makes recommendations to all the Trustees with whom decisions rest. Some applications may be decided in correspondence while others are decided at one of the regular Trustees' meetings.

The Trustees are also willing to consider initial expressions of interest of no more than two pages which touch briefly on each of the criteria and include a summary paragraph. The Trustees may then ask for further iterations providing more detail for those outline proposals of possible interest.

At a meeting of the Trustees held on 18 September 2023, the Trustees agreed to provide assistance funding to the James Hutton Institute, for a period of up to two years. As a consequence, the normal grant making procedure of the Trust was suspended for the duration of the assistance funding period.

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Trustees' investment powers

The powers of investment granted to the Trustees are wide and are only restricted by their fiduciary responsibility to act in a manner that is consistent with the purposes of the Trust.

Investment Policy and Performance

The Trustees wish to ensure that, as well as making a financial return, its investments are consistent with its values as a charity so continue to invest their assets in a manner that aligns with their social, environmental, and economic grant-giving objectives. The Trustees are aware that this position may result in a lower financial return from their investments, but they consider this acceptable as it provides consistency between their investment policies and grant giving objectives.

The Trust will select funds and work with fund managers that are ethical and sustainable and will continuously review their ESG related activities.

The Trustees have a policy of maintaining the value of the fund by linking to CPI as enshrined in our Investment Policy with, in the normal course of events, resources available to support charitable objectives coming from income and any additional capital growth above CPI. The growth of the fund exceeded CPI during the reporting period (performance of portfolio being 10.88% from the inception of the fund until 24 October 2024).

In late 2021 the Trustees initiated a review of their investment performance against ESG criteria. In 2022 the Trustees agreed that due to the increase in global economic insecurity and the effect on returns on investment, it was necessary to review the Trust's investment advisory services. In 2023 following a detailed selection process Rathbones Investment Management Limited were selected to work with the Trust. The opening of the account with Rathbones Investment Management Limited was initiated in July 2023. All pooled funds were transferred to the Rathbones portfolio by 30 October 2023 and the account with Hargreaves Lansdown ceased on 17 November 2023. The Trusts' Investment Policy was reviewed to update investment objectives and incorporate the approach to be taken by the new advisors, Rathbones Investment Management Limited. The updated version was approved in September 2024.

The value of investments was £10.2m on 30 September 2023. The change to Rathbones Investment Management Limited has seen almost £7.8m of new investment additions in the year and £11.4m of disinvestments during the financial year. By 30 September 2024 the value of the investments had fallen to £7.1m

The Trustees are satisfied that the funds of the Trust are sufficient for the needs of the Trust.

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Financial review

Review of activities and future developments

The income of the Trust was £257k (2023: £91k) while expenditure was £3,425k (2023: £619k) and after net gains on investments of £291k (2023: gains £235k), the net movement in funds of the Trust was a loss of £2,877k (2023: loss £293k).

Due to the Trustees agreeing to provide assistance funding to the James Hutton Institute, the normal grant making procedure of the Trust was suspended during the year and no new grants were approved during that period. However, grants agreed during previous reporting periods continued to be paid. Two tranches of assistance funding were paid to the James Hutton Institute, £500k in November 2023 and £500k in April 2024. The Trustees were satisfied that the funding would be allocated to projects which align with MDT objectives.

The Trust agreed to contribute £1.9m towards the construction of a new access road and car park for the Craigiebuckler Campus in Aberdeen as an integral part of the James Hutton Institute's development of the Campus to grow reach and capability and thereby new income generation to fund additional research. Trustees were satisfied that although direct research funding by MDT would reduce as a result of paying for the new access road, the development of the Campus facilitated by the new road will significantly increase income for the James Hutton Institute, estimated to double the value of MDT's normal research funding. The road and carpark were substantively completed by August 2024 at a cost of £1.8m.

The Trust undertook significant works to upgrade the Cunningham Building, to enable the former hostel area to be occupied by Bright Horizons Nursery in addition to the other half of the building which they already leased. The works were completed in April 2024 and Bright Horizons thereafter leased the whole building.

Two TB Macaulay Lectures took place within the financial year, due to availability of the speakers. The 44th TB Macaulay Lecture, took place on 18 October 2023 in Edinburgh, led by ██████████ Director of Potsdam Institute for Climate Impact Research and the 45th TB Macaulay Lecture, delivered by globally renowned environmental expert, ██████████ took place on 10 September 2024 in Edinburgh.

The heritable land and buildings, treated as investment properties, of the Trust were independently valued, as of 30 September 2024, by Ryden LLP, Chartered Surveyors. The Trust's land and investment properties have been valued on a market value basis.

