

Trustees' Annual Report and Financial Statements

For the year ended 28 February 2025

Scottish Charity Number: SC007410

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The National Trust for Scotland

Scottish Charity Number: SC007410

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Chair & Chief Executive's Statement

Looking back over the last year, we are pleased to report it has been one of further growth for the National Trust for Scotland across our aims of conservation, access, and sustainability.

A record number of 5.6 million visits were made to our places, we received more support through donations, appeals and legacies than ever before, our commercial activities that enable our charitable purpose reached new levels of performance, and our membership numbers continue to grow. This has meant we have been able to continue to invest substantially in conservation and our wider work to get more people involved in and inspired by what we do.

Over the last year the external fabric of Craigievar Castle was restored, the St Kilda kirk roof was fully repaired, and in Angus the 18th-century Barry Mill was brought back into working order, enabling it to produce flour once again. In strategic developments, we published our Plan for Nature, giving us clear direction in looking after the natural world in our care, of ever-growing importance as the effects of the climate and biodiversity crises become increasingly evident. An environmental sustainability plan for all of our estate and activities has been put in place to support the essential task of reducing our carbon emissions.

Vitality, our strong performance in 2024/25 helps our future resilience and ability to plan in the face of continuing global uncertainty and economic shock. Looking forward into 2025 and beyond, we begin the second phase of our ambitious ten-year strategy, *Nature, Beauty and Heritage for Everyone*. There are re-openings such as the restored Canna House and the rehousing of its precious Gaelic collections telling us of past Hebridean life and traditions. We have a major marine engineering project to improve access to the bewitching Isle of Staffa (visited by some 100,000 people a year), and on Iona we are taking a farm in hand, reviving it and contributing to the conservation of the island's land and nature.

Work in restoring Mackintosh's masterpiece, the Hill House, will accelerate following our successful application to The National Lottery Heritage Fund in 2024 for support to promote and conserve the legacy of Mackintosh and his partner and collaborator Margaret Macdonald, two of Scotland's most creative geniuses. In the North East, one of our most celebrated places, Fyvie Castle, Garden and Estate, will receive new attention as we begin a decade-long project to restore its 18th-century Old Home Farm and address the complex conservation needs of the castle itself and its spectacular collections. Our ambitions at Fyvie extend across the wider estate there, which we wish to bring to life for more people. We have done this recently at Drum Castle, where fallen trees have been turned into an innovative natural play area for families in support of learning about our work to conserve the surrounding ancient woodlands.

Challenges abound too. Early in 2025, Storm Eowyn played havoc across our gardens and estates, destroying and damaging trees, no less than 400 within the historic woodlands at Culzean Castle alone, and so we are grateful to those who respond to our appeals. Rising sea levels will affect our coastal places, and a programme of archaeology will work to understand what human heritage may be at risk across the thousands of miles of coastline in our care.

Our ability to address these challenges is made possible by the passion of our staff and volunteers, and the support we receive from our members and many more. For over 90 years, the National Trust for Scotland has been taking much of Scotland's most precious heritage into its care. We are proud to do so, grateful to all that make it possible, and wish the Trust's new Chair, Dame Sue Bruce, every success as she steps into the role.



Sir Mark Jones, Chair



Philip Long OBE, Chief Executive

24 July 2025

Trustees' Annual Report for 2024/25

We are pleased to present the 2024/25 Annual Report in accordance with the Charities Statement of Recommended Practice and applicable law.

Since 1931, we have pioneered public access to and charitable ownership of some of the most magnificent buildings, collections and habitats in Scotland. We care for ancient houses, battlefields, castles, mills, gardens, coastlines, islands, mountain ranges and all the communities, plants and animals which depend upon them.

Together, the places and objects in our care tell the stories of Scotland and the Scots: how our people travelled and interacted with the wider world, taking with them their energy and values and returning with new ideas. Without our involvement, many of these places would have been lost forever to the damage caused by time, tide, climate, voracious pests and developers.

As the Trust is an independent charity and not part of government, we are free to use our voice when we need to challenge politicians, policymakers and commercial interests, as well as offer constructive advice based on the hard-won experience of more than 90 years of pioneering conservation work.

Under the unique powers of inalienability and conservation agreement rights given to us under the *National Trust for Scotland Order Confirmation Acts 1935 and 1938*, we have the ability to enter into legally binding conservation agreements that enable us to protect important places that are not directly in our care, as well as the power to declare our land to be inalienable. This reinforces our mission to speak up for all of Scotland's heritage, wherever and whenever it is under threat, to the extent we are able. As a membership organisation, most of us are directly elected by our members and we ourselves must be Trust members. We are accountable to the Trust's membership, and we have a duty to ensure the long-term protection of Scotland's heritage.

The commentary noted below refers in all cases to the consolidated results for the year to 28 February 2025 reported within these financial statements and includes the Trust's subsidiary undertaking, National Trust for Scotland Enterprises Limited (NTSE, the Company).

Our vision and strategy

Our ten-year strategy and vision, *Nature, Beauty & Heritage for Everyone* was launched in March 2022 and runs up to the charity's centenary in 2031. It is based on three pillars – conservation, engagement and sustainability – and is split into three phases. 2024/25 marks Year 3, the final one of our *Recovery & Planning* phase. The strategic objectives for the period are as follows, and will now be reviewed as we move into the *Building* phase. From 2025/26 a new pillar, people & processes, has been introduced.

Nature, Beauty & Heritage for Everyone

A ten-year strategy



CONSERVATION

Caring for Scotland's special places

- We will have stabilised and improved the condition of our estate
- We will have enriched Scotland's protected heritage to make it relevant to more people
- We will have enabled nature to flourish across our countryside, gardens, farmed and designed landscapes
- We'll be speaking up for our heritage which doesn't have a voice

For more information email
strategy@nts.org.uk

ENGAGEMENT

Providing access and enjoyment for everyone

- We will be a leading provider of inspiring heritage visitor experiences in Scotland to more than 6 million people per year by 2032
- We will be a learning organisation by championing skills to support traditional conservation and innovation
- We will enable growth and diversity of people to access our properties to improve health and wellbeing

SUSTAINABILITY

Being a sustainable charity

- We will be a growing diverse organisation, with over half a million members
- We will be financially secure, balancing our income with over £100 million of capital investment over the lifetime of this strategy
- We will have transformed our organisation to be carbon negative by 2031/32
- We'll have invested in our own people, the volunteers and staff who care for our properties, and equipped them with the systems and capabilities we need

Our values

CARING BRAVE CURIOUS VIBRANT INCLUSIVE



The National Trust for Scotland is a Scottish charity, SC007410

Strategic Review

Our performance in 2024/25

Key achievements

Some of the highlights of our charity's work throughout 2024/25 are:

1. Completing a plants inventory across all gardens through our PLANTS project.
2. Producing & growing our popular podcast series, *Love Scotland*.
3. Launching our award-winning Pink Gin, inspired by Craigievar Castle, in support of our enterprise activities.
4. Carrying out archaeological investigations at sites including Glencoe and Culloden.
5. Restoring Queen Victoria's Picnic Lodge at Mar Lodge Estate.
6. Delivering our Engaging Communities project, thanks to support from The National Lottery Heritage Fund.
7. Working with the Dovecot Studio on STITCHED, an exhibition which featured embroidery from our places.
8. Lighting up Brodie Castle with our popular Brodie Illuminated event in the autumn.
9. Introducing pupils to heritage careers through the Workforce for the Future project.
10. Speaking out against an unsuitable development at Bannockburn and asking others to support this call.

