

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST
TRUSTEES' REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ArmstrongWatson®
Accountants, Business & Financial Advisers

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

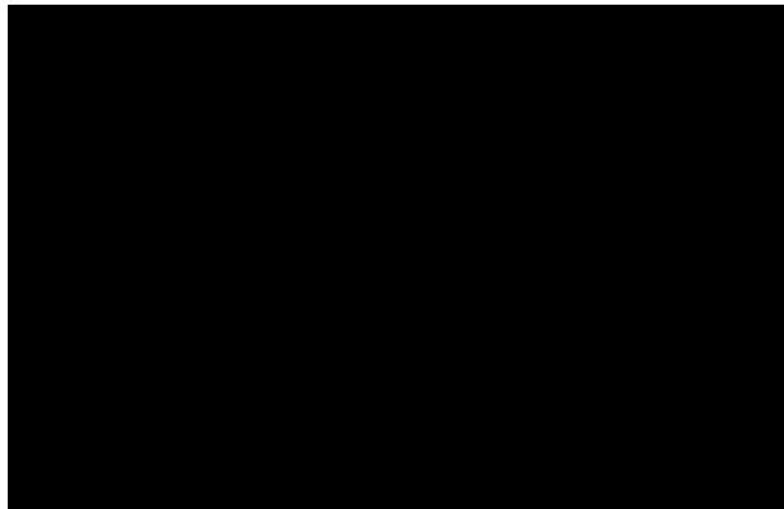
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THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees



**Charity registered
number**

SC037563

Registered office

Regimental Headquarters
The Royal Regiment of Scotland
The Castle
Edinburgh
EH1 2YT

Company secretary



Independent auditors

Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
1st Floor
24 Blythswood Square
Glasgow
G2 4BG

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the audited financial statements of the Trust for the year 1 April 2024 to 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the Trust's Constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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).

Objectives and activities

a. Policies and objectives

The Trust's objectives are:-

To apply the capital and income of the funds and property together with the capital and income of any additional estate which may be paid into the Trust Fund from time to time, including any additional funds, property or estate of any kind whatsoever emanating from any Regular or Reserve Army, Auxiliary or affiliated unit of The Regiment whether or not such unit be disbanded or amalgamated, in such manner as they think fit for:-

1. Any purposes which appear to them in their absolute discretion directed to the improvement, efficiency, benefit, or improvement of morale and welfare of The Regiment or any unit thereof including any Regular or Reserve Army, Cadet, Auxiliary or affiliated unit;
2. The benefit of any necessitous person or persons who are in need of assistance and who are serving in or who have served in (a) The Regiment (b) the Antecedent Regiments or (c) any now or former Infantry Regiment of the British Army substantially associated with Scotland ("the Former Regiments"), or who are the dependants, widows, widowers, civil partners or orphans of persons who are serving or who have served as aforesaid; or
3. The Regimental Association of The Regiment or to any other charity providing welfare and financial support for service or ex service personnel.

Achievements and performance

a. Main achievements of the Trust

Introduction

The application of trust funds continues to align with the Deed of Trust for The Royal Regiment of Scotland. The trustees allocate the capital and income of the funds primarily to enhance the efficiency, welfare, and overall benefit of the Regiment, with a particular focus on serving soldiers, veterans, and their dependants in need of assistance.

Welfare

The SCOTS Trust provided welfare support, directly benefiting Serving Personnel (SP), veterans, and their families. This funding was directed towards essential welfare initiatives, including contributions to the Army Benevolent Fund and Poppy Scotland, as well as the provision of wreaths for commemorative events throughout the year.

Funds were strategically distributed to ensure timely and effective support for beneficiaries. By disbursing payments directly to suppliers, the Trust expedited assistance, addressing urgent needs without delay.

Collaborative efforts with other charitable organisations further amplified the impact of these initiatives, enabling additional contributions and extending the reach of support to those in need.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

SCOTS Association

Support to the SCOTS Association through the SCOTS Trust was also provided in this FY. This funding benefited SP, veterans, their families, and the Regiment as a whole, supporting events such as the Remembrance Sunday lunch, Association events, the Association Rally, and other requests.

These gatherings play a vital role in fostering camaraderie, providing timely support, and nurturing a sense of belonging within the SCOTS association. They offer opportunities for attendees to reconnect with old friends, forge new relationships, and honour the memory of those who have passed.