Reserves policy

The accumulated income of the Trust will be applied to the objectives of the Trust. The Trustees accept that this may involve the use of Trust funds in excess of the income generated in one year, while in other years the cycle of suitable projects to fund does not allow the distribution of all the income from the Trust. Free reserves (unrestricted funds less the net book value of tangible fixed assets) as of 30 September 2024 were £7,498k (2023: £10,175k).

At a meeting held on 18th September 2023 the Trustees considered the case made by The James Hutton Institute for the provision of assistance funding to the Institute to help address a short/medium term depletion of their unrestricted reserves, forecast to be restored over the next two-three years by significant new income growth, principally via their newly developed Invergowrie Research Campus near Dundee.

Trustees subsequently approved the payment of assistance funding (up to £1m/year) from the Trust reserves to the James Hutton Institute, for a period of up to two years, but subject to suspension of the Trust's normal grant awarding powers to the Institute (other than for already committed funding of research projects) for the duration of the assistance funding. As outlined above, within the reporting period £1m of assistance funding was provided to the James Hutton Institute. An additional tranche of assistance funding is expected to be requested by the James Hutton Institute in spring 2025.

Risk management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to manage these risks. The risk register is reviewed at each Trustees' meeting.

MACAULAY DEVELOPMENT TRUST

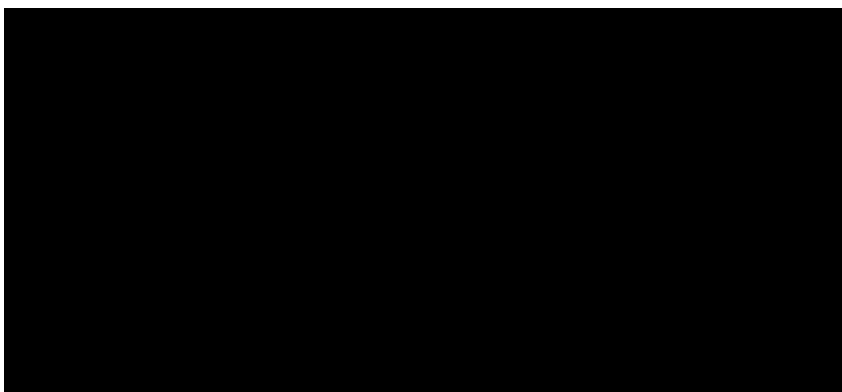
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Structure, governance and management

The Trust is recognised by the HMRC as a charity and its Scottish Charity Number is SC023988.

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



The Trust Deed provides that there may be between five and nine Trustees, or such a number as the Trustees may decide, who are appointed by resolution of the existing Trustees and retire by rotation. Trustees may be reappointed on a maximum of two occasions, so they may serve for a maximum of three, three-year terms.

The Trust's solicitors, Shepherd and Wedderburn, 37 Albyn Place, Aberdeen, AB10 1YN act on all legal matters as they affect the Trust. The Trustees in the administration and execution of the Trust shall have all powers, privileges and immunities of gratuitous Trustees acting under the law of Scotland.

Management of the charity

Under the Finance Act 2010, HMRC requires that, to remain eligible to benefit from the tax advantages of charitable status, charities must be managed by "fit and proper persons". All Trustees have signed a declaration that they are fit and proper persons.

The Trust does not employ any staff and most of the administration and management was provided by Elizabeth Shepherd. Select and financial services were provided by Acumen Accountants & Advisors Limited. The James Hutton Institute, along with Homeguard Leasing Ltd, provided property management services.

In 2020 the Trust appointed Azets Audit Services as external auditors.

MACAULAY DEVELOPMENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Statement of trustees' responsibilities

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

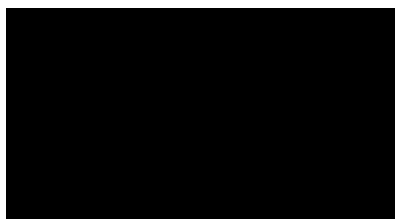
The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the total income and total expenditure of the Trust for that year.

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

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Trustee

Dated: 27 February 2025

MACAULAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF MACAULAY DEVELOPMENT TRUST

Opinion

We have audited the financial statements of Macaulay Development Trust (the 'Trust') for the year ended 30 September 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2024 and of its total income and total 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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Trust'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.