Key Performance Indicators

We report on a suite of Key Performance Indicators (KPIs) to track progress against our ten-year strategic objectives. Some of these KPIs have been carried forward from the previous strategy period, and new indicators are being developed to give us wider coverage across the corporate strategy.

Overall performance, as measured through the suite of KPIs, has been good as we concluded the *Recovery & Planning* phase of the strategy.

Pillar	Objective by 2032	KPI	RAG against target*	2024/25	2023/24
CONSERVATION	Our heritage assets are in a stable and improving condition.	Conservation Performance Index (CPI) – tracking the % of a sample of heritage assets in good condition		59% ^[1]	KPI under review
ENGAGEMENT	We are known as a leading provider of inspiring visitor experiences in Scotland to a diverse audience of over 6 million visitors a year by 2032.	Total visitors across all Trust properties within the year		5.6 million	4.5 million
		Satisfaction score out of ten, derived from property visitor surveys across the year		9.09	8.9

	By 2032, half a million members will have supported over £100million in investment in conservation, access and learning.	Number of members at year end		330,358	326,336
SUSTAINABILITY	We have reduced our environmental impact and will be carbon negative by 2031.	Carbon equivalent emissions per visitor		0.53 kg CO ₂ e per visitor	0.94 kg CO ₂ e per visitor
	We are financially secure, balancing our income with over £100 million of capital investment over the lifetime of this strategy, while maintaining enough reserves to ensure our long-term resilience.	Fundraising performance measured by income from donations and appeals		£16.5 million	£6.9 million
		Financial performance against budgeted operational deficit/surplus after depreciation		Surplus of £9.7 million	Deficit of £6.4 million
CROSS-CUTTING**	Our volunteers and staff are equipped with the systems and skills they need.	Workforce Engagement Index, tracking the % of the workforce who recommend the Trust as a place to work		77%	82%
		Accidents per 100,000 visits		3.1	3.7

*RAG: red = behind target and requires corrective action; amber = just behind target; green = on or exceeding target

** Cross-cutting KPIs underpin all three strategic pillars.

⁽¹⁾ The Conservation Performance Index (CPI) is used to measure how well we are putting conservation into practice at our properties. In 2024/25 we extended our coverage of built heritage properties, reflecting the need to tackle maintenance needs, and climate change impacts. The score for 2024/25 is unrepresentatively low as it incorporates a substantial number of building health checks where we were prioritising repairs. In future years we will be using a more representative sample of our historic buildings.

Financial Review 2024/25

Introduction

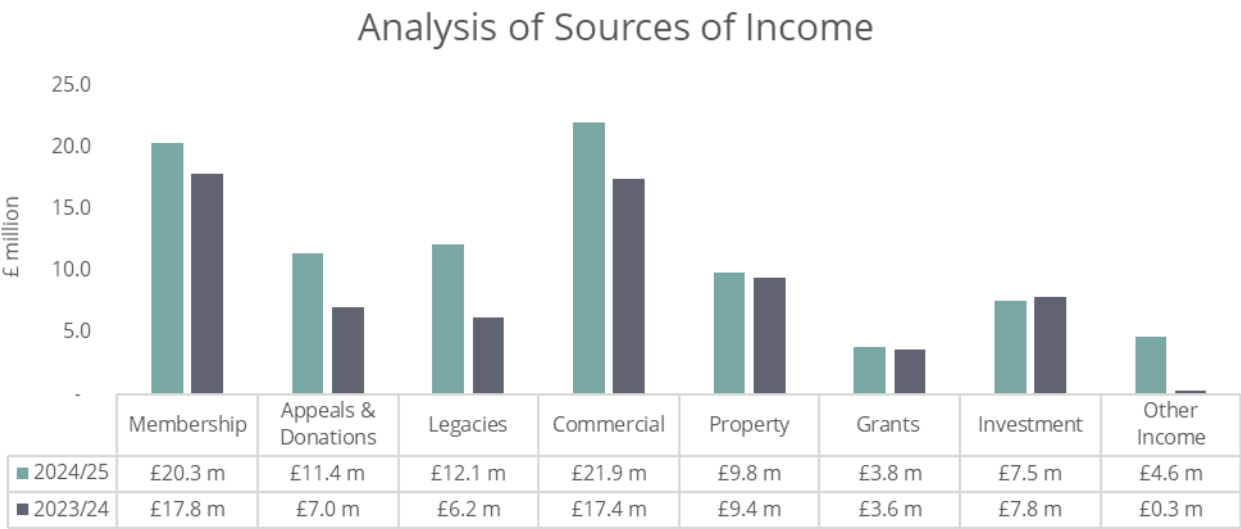
The commentary noted below refers in all cases to the consolidated results for the year to 28 February 2025 reported within these financial statements and not just those of the Trust on a standalone basis. The Trust's subsidiary undertaking is National Trust for Scotland Enterprises Limited (NTSE, the Company).

Consolidated Statement of Financial Activities

The Consolidated Statement of Financial Activities (SoFA) set out on page 30 highlights that total income and endowments for the financial year was £91.4 million (2023/24: £69.5 million) and total expenditure was £81.8 million (2023/24: £75.9 million) giving a net income before investment gains of £9.6 million. This is an increase of £16.0 million compared with net expenditure before investments for 2023/24, which was £6.4 million.

Net investment gains during this financial year amounted to £9.0 million, which compared to the £7.9 million of gains recognised last year is a positive movement of £1.1 million. These net investment gains for this financial year comprised £9.0 million of unrealised gains on investments still held at the end of the financial year. Net gains on investments in the previous financial year comprised £4.3 million from the sale of investments during the year and £3.6 million of unrealised gains. Net income before transfers for 2024/25 is £18.7m, an increase of £17.2m compared to the net income before transfers of £1.5m for 2023/24.

The chart below shows the comparison of the component parts of income in this financial year compared with the previous year.



Income and endowments

Membership revenues

Membership income at £20.3 million grew by £2.5 million from 2023/24 (2023/24: £17.8 million). At the end of the year the number of members was 330,358, an increase on 2023/24 of 4,022 or 1.2%; this together with an increase in membership rates helped to grow the membership income levels. Membership revenues are separately detailed in the Statement of Financial Activities as they comprise both a donation and subscription element.

Appeals and donations

Income from appeals and donations of £11.4 million was ahead of expectations for the year and a £4.4 million increase on the £7.0 million in 2023/24. Of the total appeals and donations in 2024/25, £2.6m is unrestricted income and £8.8m is restricted income.