Such events significantly uplift morale, strengthen personal and collective ties, and contribute to the overall well-being and unity of the Regiment. A cohesive and motivated association is essential for future success, fostering a culture of positivity, regimental pride, and mutual support.

Battalion and Individual Grants

The professionalism and well-being of the Regiment's officers and soldiers were enhanced through regimental grants. These grants supported adventurous training, sports, and other collective activities, enabling soldiers to develop new skills in challenging environments and excel in individual and team pursuits.

Annual and Christmas grants were provided to Battalion Commanding Officers to benefit their personnel and fund Christmas lunches for soldiers. Additional grants supported the Soldier Academy, fostering a strong sense of belonging among SCOTS soldiers under training.

Adventurous training and sports remain critical to enhancing the Regiment's fighting power and the health and well-being of its soldiers. Funds were allocated to support participation in activities such as skiing, sailing, ultra-marathons, cycling, golf competitions, and shooting events. These activities not only enhance operational readiness but also contribute to soldiers' physical and mental well-being during periods between deployments and exercises.

Communications

The Trust funded enhanced communications, benefiting the internal SCOTS audience through redesigned and cost-efficient SCOTS Association Newsletters and an enhanced SCOTS Journal. The journal serves as a comprehensive record of the Regiment's activities and will inform the writing of Regimental History Volume One.

Both publications, available on the SCOTS website and app, ensure consistent communication and updates, supporting the regimental strategy. RHQ SCOTS also underwent a visual refresh, with updated artwork, wall vinyls, and professional imagery installed in offices and corridors to better portray the Regiment's role and enhance the experience of recruits and visitors.

To further support communications objectives, the Regiment continued to employ the professional services of Grayling, a commercial marketing company. Grayling managed communications and created content for print and social media, resulting in significant media coverage across TV, print, radio, and podcasts. This boosted the Regiment's profile, identity, and standing within local communities.

Engagement

Engagement with local authorities and organisations remains a priority, supporting recruitment and assisting veterans as they reintegrate into their communities. Funds were allocated for engagement activities, which included meetings with politicians and civic leaders, participation in events and ceremonial parades, including accepting the Freedoms of four Scottish councils, and strengthening ties with the Scottish Rugby Union, where SCOTS bands performed national anthems and soldiers engaged with our communities and promoted the Regiment. The Regimental Mascot also played a key role in engagement activities, gaining a significant social media following and enhancing the Regiment's visibility.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

Fostering Identity and Belonging

To foster identity and belonging among the 200 newly recruited officers and soldiers, they were supplied with SCOTS-branded physical training clothing, regimental tartan belts, rank slides, and recognition flashes. These items instilled regimental pride, cohesion, and a lifelong sense of belonging within the SCOTS family.

Digitisation and Information Sharing

The Trust supported digitisation needs in FY 24/25, refreshing the SCOTS website and app to improve functionality, engagement, and communication. Key benefits included:

- Enhanced user experience with intuitive navigation.
- Improved veteran support through streamlined content and dedicated resources.
- Increased engagement via regularly updated content and integrated social media.
- Operational efficiency through simplified content management.
- Strengthened regimental identity through modern design.

The SCOTS app has become a centralised communication platform, streamlining administration, improving accessibility, and fostering community cohesion. Its modular design ensures scalability for future needs.

Heritage

The Trust provided a grant to the Museum of The Royal Regiment of Scotland to promote regimental heritage and culture. This funding supported:

- A successful learning programme delivered on-site at Edinburgh Castle, in communities across Scotland, and online.
- New resources for primary-age students to understand the Army's role in society.
- Bespoke activities for SCOTS families during deployments.
- A temporary exhibition, The British Army and Ukraine, in partnership with the National Army Museum, highlighting the Regiment's involvement in Op INTERFLEX.

The Museum, which receives over 500,000 visitors annually (70% from outside the UK), remains a vital public face of the Regiment, ensuring the SCOTS brand is internationally recognised.

Financial review

a. Financial Review

During the year the trust generated an overall deficit after investment gains of £35,248 (2024 – surplus - £31,682) consisting of a restricted fund surplus of £151 (2024 - Deficit - £2,004) and an unrestricted fund deficit of £35,399 (2024 – surplus - £33,686). At the year end the trust had total funds of £2,926,142 (2024 - £2,961,390) which includes restricted funds of £9,703 (2024 - £9,552) and unrestricted funds of £2,916,439 (2024 - £2,951,838).