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.
-

MACAULAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MACAULAY DEVELOPMENT TRUST

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and 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 indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

MACAULAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MACAULAY DEVELOPMENT 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.



for and on behalf of Azets Audit Services

27 February 2025
.....

Chartered Accountants
Statutory Auditor

5 Whitefriars Crescent
Perth
United Kingdom
PH2 0PA

Azets Audit Services is eligible for appointment as auditor of the Trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

MACAULAY DEVELOPMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2024

		Unrestricted funds	Unrestricted funds
		2024	2023
	Notes	£000	£000
<u>Income from:</u>			
Investments	3	257	91
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	4	95	43
		<hr/>	<hr/>
Charitable activities	5	3,330	576
		<hr/>	<hr/>
Total expenditure		3,425	619
		<hr/>	<hr/>
Net gains on investments	10	291	235
		<hr/>	<hr/>
Net movement in funds		(2,877)	(293)
Fund balances at 1 October 2023		12,595	12,888
		<hr/>	<hr/>
Fund balances at 30 September 2024		9,718	12,595
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

MACAULAY DEVELOPMENT TRUST

BALANCE SHEET

AS AT 30 SEPTEMBER 2024

	Notes	2024 £000	£000	2023 £000	£000
Fixed assets					
Investment properties	12		2,220		2,420
Investments	13		7,099		10,198
			<u>9,319</u>		<u>12,618</u>
Current assets					
Debtors	14	16		37	
Cash and cash equivalents		534		146	
		<u>550</u>		<u>183</u>	
Creditors: amounts falling due within one year	15	(151)		(206)	
Net current assets/(liabilities)			<u>399</u>		<u>(23)</u>
Total assets less current liabilities			<u>9,718</u>		<u>12,595</u>
Income funds					
Unrestricted funds			<u>9,718</u>		<u>12,595</u>
			<u>9,718</u>		<u>12,595</u>

The financial statements were authorised for approval by the Trustees on 27 February 2025.



Trustee

MACAULAY DEVELOPMENT TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Notes	2024 £000	£000	2023 £000	£000
Cash flows from operating activities					
Cash absorbed by operations	18		(3,459)		(773)
Investing activities					
Purchase of investments		(7,777)		-	
Proceeds from disposal of investments		11,367		712	
Investment income received		257		91	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			3,847		803
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net increase in cash and cash equivalents			388		30
Cash and cash equivalents at beginning of year			146		116
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>534</u>		<u>146</u>

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 Accounting policies

Charity information

Macaulay Development Trust is a registered charity, registered in Scotland. The principal address and nature of the Trust's operations are set out within the Trustees' Report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust'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 (FRS 102) (effective 1 January 2019)". The Trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £000.

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Any grants awarded by the Trust are taken into full consideration by the board with reference to availability of funds prior to being approved. No grant would be awarded without funds being available. Alongside this the Trust has readily available liquid assets by the way of investment holdings if these should be required.

1.3 Charitable funds

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

1.4 Income

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

Investment income is derived from managed investment portfolios and the Trust's investment properties and is recognised in the period to which it relates.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

Expenditure is recognised on the accruals basis inclusive of any irrecoverable VAT.

Grants payable

Grants payable are recognised on a performance-related basis; otherwise the full liability is recognised in the first year.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/ (expenditure).

Full valuations are made by an independent professionally qualified valuer with sufficient regularity and in the intervening years these valuations are updated by the Trustees with the assistance of independent professional advice as required.

1.7 Fixed asset investments

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The Trust has been granted charitable status by HMRC and therefore is not liable to corporation tax on charitable income and grants.

2 Critical accounting estimates and judgements

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

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

The following judgements or estimation uncertainties have a significant effect on amounts recognised in the financial statements:

Carrying value of investment properties

At each reporting date the Trustees are required to consider the fair value of its investment properties. In order to assess whether there has been any change in fair value, The Trustees are required to consider market values in the local property market along with any valuations provided by an independent surveyor.

The Trustees consider that there are no other judgements, estimates and underlying assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

3 Investments

	Unrestricted funds	Unrestricted funds
	2024 £000	2023 £000
Rental income	98	91
Income from listed investments	82	-
Interest receivable	77	-
	<u>257</u>	<u>91</u>

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2024 £000	2023 £000
Investment management	95	43
	<u>95</u>	<u>43</u>

5 Charitable activities

	2024 £000	2023 £000
Grant funding of activities (see note 6)	1,467	489
Share of support costs (see note 7)	1,841	68
Share of governance costs (see note 7)	22	19
	<u>3,330</u>	<u>576</u>

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

6 Grants payable

	2024	2023
	£000	£000
Grants to institutions:		
Fellowships	167	162
Short term research & workshops	-	73
Studentships	299	253
Other - student prizes	1	1
JHI Assistance Funding	1,000	-
	<u>1,467</u>	<u>489</u>