Legacies

Income from legacies benefitted from a couple of significant legacies which helped it grow during the financial year to £12.1 million (of which £10.7 million was unrestricted). This is an increase of £5.9 million from the previous financial year (2023/24: £6.2 million). The receipt of legacy income is, by its very nature, unpredictable and the Trust has been very fortunate to benefit from a number of generous bequests over the years.

As always, we are extremely grateful to everyone who makes a provision for the Trust in their Will.

Investment income

Our investments are held in a number of investment funds in line with the Strategic Asset Allocation Investment Policy launched in September 2021. The Strategic Asset Allocation Policy manages the total portfolio on a total return basis without regard to the split of returns between income and capital. It will generate real returns over the long term, reduce risks through diversification of assets classes and, except for property investments, has a dedicated manager appointed for each of the other seven asset classes.

Several funds in the portfolio are income generating and these are predominantly aligned with the Endowment Funds as it is only the income from these Endowments that can be spent. The other funds are predominantly allocated against the Restricted and General Funds of the charity, where both capital and income can be used by the Trust.

The oversight of most of the non-property investments held by the Trust is handled by Mercer who were appointed as the Trust's Investment advisers for quoted securities and private market funds in September 2021. They advise the Trust on any revisions to asset allocations as defined by the investment strategy.

The section Investment Policy and Performance on page 15 provides additional information on these investments.

The income generated from investments was in line with budget. Private Market funds have continued to make cash distributions and economic stability has maintained dividend and income from bonds and the property fund. Lower interest rates slightly reduced the return on term deposit accounts holding the cash assets. The level of investment income received this financial year of £7.5 million was £0.3 million down from the £7.8 million in the previous financial year.

Grants

The Trust continues to receive grants towards the cost of some of our conservation work. We are grateful to the Scottish Government, Historic Environment Scotland, NatureScot, the National Lottery Heritage Fund, People's Postcode Lottery, Sustrans, and local authorities for providing valuable support during this past financial year.

Our grant income fluctuates from year to year, depending on the major projects that are active in any given year. During 2024/25 our total grant income was £3.8 million, while grants received in 2023/24 were £3.6 million.

Property income

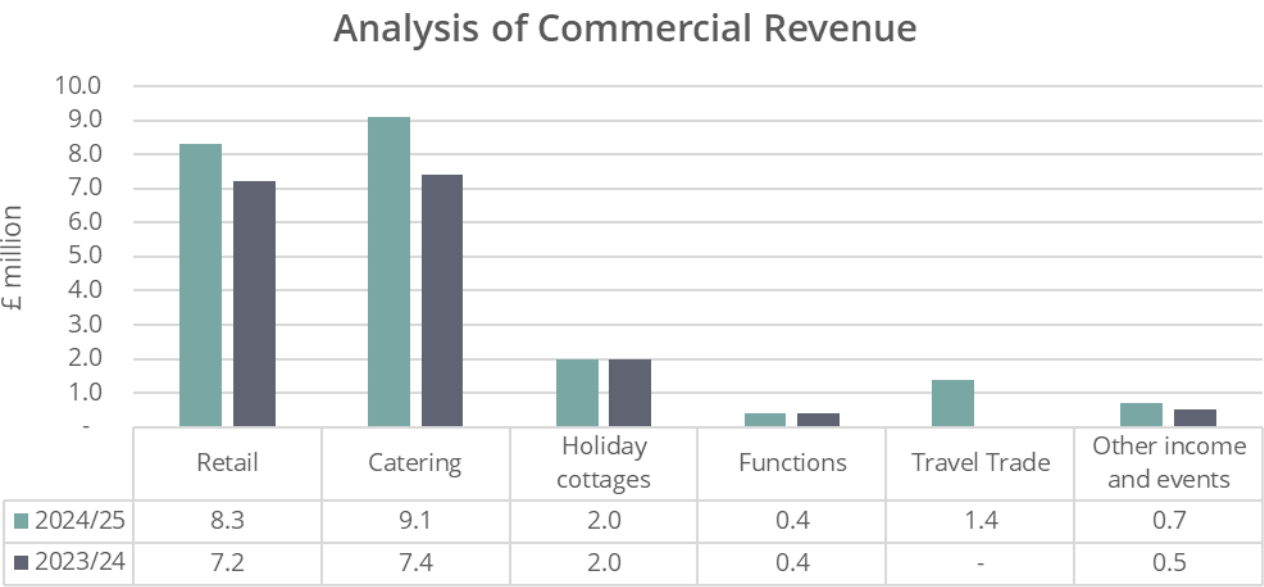
Property income, which includes admissions income and rental income, showed continued growth in 2024/25, increasing from £9.4 million last year to £9.8 million this year.

Rental income from our let portfolio grew from £2 million in 2023-24 to £2.4 million in 2024/25. Admissions income grew from £5.4 million in 2023/24 to £6.6m in 2024/25 but other income, which includes advertising income, income from events, and proceeds from insurance claims in respect of costs previously incurred, dropped from £2.1 million in 2023/24 to £0.7 million in 2024/25, primarily driven by lower insurance income.

Commercial activities

Revenues

It was another strong year for commercial activities where total revenues at £21.9 million were up by £4.4 million on last year's levels (2023/24: £17.5 million). The chart below highlights the year-on-year improvement by commercial activity:



Net contribution (see Note 8)

Commercial enterprise continued to grow and resulted in a net surplus of £5.2 million, up £1.1 million from the prior year's level of £4.1 million. Turnover grew by £4.3 million to £21.8 million and included Travel Trade income this year of £1.3 million which had previously been classified as admissions income. Expenditure, which include £0.5 million linked to Travel Trade, grew by £3.2 million.