Our investments have performed in line with the market during the financial year. The long-term aim is to preserve and grow the capital ahead of inflation, without taking undue risk, while generating a moderate degree of income. As at 31 March 2025 the market value of investments was £2,943,805 (2024 - £2,929,414).

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

b. Reserves policy

The Trustees policy on reserves is that it originally commenced with the minimum amount necessary to provide income for the maintenance of the Trusts objectives. The Trustees consider that further reserves will be required in the future and therefore that it is appropriate to accumulate surpluses as they arise.

It is the policy of the Trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between 3 and 6 months expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised. At the balance sheet date the charity has unrestricted reserves of £2,916,439 (2024 - £2,951,838) therefore this level of reserves has been maintained throughout the year.

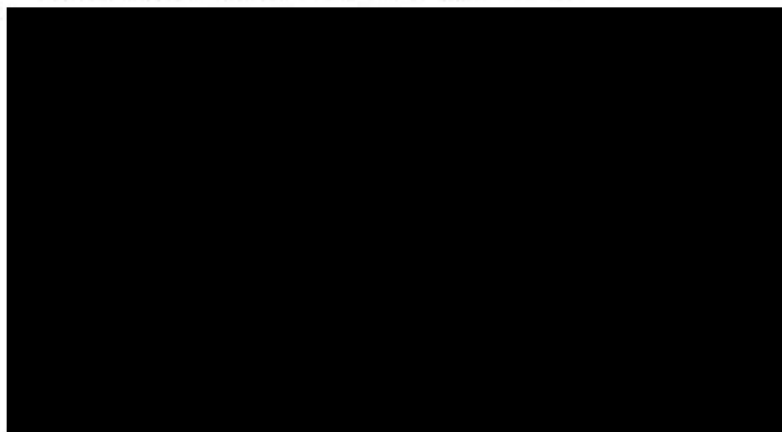
The Trustees have assessed the major risks to which the Trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

a. Structure, governance and management

The Royal Regiment of Scotland Regimental Trust was established by a charitable Deed of Trust on 20 January 2006.

The Trustees who served during the year and to the date the financial statements were approved are as follows:



The Trustees are appointed on the basis of their specific skills and are aware of their responsibilities in respect of the governance of the trust.

Full legal and administrative details can be found at the front of the financial statements.

Plans for future periods

The future plans for the organisation is to continue to fulfil its charitable objectives as detailed on page 2.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Statement of Trustees' responsibilities

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

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Trust and of its incoming resources and application of resources, including its income and expenditure, for that period.

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

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

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provision 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 are responsible for the maintenance and integrity of the charity and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Date: 28/11/25

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

OPINION

We have audited the financial statements of The Royal Regiment of Scotland Regimental Trust (the 'Trust') for the year ended 31 March 2025 which comprise the Statement of financial activities, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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 where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST (CONTINUED)

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include FRS 102, the Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

We gained an understanding of how the charity is complying with these laws and regulations by making enquiries of management. We corroborated these enquiries through our review of submitted returns, relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance;
- Reviewing the level of and reasoning behind the charity's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.


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

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST (CONTINUED)

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Glasgow

Date: 15 December 2025

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	24,987	178,622	203,609	200,879
Other trading activities	4	-	2,118	2,118	2,315
Investments	5	-	68,193	68,193	61,410
Total income		24,987	248,933	273,920	264,604
Expenditure on:					
Raising funds	6	-	23,374	23,374	19,451
Charitable activities		24,836	290,784	315,620	503,324
Total expenditure		24,836	314,158	338,994	522,775
Net income/(expenditure) before net gains on investments		151	(65,225)	(65,074)	(258,171)
Net gains on investments		-	29,826	29,826	289,853
Net movement in funds		151	(35,399)	(35,248)	31,682
Reconciliation of funds:					
Total funds brought forward		9,552	2,951,838	2,961,390	2,929,708
Net movement in funds		151	(35,399)	(35,248)	31,682
Total funds carried forward		9,703	2,916,439	2,926,142	2,961,390

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

The notes on pages 13 to 27 form part of these financial statements.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST
REGISTERED NUMBER: SC037563