-

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

7 Support costs

	Support costs £000	Governance costs £000	2024 £000	Support costs £000	Governance costs £000	2023 £000	Basis of allocation
Management services	44	-	44	49	-	49	
Other expenses	37	-	37	14	-	14	
Macaulay lecture costs	84	-	84	-	-	-	
Battery store	-	-	-	5	-	5	
ILUSC works	1,676	-	1,676	-	-	-	
Audit fees	-	14	14	-	14	14	Governance
Accountancy	-	3	3	-	3	3	Governance
Trustees expenses	-	5	5	-	2	2	Governance
	<u>1,841</u>	<u>22</u>	<u>1,863</u>	<u>68</u>	<u>19</u>	<u>87</u>	
Analysed between							
Charitable activities	<u>1,841</u>	<u>22</u>	<u>1,863</u>	<u>68</u>	<u>19</u>	<u>87</u>	

Governance costs includes payments to the auditors of £14,542 (2023- £14,060) for audit fees and £2,750 (2023 - £2,500) for other services.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

8 Trustees

The Trustees do not receive remuneration from the Trust.

Expenses of £1,832 (2023: £983) were paid to 7 (2023: 8) Trustees during the period.

9 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Total	-	-
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

10 Net gains on investments

	Unrestricted	Unrestricted
	funds	funds
	2024	2023
	£000	£000
Unrealised loss of investments	(51)	(130)
Realised gain on sale of investments	542	185
Revaluation of investment properties	(200)	180
	<u> </u>	<u> </u>
	291	235
	<u> </u>	<u> </u>

11 Taxation

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

12 Investment properties

	2024
	£000
Fair value	
At 1 October 2023	2,420
Net gains or losses through fair value adjustments	(200)
	<u> </u>
At 30 September 2024	2,220
	<u> </u>

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

12 Investment properties

(Continued)

Investment properties comprise Gardener's Cottage, the South Lodge and the Cunningham Building. It also includes South Field land which has 3.55 acres in South Field West, which has development potential, and 2.09 acres in South Field East, which is an amenity area adjacent to housing. There is also 2.25 acres of land and pond adjacent to the Cunningham Building.

The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30th September 2024 by Ryden LLP, Chartered Surveyors (regulated by RICS), who are not connected with the Trust.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties and land. This valuation conducted on 30th September 2024 by Ryden LLP adjusted the fair value of the investment property downwards by £200,000.

The historical cost of Gardener's Cottage, the South Lodge and the Cunningham Building is £533,000. The historic cost of the South Field land from 1930 is £20,000. The historic cost of the land and pond adjacent to Cunningham Building is £56,000.

The carrying value of land included in investment properties comprises:

	2024 £000	2023 £000
Heritable land	650	955

13 Fixed asset investments

	Listed investments £000
Cost or valuation	
At 1 October 2023	10,198
Additions	7,777
Valuation changes	491
Disposals	(11,367)
At 30 September 2024	7,099
Carrying amount	
At 30 September 2024	7,099
At 30 September 2023	10,198

The listed investments were managed by the Trustees supported by investment consultancy services from Rathbones Investment Management Limited to manage their investment portfolio.

MACAULAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

14 Debtors

	2024	2023
	£000	£000
Amounts falling due within one year:		
Other debtors	-	18
Prepayments and accrued income	16	19
	<u>16</u>	<u>37</u>

15 Creditors: amounts falling due within one year

	2024	2023
	£000	£000
Other creditors	100	190
Accruals and deferred income	51	16
	<u>151</u>	<u>206</u>

16 Financial commitments, guarantees and contingent liabilities

At 30 September 2024 the Trust had committed to provide funding of £593k to The James Hutton Institute over the next three years for future fellowships, studentships and research projects.

17 Related party transactions

There were no transactions with related parties.

Transactions with trustees have been disclosed at note 8.

18 Cash generated from operations

	2024	2023
	£000	£000
Deficit for the year	(2,877)	(293)
Adjustments for:		
Investment income recognised in statement of financial activities	(257)	(91)
Gain on disposal of investments	(542)	(185)
Fair value gains and losses on investment properties	200	(180)
Fair value gains and losses on investments	51	130
Movements in working capital:		
Decrease/(increase) in debtors	21	(20)
(Decrease) in creditors	(55)	(134)
Cash absorbed by operations	<u>(3,459)</u>	<u>(773)</u>

19 Analysis of changes in net funds

The Trust had no debt during the year.