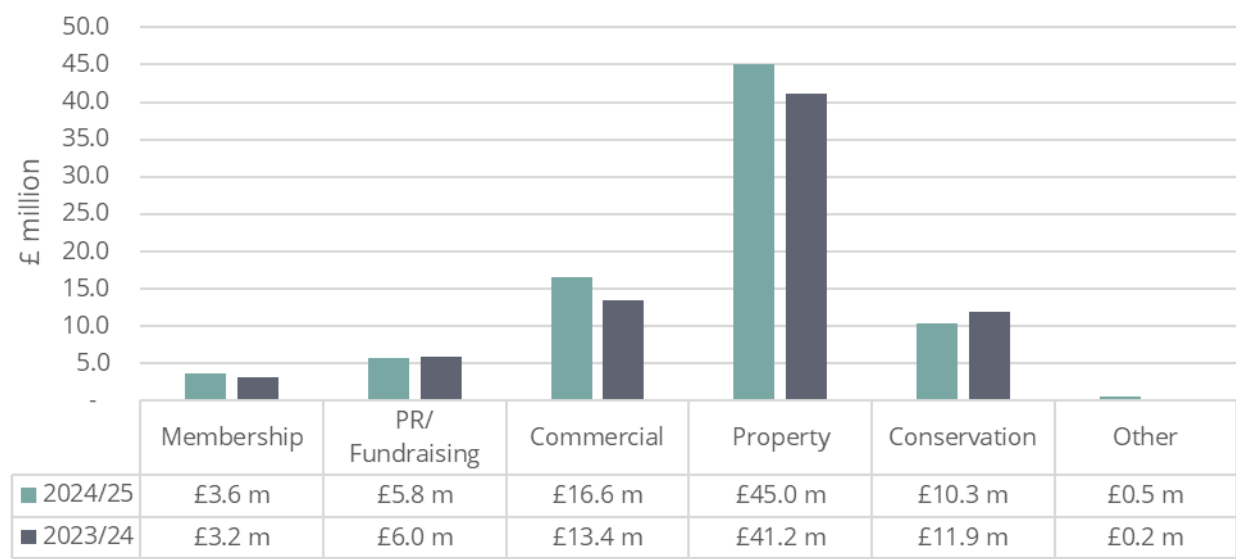
Gain on sale of assets

There were a number of disposals of assets during the financial year, including several properties in Dunkeld, which resulted in a gain on sale recognised of £4.7 million (2023/24: £0.2 million). Note 21 to the financial statements provides further details of heritage assets included in these totals with sales values of £4.7 million (2023/24: £0.2 million).

Expenditure

Total expenditure for the financial year was £81.8 million, up from £75.9 million in the prior year. The major items of SoFA expenditure relate to property operating expenditure of £45.0 million (2023/24: £41.2 million); conservation, repairs and improvements of £10.3 million (2023/24: £11.9 million); costs of commercial activities of £16.6 million (2023/24: £13.4 million); publicity and fundraising costs of £5.8 million (2023/24: £6.0 million); and membership and recruitment costs totalling £3.6 million (2023/24: £3.2 million). The chart below shows the comparison of the component parts of expenditure in this financial year compared with the previous year.

Analysis of Expenditure



Wages and salaries

Total gross pay, which is segmented in a number of different cost-category lines on the SoFA, including some of those referenced above, increased by £4.1 million this year to £32.1 million. This was predominately driven by overall higher staff numbers than in 2023/24, contributed to by the Trust’s acquisition of *Mackintosh at the Willow* and responsibility for its workforce. The average number of employees on permanent and fixed-term contracts, including seasonal employees, was 1,253 (2023/24: 1,144). On a full-time equivalent basis this becomes 650 (2023/24: 617). The average number of employees on permanent contracts was 932 (2023/24: 795) and the average number of employees on fixed-term contracts was 312 (2023/24: 339). The peak number of staff employed during the year was 1,372 (2023/24: 1,288). All employees are employed by the Trust, and costs relating to commercial activities are charged to the subsidiary company.

With effect from 1 March 2024, all employees on Grade 2 Lower pay scale received a 10% increase to £12 per hour (Real Living Wage). All employees on Grade 2 Upper pay scale received an 8% increase. All employees on Grades 3 Lower pay scale received a 5% increase, and all employees on Grade 3 Upper and above received a 2.5% increase. This change was processed in March 2024 pay period.

In addition to its paid workforce, the Trust also benefits greatly from a committed group of volunteers who give their time to help at properties and in administrative offices, covering tasks that include visitor services, retail, events, gardening, learning, environmental work and footpath work.

During the year to 28 February 2025, these volunteers carried out a total of 150,463 hours of work (2023/24: 146,063 hours), which is a 3% increase on the previous year. If translated at the Real Living Wage cost of £12 per hour (which is an average based on the wide range of skills used by volunteers in the organisation), this effort equates to a value of £1.8 million (2023/24: £1.7 million).

The Trust depends heavily on volunteers and could not operate without their ongoing support. We are extremely grateful to them all for the time and energy they devote to the Trust.

Property operating expenditure

Total expenditure on property operating costs was £45.0 million, an increase of £3.8 million on last year’s £41.2 million. This reflects planned investment under the first phase of our ten-year strategy. We continue to face significant inflationary pressures and look to mitigate these through careful monitoring and tighter control of costs.

Conservation, repairs and improvements

Total expenditure on conservation, repairs and improvements amounted to £10.3 million in this financial year, this was a reduction of £1.7 million from the £12.0 million spent in 2023/24. The decrease in these operating costs reflects a higher relative level of capital expenditure within our overall project delivery during the year.

Project expenditure varies from year to year depending on conservation requirements. Major project expenditure in this year included work at Craigievar Castle, Brodick Castle, Canna House, Glencoe Greenway, ePOS Replacement Project, Canna Partnership Visitor Hub, infrastructure works at Staffa, and works at Fyvie Castle.

Further detail on the breakdown of all relevant costs is set out in the accompanying notes to the Financial Statements.

Other expenditure

Other expenditure relating to goods received but not invoiced at year end amounted to £0.5 million in 2024/25 (2023/24: £0.2 million).

Balance sheet and funds

At 28 February 2025, total funds amounted to £254.6 million, an increase of £18.6 million on the comparable figure of £236.0 million at the end of February 2024.

The Trust has approximately 300 restricted or designated funds, which have been either donated or set aside by the Board for a specific purpose.

The value of restricted funds was £175.5 million at 28 February 2025, an increase of £12.5 million from their level of £163.0 million at the prior year end. In addition to its restricted funds, the Trust has designated out of unrestricted reserves designated funds for capital projects to the value of £5.4 million and designated £39.7 million to reflect the value of tangible fixed assets – the total value of designated funds at 28 February 2025 was £45.1 million.

The bulk of the Trust's unrestricted reserves are held in the General Income Fund, which had a balance of £34.7 million at 28 February 2025. The General Income Fund balance has decreased by £2.4 million from the balance of £37.1 million at the end of February 2024. The General Income Fund balance is higher than the target minimum reserve level of £27.1 million, which is the amount of unrestricted reserves required to meet six months of budgeted operational costs for properties without sufficient reserves themselves and the estimated costs of major conservation, repair and improvement projects during the year where no restricted funds are available. If there are more than sufficient reserves to cover these future deficits, the reserves will be used to invest in conservation and improving operational efficiency to help ensure longer-term financial sustainability.

The value of our total fixed assets grew to £230.2 million (2023/24: £219.5 million) at 28 February 2025. There was an increase in the value of our tangible assets of £4.6 million, significant additions included capital works at Canna House, Glencoe and property for Glenfinnan staff accommodation. The value of our investment assets increased by £5.3 million during the year to £190.0 million. A detailed review of investment performance is set out on page 16.

Our working capital increased by £6.8 million to £36.4 million at 28 February 2025. The most significant movements are the increase in cash and bank of £4.7 million, and the increase in debtors of £1.9 million. The increase in debtors to £13.0 million is mainly driven by an increase in legacy debtors which reflects income recognised in accordance with reporting guidelines but which has yet to be received.

Creditors falling due within one year have increased by £0.17 million to £9.5 million (2023/24: £9.4 million) at 28 February 2025.