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Investments	14	2,943,805	2,929,414
		<u>2,943,805</u>	<u>2,929,414</u>
Current assets			
Debtors	15	13,980	13,431
Cash at bank and in hand		33,607	102,479
		<u>47,587</u>	<u>115,910</u>
Creditors: amounts falling due within one year	16	(65,250)	(83,934)
Net current liabilities / assets		<u>(17,663)</u>	<u>31,976</u>
Total assets less current liabilities		<u>2,926,142</u>	<u>2,961,390</u>
Charity funds			
Restricted funds	18	9,703	9,552
Unrestricted funds	18	2,916,439	2,951,838
Total funds		<u>2,926,142</u>	<u>2,961,390</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by

Trustee

Date: 28/11/25

The notes on pages 13 to 27 form part of these financial statements.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. Charity information

The Royal Regiment of Scotland Regimental Trust is a charitable trust registered in Scotland. The Trust is registered with OSCR, charity number SC037563. The registered office is Regimental Headquarters, The Castle, Edinburgh, Midlothian, EH1 2YT.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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).

The Royal Regiment of Scotland Regimental Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

2.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for at least the next 12 months and have not identified any material uncertainties regarding the ability of the charity to continue. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

2.3 Income

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

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

Income from other trading activities includes fundraising events and clothing sales and is recognised when entitlement has occurred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure, it is probable that a transfer of economic benefits will be required and the amount can be measured or estimated reliably. The charity is not registered for VAT and accordingly expenditure is shown inclusive of irrecoverable VAT.

Costs of raising funds are those costs that are incurred to raise further funds for the charity. Charitable activities are incurred in direct pursuance of the Trust's principal objects and include support costs that assist the work of the charity but do not directly represent charitable activities. Support costs include administrative costs and governance costs. They are incurred directly in support of expenditure on the objects of the charity.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity.

Governance costs comprise all costs associated with the governance arrangements of the charity, including constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Trust's objectives, as well as any associated support costs.

2.5 Taxation

The Trust is recognised as a charity by HM Revenue and Customs under section 505 Taxes Act 1988 therefore no provision is made for taxation.

2.6 Investments

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

2.7 Cash at bank and in hand

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

Basic financial assets

Basic financial assets, which include debtors and bank balances, are measured at transaction price.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Derecognition of financial assets Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled.

Basic financial liabilities

Basic financial liabilities, including creditors are recognised at transaction price.

Derecognition of financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charity's objectives unless the funds have been designated for other purposes.

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

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

3. Income from donations and legacies

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Regimental subscriptions	-	172,633	172,633
Donations and gifts	24,987	5,989	30,976
	<u>24,987</u>	<u>178,622</u>	<u>203,609</u>

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Regimental subscriptions	-	170,683	170,683
Donations and gifts	28,063	2,133	30,196
	<u>28,063</u>	<u>172,816</u>	<u>200,879</u>

4. Income from other trading activities

	Unrestricted funds 2025 £	Total funds 2025 £
Journal income	162	162
Website income	1,956	1,956
	<u>2,118</u>	<u>2,118</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Journal income	165	165
Website income	2,150	2,150
	<u>2,315</u>	<u>2,315</u>

In the prior year, Journal Income was incorrectly described as Tweed and Jersey Sales. This has now been more accurately classified under Income from other trading activities.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Investment income	68,193	68,193

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income	61,410	61,410

6. Raising Funds

	Unrestricted funds 2025 £	Total funds 2025 £
Investment management fees	23,374	23,374

	Unrestricted funds 2024 £	Total funds 2024 £
Investment management fees	18,047	18,047
Fundraising events	1,404	1,404
	19,451	19,451

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Charitable activities

For the year ended 31 March 2025

	Grants paid	Community involvement	Presentations and memorials	Regimental activities	Expeditions	General welfare	Recruitment	Total	Total
	2025	2025	2025	2025	2025	2025	2025	2025	2024
	£	£	£	£	£	£	£	£	£
Charitable activities	-	8,929	15,597	171,481	-	-	10,213	206,220	331,915
Grant funding of activities	21,482	-	-	-	14,110	55,359	-	90,951	144,429
Share of support costs	2,474	-	-	-	-	-	-	2,474	5,812
Share of governance costs	15,975	-	-	-	-	-	-	15,975	21,166
	<u>39,931</u>	<u>8,929</u>	<u>15,597</u>	<u>171,481</u>	<u>14,110</u>	<u>55,359</u>	<u>10,213</u>	<u>315,620</u>	<u>503,322</u>
Analysis by fund									
Unrestricted funds	39,931	8,929	15,597	171,481	14,110	30,523	10,213	290,784	473,255
Restricted funds	-	-	-	-	-	24,836	-	24,836	30,067
	<u>39,931</u>	<u>8,929</u>	<u>15,597</u>	<u>171,481</u>	<u>14,110</u>	<u>55,359</u>	<u>10,213</u>	<u>315,620</u>	<u>503,322</u>