Cash flow and liquidity – cash generation

Cash flow from operations in the financial year was an outflow of £3.0 million, a £11.3 million improvement from the outflow of £14.3 million reported for 2023/24.

Cash inflow from investing activities amounted to £7.7 million, which is a reduction of £5.7 million on the inflow of £13.5 million in the previous financial year. Receipts from the sale of assets grew by £4.5 million to £4.7 million and capital expenditure increased by £0.9 million to £8.2 million. The purchase and sale of investments generated £3.7 million compared to £12.7 million in 2023/24. Investment income generated £7.5 million, a small decrease of £0.4m compared to 2023/24.

As a consequence of the above cash flows, cash and cash equivalents at the year-end amounted to £22.1 million, an increase of £4.7 million from the opening level of £17.4 million at the start of the financial year.

Future plans and outlook

Performance over the past year shows the Trust has continued to recover from the impact of the pandemic, as the *Recovery & Planning* phase of our ten-year strategy ends, and we embark on the *Building* phase.

The Annual Operating Plan for 2024/25 was based around continued recovery, with plans for major capital projects and investment in our people resource. Despite the continued challenging external environment, the Trust is planning for continued growth over the next three-year planning period to 2027/28, reflecting our continued excellent value for money, operational opportunity, and conservation investment need.

We saw a significant increase in our visitor numbers in 2024/25, to 5.6 million from 4.5 million in 2023/24, exceeding pre-pandemic peak numbers of 4.1 million by some margin. We expect current levels of visitation to continue in the year ahead, while taking account of current global financial uncertainty and other factors.

As we conclude the third year of our ten-year Corporate Strategy and move into the next three year phase, the latest financial and capital plans cover the three-year period to 2027/28. This longer-term view allows us to plan and fundraise for future projects, which is essential for both the long-term maintenance of the Trust's assets, and for investing in new initiatives that support our strategic goals and encourage repeat visitation and membership support.

The Trust's subsidiary undertaking, National Trust for Scotland Enterprises Limited (NTSE, the Company), returned a profit for the financial year of £4.1 million. The Company's activities are expected to continue to grow, driving income growth over the three-year planning & recovery period. We also expect costs to continue to rise in this period, given current inflation rates. We aim to maintain or increase all margins, despite prices rising overall, through maximising national procurement contracts, increasing the proportion of income from higher margin activities and increasing our online sales.

A number of capital conservation projects have also commenced, or worked towards their completion, in 2024/25. We have planned over 90 individual projects in 2025/26, ranging from the large investments of Mackintosh Illuminated and Fyvie Castle to smaller developments all across the country.

The Trust's ten-year strategy and vision and the recently updated objectives, combined with longer-term financial planning, enables the Trust to plan its activities with greater clarity into the future. The Trust has maintained a sound and prudent cash and reserves position throughout the last three years, and this will help ensure that capital projects and other essential activities are tackled and completed in future years. Further information and detail around our plans for the next few years are included in our strategy document which is available on www.nts.org.uk.

We remain positive, optimistic and well-positioned to leverage the Trust's strong brand and the beautiful places in our care as we move into the *Building* phase of the Trust's ten-year strategy, and towards our charity's centenary in 2031.

Investment Policy and Performance

The Trust holds substantial funds for endowments, restricted and designated purposes. The Board of Trustees is assisted by the Investment Committee on the management of the equity and other investments represented by these funds.

The investment powers of the Trust are contained in the National Trust for Scotland Order Confirmation Act 1973, allowing investment in 'Such stocks, funds, shares, securities and any other investments... as the [Board of Trustees] shall, in their absolute discretion, think fit'.

The current investment objectives are to:

- (i) meet budgeted investment income targets as approved on an annual basis by the Board of Trustees
- (ii) achieve an increase in the value of the income and investment portfolio in real terms over time, while maintaining prudent diversification of assets

The portfolios are invested in line with the Strategic Asset Allocation Investment Policy launched in September 2021. They are in listed global equity funds, bond and credit market funds, private market funds, a UK property fund and cash. Mercer are currently working with the Trust on managing the Investment Policy. The asset allocation of the funds is considered by the Investment Committee, which reports to the Board of Trustees on a quarterly basis.

The current split of the Trust Investment Portfolios is as follows:

Trust Investment Portfolios	Purpose	Fair Value as at 28 February ²	
		2025	2024
Equities – 4 funds	Managed on a total return basis without regard to the split of returns between income and capital	£92.7 million	£84.5 million
Property – 1 fund	To deliver real income growth over time	£16.2 million	£16.0 million
Private markets – 2 funds	Managed on a total return basis without regard to the split of returns between income and capital	£29.7 million	£32.5 million
Bonds & Cash	To deliver real income growth over time	£41.3 million	£40.2 million
Direct holdings	To deliver real income growth over time	£7.2 million	£8.6 million
Total Investments		£187.1 million	£181.8 million

²Note 5 on page 49 provides further information on the fair value movements of the investments.

The performance of the investment portfolios is measured against appropriate benchmarks and reviewed on a quarterly basis by the Investment Committee, who were satisfied with the actual performance on behalf of the Board of Trustees. Against the total benchmark (CPI +4.0% p.a) of a 6.8% return the portfolio produced a 9.9% return over the past year.

In the year to 28 February 2025, the total value of all investments grew from £181.8 million to £187.1 million based on strong market performance during the year. Additional investments of £1.1 million and divestments of £4.7 million during the year reflected capital calls and capital distributions from the private markets funds. Investment income reduced from £7.8 million to £7.5 million with lower interest received on time deposit accounts. The markets performed well over the course of the year, driven significantly by US technology stocks in the global equity funds. It was good to see stability return to the property fund, but the global small cap equity fund underperformed. The infrastructure fund is still in an investment stage and is investing drawn down funds, and senior private debt performed well making significant distributions.

Investment performance

The performance of the investment portfolio has been benchmarked by Mercer against sector-specific indices, as detailed below:

Investment portfolios	Benchmark	1 year return	1 year benchmark
Sustainable Global Equity	<i>Solactive Sustainable Global Developed EU Paris-Aligned Index</i>	14.9%	15.1%
Global Small Cap Equity	<i>MSCI World Small Cap Value Index</i>	-1.6%	8.7%
Emerging Markets Equity	<i>MSCI Emerging Markets Growth Index</i>	8.7%	11.2%
Global Alpha Equity	<i>MSCI World Growth Index</i>	11.7%	16.1%
Property Fund	<i>MSCI Monthly Property Index</i>	5.7%	8.1%
Multi-Asset Credit Fund	<i>SONIA interest rate +6.0% pa</i>	10.8%	11.4%
Infrastructure Equity Private Market Fund	<i>50% US CPI / 50% EU82 CPI +3% pa</i>	10.1%	18.0%
Senior Private Debt Private Market Fund	<i>S&P Leveraged Loan Index</i>	11.0%	8.6%

Figures shown are net of fees and based on performance provided by the investment managers, Mercer estimates and LSEG Datastream.

Total includes monthly returns for Pantheon and Adams Street calculated by Mercer using a Modified Dietz approach until Q2 2023.

Property Fund: Performance over January and February 2025 was estimated based on change in valuations and distributions over the quarter due to the unavailability of data at time of writing.

Pantheon and Adams Street performances are calculated by Mercer using an IRR approach based on data provided by the manager and LSEG Datastream.

The Trust endorses the UN Principles for Responsible Investment. In keeping with these Principles, we ask our investment managers to take an interest in the management of the companies in which the Trust invests. The Trust aims to ensure that the votes attaching to our holdings are exercised where practicable and that they are exercised by our investment managers, taking into account best practice in corporate governance.

We appreciate both the importance of being a responsible asset owner and the benefits that can be achieved through placing a high value on Environmental, Social and Governance (ESG) concerns. The Trust incorporates ESG issues into our investment analysis and decision-making processes, both in selection of investment managers and in reviewing screening of specific stocks. In general terms, we aim to align our Investment Policy with our purpose and vision, which is to ensure that 'Scotland's heritage is valued by everyone and protected now, and for future generations'. Manager's ESG reports are reviewed annually and the Trust notes that this is an evolving area. The Trust intends not to invest in companies which contravene our charitable purpose and in more general terms

for the wider public benefit. Furthermore, the Trust is of the view that Trust funds should not be invested in tobacco stocks, armaments or pornography, and the Trust aims to limit fossil fuel stocks to those companies who are demonstrably progressing towards renewable energy sources.

Where assets of the Trust are invested in pooled vehicles, those assets are necessarily subject to the relevant investment managers' own policies regarding environmental, social and governance issues. The Investment Committee periodically reviews the policies of those pooled funds and meets with the relevant investment managers to discuss such issues. The Investment Committee continues to review opportunities for "impact investing" to invest in areas which look at innovative solutions to ESG-related problems. They recognise that this carries higher risk and have yet to identify any suitable opportunities.

Reserves Policy

The Trust is the conservation charity that protects and promotes Scotland's natural and cultural heritage for present and future generations to enjoy. The Trust's portfolio covers built and natural heritage properties with a diverse mix of core and purposeful activities such as learning services, education, volunteering, local fundraising and event programmes.

Safeguarding our heritage is a considerable undertaking that requires substantial financial resources each year. Properties held for conservation reasons bring with them a responsibility for their future care that imposes substantial and perpetual financial obligations.

Free reserves are those that are available to spend on any charitable purpose. These are represented by unrestricted funds less designated funds (which includes fixed assets reserves). In the case of the Trust, free reserves are represented by the General Income Fund (GIF) disclosed on the Trust's Balance Sheet. Free reserves do not include endowment funds, restricted funds or designated funds.

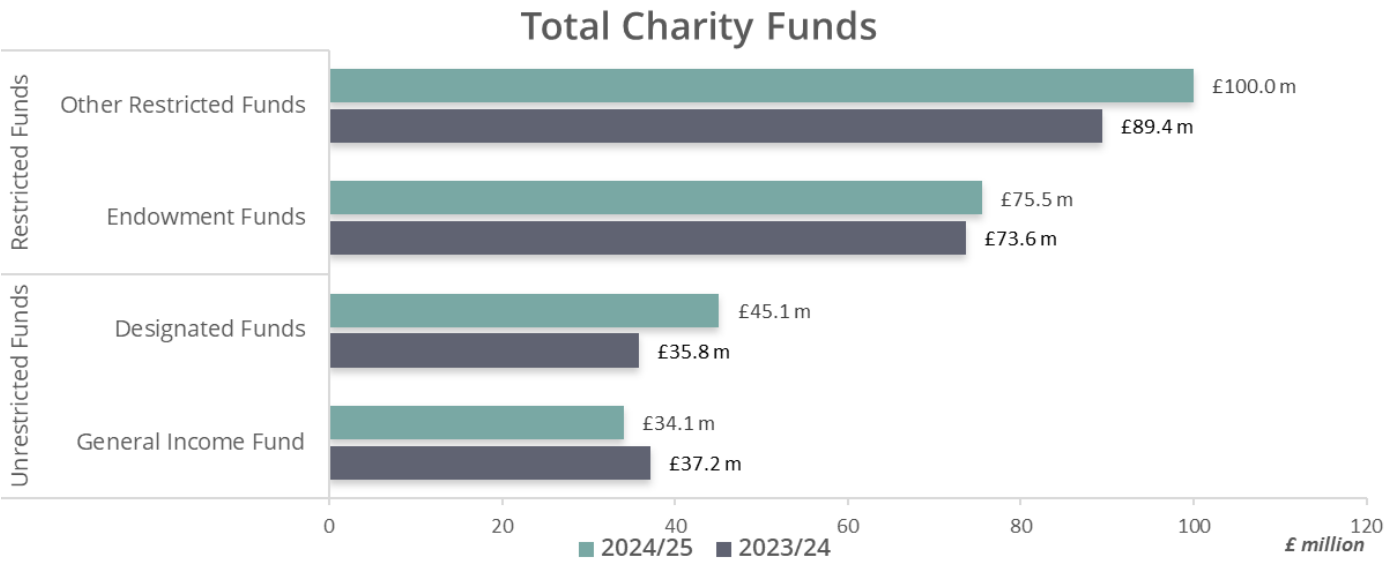
Costs required to operate the activities across the Trust are significant, as most of the Trust's properties are unable by their nature to generate sufficient income to cover the associated operating and heritage care costs. This results in operational deficits, which are funded from reserves.

Reserves are an inherent part of risk management and the need for reserves will vary depending on the Trust's financial position and an assessment of risks faced at a particular time. Recent years have seen both global pandemics and regional conflicts. These and the more recent emergence of higher international trade tariffs impact financial performance and with higher uncertainty and risk it is important that an appropriate level of reserve is maintained. This helps ensure that the organisation can continue to operate if faced with much lower levels of income or significant rises in costs. We regularly review and update our financial plans and assumptions to ensure that we hold sufficient reserves in the short, medium and longer term to maintain the sustainability of the Trust. The three-year annual operating plan supported by regular financial forecasting and the development of the ten-year strategic plan assists with this process. We monitor the ongoing situation around the UK and global economy to ensure the reserves are available to support the operations on a regular basis as well as part of the planning and budgeting cycle.

Required level of unrestricted reserves

The Trust's reserves policy ensures we continue to retain sufficient unrestricted reserves required to meet six months of budgeted operational costs for properties without sufficient reserves themselves and the estimated costs of major conservation, repair and improvement projects during the year where no restricted funds are available. For the year 2025/26, the budgeted minimum target is £27.1 million with forecasted headroom of £7.0 million. The three-year financial plans include reserves forecast out to 2027. The General Income Fund (GIF) balance reduced from £37.2 million at the end of February 2024 to £34.1 million at February 2025. The Board will continue to review the level of GIF and the target level required in line with the budgeted and committed requirements of the Trust.