During the year the Trust implemented its three year Regimental Strategy which is viewed as an investment in the long term sustainability of the Trust by the Trustees. Costs incurred in the year were £136,592 which are included within Regimental Activities.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Charitable activities

For the year ended 31 March 2024

	Grants paid	Community involvement	Presentations and memorials	Regimental activities	Expeditions	General welfare	Recruitment	Total	Total
	2024	2024	2024	2024	2024	2024	2024	2024	2023
	£	£	£	£	£	£	£	£	£
Charitable activities	-	9,736	5,814	300,744	-	-	15,621	331,915	162,016
Grant funding of activities	37,516	-	-	-	44,080	62,833	-	144,429	156,903
Share of support costs	5,812	-	-	-	-	-	-	5,812	6,657
Share of governance costs	21,166	-	-	-	-	-	-	21,166	14,500
	<u>64,494</u>	<u>9,736</u>	<u>5,814</u>	<u>300,744</u>	<u>44,080</u>	<u>62,833</u>	<u>15,621</u>	<u>503,322</u>	<u>340,076</u>
Analysis by fund	-	-	-	-	-	-	-	-	-
Unrestricted funds	64,494	9,736	5,814	300,744	44,080	32,766	15,621	473,255	303,806
Restricted funds	-	-	-	-	-	30,067	-	30,067	36,270
	<u>64,494</u>	<u>9,736</u>	<u>5,814</u>	<u>300,744</u>	<u>44,080</u>	<u>62,833</u>	<u>15,621</u>	<u>503,322</u>	<u>340,076</u>

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

9. Grants Payable

	Grants paid	Expeditions	General Welfare	Total	Grants paid	Expeditions	General Welfare	Total
	2025	2025	2025	2025	2024	2024	2024	2024
	£	£	£	£	£	£	£	£
Grants to institutions:								
Army Benevolent Fund	5,000	-	-	5,000	10,000	-	-	10,000
Royal Military Academy Sandhurst fund	-	-	-	-	5,000	-	-	5,000
ITC Catterick	1,500	-	-	1,500	-	-	-	-
Royal Guard	2,000	-	-	2,000	-	-	-	-
Poppy Scotland	2,000	-	-	2,000	2,000	-	-	2,000
Army Foundation College	-	-	-	-	-	-	-	-
1 RANGER BN	912	200	-	1,112	1,272	-	-	1,272
2 SCOTS	2,776	50	-	2,826	3,473	6,450	-	9,923
3 SCOTS	2,348	1,129	-	3,477	3,519	2,480	-	5,999
4 SCOTS	3,220	6,365	-	9,585	3,817	5,400	-	9,217
5 SCOTS	584	140	-	724	2,809	367	-	3,176
6 SCOTS	560	320	-	880	857	1,050	-	1,907
7 SCOTS	582	-	-	582	899	-	-	899
Veterans & Cadets	-	4,466	-	4,466	-	27,153	-	27,153
	-	1,440	-	1,440	250	1,180	-	1,430
Other								
	21,482	14,110	-	35,592	33,896	44,080	-	77,976
	-	-	55,359	55,359	-	-	62,833	62,833
Grants to individuals								
	21,482	14,110	55,359	90,951	33,896	44,080	62,833	140,809

All grants payable are made in line with the charitable objectives of the Trust.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

10. Support costs

	Support costs £	Governance costs £	2025 £	Support costs £	Restated Governance costs £	2024 £
Insurance	552	-	552	550	-	550
Postage and stationery	200	-	200	1,336	-	1,336
Sundry expenses	1,722	-	1,722	3,926	-	3,926
Audit fees	-	15,120	15,120	-	14,760	14,760
Accountancy	-	855	855	-	6,406	6,406
	<u>2,474</u>	<u>15,975</u>	<u>18,449</u>	<u>5,812</u>	<u>21,166</u>	<u>26,978</u>
Analysed between						
Charitable activities	<u>2,474</u>	<u>15,975</u>	<u>18,449</u>	<u>5,812</u>	<u>21,166</u>	<u>26,978</u>

Governance costs includes payments to the auditors of £15,120 (2024 – £14,760) in respect of the audit of the financial statements.