The total value of the Trust’s charity funds is shown in the diagram below:



Designated Funds include £5.4 million which includes legacy “expressions of wishes” and proceeds from asset disposals which have been designated by the Board into specific designated funds. These are combined in the total for Designated Funds with £39.7 million of funds used for fixed assets (2023/24: £34.7 million) and as such are not available for other uses.

Endowment funds cannot be utilised and are invested to generate income that can be utilised. The increase in value of endowment funds in the year to 28 February 2025 is due to investment gains as outlined in Note 5.2, further analysis of the funds of the charity can be found in Notes 28 to 32.

Structure, Governance and Management

Constitution

The Trust operates under the National Trust for Scotland Order Confirmation Acts 1935 to 1973 and the National Trust for Scotland (Governance, etc) Act 2013.

The National Trust for Scotland is registered as a charity in Scotland, with charity registration number SC007410. Our principal office and place of business is at Broadstone, 50 South Gyle Crescent, Edinburgh EH12 9LD.

The charitable purposes of the Trust can be summarised as the promotion of the preservation of, access to and enjoyment of places of historic interest or natural beauty.

The Trust has a wholly owned subsidiary, National Trust for Scotland Enterprises Ltd ('Enterprises'). It is incorporated in Scotland (SC095585) and its results are consolidated within the group results of the National Trust for Scotland. Enterprises' principal activities are the running of retail, catering and other commercial activities. Further information can be found in Note 8 of the Financial Statements.

Patron

The Trust's Patron is His Majesty King Charles III.

President

The Trust's President is Jackie Bird, who was re-elected at the 2024 Annual General Meeting. The President does not sit on the Board; the role's purpose is purely ambassadorial to promote the charitable purposes of the Trust.

Board of Trustees and statement of Trustees' responsibilities

The Trustees are responsible for the Trust's strategic direction. The Board of Trustees meets at least six times a year. The Trustees are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and 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 that give a true and fair view of the state of affairs of the group and parent charity, and of the incoming resources and application of resources of the group and parent charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice) FRS 102
- 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements

comply with Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board of the Trust was constituted on 1 March 2011 and comprises up to 14 Trustees.

The current Chair of the Board is Sir Mark Jones and the Deputy Chairs are David Mitchell and Shona Malcolm.

Ten of the Trustees are elected by the membership of the National Trust for Scotland. The remaining four Trustees (including the Chair) are co-opted by invitation because of the specific skills and experience they bring. The process for the appointment of Trustees is detailed in the Appointment, Induction and Training of Trustees section below.

In addition to the Chair and Deputy Chairs, the Trustees on the Board during the year ending 28 February 2025, and up to the date of signing, were:

Trustees:		
Janet Brennan	Peter Drummond (Elected on 20 September 2024)	
David MacLellan	Jill Miller	Stephen Mitchell
Cameron Murray	Professor Murray Pittock	Michael Spence
Ian Turnbull (Re-elected on 20 September 2024)	Dr Will Williams	Lish Kennedy (Retired on 12 May 2025)

Members of the Trust's Executive Committee and the President do not serve on the Board of Trustees.

Appointment, induction and training of Trustees

Our Trustees are drawn from a wide range of backgrounds and locations across Scotland, as it is important that the Board reflects the broad range of the Trust's activities. We are also keen to ensure that our Board of Trustees reflects our diverse membership.

Trustees are appointed for an initial four-year term. Elected Board members retire by rotation and can offer themselves for re-election at the AGM for one further term. Co-opted Board members may be co-opted for a term of up to four years, which may be renewed for a further term of up to four years. All four of the co-opted places are currently filled.

All candidates for appointment or election to the Board of Trustees undergo an assessment exercise, conducted by the Trust's Nominations Committee, before they may proceed to co-option or election. The exercise assesses the candidates' technical and leadership experience. Skills gaps left by the retirement or resignation of Board members are identified, and the recruitment process aims to ensure that those gaps are filled by suitably qualified candidates. These skills may include specific areas of charity purpose, business or management experience.

The Nominations Committee identifies and recommends candidates for election to the Board of Trustees through an open and transparent recruitment process. The committee's role involves agreeing the assessment criteria, assessing the application forms, and interviewing candidates against the agreed criteria. Only those candidates who successfully complete the Nominations Committee's assessment process will be proposed for election to the membership of the Trust. The candidates with the largest number of votes in each of the categories are elected to the Board of Trustees. The election process is conducted by the Trust Secretary and the Nominations Committee.

All members of the Board of Trustees receive an induction detailing the Trustees' roles and responsibilities, and they attend face-to-face briefings with senior management. The induction process begins in advance of appointment. Regular reports are sent to each Trustee including data relevant to any specific role they hold and generic information about the operations of the Trust.

Independent members of the Trust's committees also require specific skills and experience relevant to their appointments and the functions of the relevant committee. The Nominations Committee assesses candidates for these roles before recommending their appointment to the Board of Trustees.