In the prior year, governance costs were incorrectly totalled due to the reallocation of accountancy fees. As a result, these costs have been restated from £3,750 to £6,406 to reflect the correct allocation. There was no impact on opening reserves as a result of this restatement of comparative.

Fees payable for accounts preparation services for the year amounted to £2,520. These fees are shown lower in the table above due to an over accrual in the prior year.

11. Auditors' remuneration

	2025 £	2024 £
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	<u>15,120</u>	<u>14,760</u>

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

13. Employees

There were no employees during the current or prior year.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

14. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 April 2024	2,899,504	29,910	2,929,414
Additions	1,814,251	-	1,814,251
Disposals	(1,823,347)	(6,339)	(1,829,686)
Revaluations	29,826	-	29,826
	<u>2,920,234</u>	<u>23,571</u>	<u>2,943,805</u>
At 31 March 2025			
Net book value			
At 31 March 2025	2,920,234	23,571	2,943,805
At 31 March 2024	<u>2,899,504</u>	<u>29,910</u>	<u>2,929,414</u>

15. Debtors

	2025 £	2024 £
Due within one year		
Prepayments and accrued income	13,980	13,431
	<u>13,980</u>	<u>13,431</u>

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

16. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	2,699	13,510
Other creditors	38,994	51,284
Accruals and deferred income	23,557	19,140
	<u>65,250</u>	<u>83,934</u>

17. Financial instruments

	2025 £	2024 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>33,607</u>	<u>102,479</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Statement of funds - current year

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THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
General Funds	2,871,286	236,541	(492,708)	46,866	289,853	2,951,838
	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Restricted funds						
Queens Own Highlanders	1,588	4,863	(5,360)	-	-	1,091
Highlanders	4,689	46	(3,449)	-	-	1,286
Cameronians	1,541	-	(551)	-	-	990
Royal Scots	1,388	10,463	(9,045)	-	-	2,806
51 Highland Fund	46,866	-	-	(46,866)	-	-
K.O.S.B. Association	2,350	12,691	(11,662)	-	-	3,379
	58,422	28,063	(30,067)	(46,866)	-	9,552
Total of funds	2,929,708	264,604	(522,775)	-	289,853	2,961,390

The remaining balance of the 51 Highland restricted fund was transferred to unrestricted funds during the year. This transfer was completed as the Trustees believe the original purpose of the restricted fund, which was to create a website, has been fulfilled.

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
General funds	2,951,838	248,933	(314,158)	29,826	2,916,439
Restricted funds	9,552	24,987	(24,836)	-	9,703
	<u>2,961,390</u>	<u>273,920</u>	<u>(338,994)</u>	<u>29,826</u>	<u>2,926,142</u>

Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
General funds	2,871,286	236,541	(492,708)	46,866	289,853	2,951,838
Restricted funds	58,422	28,063	(30,067)	(46,866)	-	9,552
	<u>2,929,708</u>	<u>264,604</u>	<u>(522,775)</u>	<u>-</u>	<u>289,853</u>	<u>2,961,390</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Fixed asset investments	-	2,943,805	2,943,805
Current assets	9,703	37,883	47,586
Creditors due within one year	-	(65,250)	(65,250)
Total	<u>9,703</u>	<u>2,916,438</u>	<u>2,926,141</u>

THE ROYAL REGIMENT OF SCOTLAND REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2024 £</i>	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Fixed asset investments	-	2,929,414	2,929,414
Current assets	9,552	106,358	115,910
Creditors due within one year	-	(83,934)	(83,934)
Total	<u>9,552</u>	<u>2,951,838</u>	<u>2,961,390</u>

21. Related party transactions

The Charity shares common directors and has common goals with the Museum of The Royal Regiment of Scotland.

In the year to 31 March 2025 grants totalling £4,000 (2024 – £3,620) were awarded to the Museum of The Royal Regiment of Scotland.

In addition, reimbursed expenses were paid to the Museum of The Royal Regiment of Scotland totalling £Nil (2024 – £1,750).

The Charity acts as a custodian and holds grant in aid funding awarded to the Museum of The Royal Regiment of Scotland in trust. At the balance sheet date the amounts held by the charity and therefore payable to the Museum of The Royal Regiment of Scotland was £38,994 (2024- £51,284).