Board effectiveness

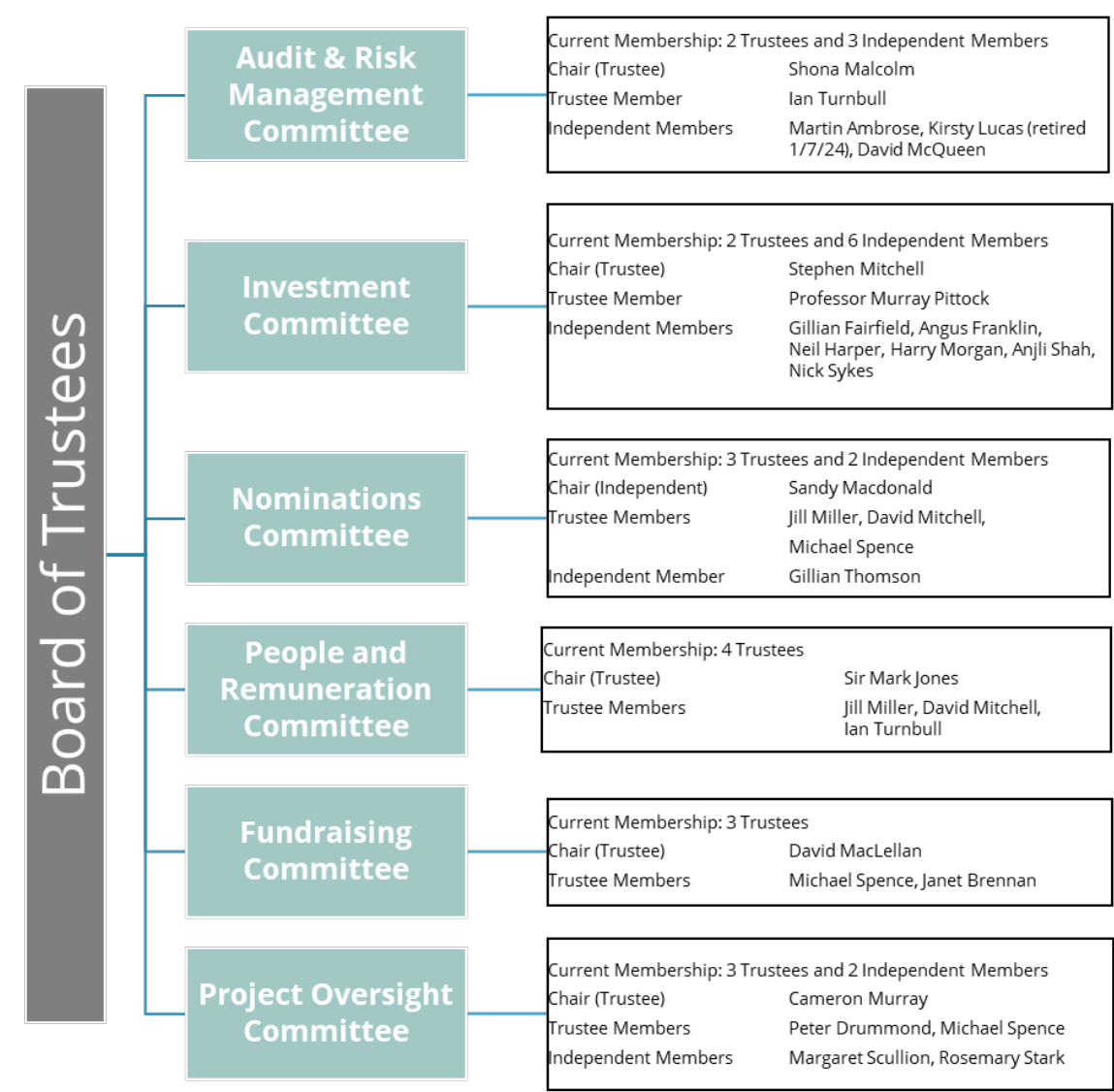
The Board of Trustees and the sub-committees are supported by the Trust Secretary and the Deputy Secretary, who advise on proper process, the conduct of the meetings, and ensure that these are properly recorded.

Good governance underpins the Trust's effectiveness and is also the best way to protect and enhance our reputation. To reinforce this, the Trust has its own Code of Good Governance, which each member of the Board of Trustees has accepted, and which sets out the standard of conduct expected of our Trustees. Principle 7 in this code is a requirement for Trustees to always observe high ethical standards in the discharge of their duties on the Board and associated sub-committees. This includes the requirement to identify, disclose and manage conflicts of interest.

A full independent and external review of the effectiveness of the Board is carried out every three to five years. The latest external review was carried out by the Trust's then internal auditors, Grant Thornton, and reported to the Audit & Risk Management Committee and the Board of Trustees in 2023. The Board undertook its own internal self-assessment exercise in 2024. The Board accepted and are in the process of implementing the recommendations of that review.

Board sub-committees

There are six sub-committees of the Board, who advise on various areas of the Trust's activities. These sub-committees have specific responsibilities to attend to matters devolved by Trustees and to make recommendations to assist with strategic direction and decision-making. The Board is also supported by the Chief Executive and Executive Committee. The Terms of Reference of the former Remuneration Committee have been broadened to include People and Human Resources matters as a result of a recommendation of the Board Effectiveness review in 2023.



The remits of the sub-committees are set out in the following paragraphs.

Audit & Risk Management Committee

The remit of this committee includes monitoring and reviewing the overall integrity of the financial recording and reporting systems of the Trust, effectiveness of internal controls, and risk management systems; overseeing internal and external audit functions; managing the independent audit of the annual accounts; and reporting to the Board of Trustees on the committee's work and findings.

The Trust's external auditor (Anderson Anderson & Brown Audit LLP), internal auditor, Chief Executive, Chief Financial and Corporate Officer and Trust Secretary also attend each committee meeting.

The committee has been established and operates in accordance with current best practice relating to corporate governance. The committee meets quarterly.

Investment Committee

The Trust holds substantial funds for a variety of purposes, and the Board of Trustees is assisted by the Investment Committee on the management of the investments represented by these funds.

The investment powers of the Trust are contained in the National Trust for Scotland Order Confirmation Act 1973 allowing investment in '...Such stocks, funds, shares, securities and any other investments... as the [Board of Trustees] shall, in their absolute discretion, think fit'. The strategic asset allocation of the investments is considered by the Investment Committee; the committee reports to the Board of Trustees on a quarterly basis.

Nominations Committee

The remit of the Nominations Committee is to identify and recommend nominees for all appointments to be made by the Board of Trustees (including those of co-opted Board members) and to recommend candidates with appropriate skills and experience for election to the Board.

The main focus of the committee's work during the past year was the process to propose a new Chair of the Board of Trustees; the assessment of candidates for elections to the Board; the conduct of elections; and the search for new independent members of the Trust's committees.

People and Remuneration Committee

The People and Remuneration Committee of the Board is chaired by the Chair of the Trust. The purpose of this committee is to set the remuneration of the Executive Committee, as defined below; make recommendations to the Board on the annual pay award for other staff; to maintain an overview of the reward and recognition function within the Trust; and to support the implementation of the Trust's workforce strategy, policies and procedures. In setting remuneration for key management personnel, the committee makes reference to external benchmarks while being mindful of the fact that the Trust is a charity. The main task of the committee during the past year was consideration of the annual staff pay awards.

Fundraising Committee

The remit of the Fundraising Committee is to review and champion fundraising to the Board, to provide guidance and assistance to staff, and ensure that the philanthropic health of the Trust is recognised and reported. The committee meets quarterly.

Project Oversight Committee

The remit of this committee is to monitor and review the delivery of the Trust's approved project programme across all of the Trust's directorates and the overall effectiveness of the Trust's project governance arrangements. The committee meets quarterly.

Executive Committee

The responsibility for managing the operations of the Trust in accordance with the Board's policies lies with the Chief Executive and the Executive Committee, who report regularly to the Board of Trustees. The Executive Committee consists of the key management personnel of the organisation.

The Executive Committee comprises:

- Philip Long, Chief Executive
- Katerina Brown, Chief Operating Officer (until 30 August 2024)
- Lesley-Ann Logan, Chief Financial and Corporate Officer (from 1 October 2024)
- Jane Ferguson, Director of Audiences & Support (formerly Customer & Cause)
- Jim Whyteside, Interim Director of Audiences & Support (formerly Customer & Cause) (from 18 November 2024)
- Pamela Milne, People Director
- Stuart Brooks, Director of Conservation & Policy
- Michael Terwey, Director of Public Engagement & Research
- Ian McLelland, Regional Director South & West
- Clea Warner, Regional Director Highlands & Islands
- Iain Hawkins, Regional Director North East
- Stuart Maxwell, Regional Director Edinburgh & East
- David Frew, Head of Mar Lodge Estate
- Caroline Reid, Director of Commercial Enterprises
- Stephen Small, Director of Legal and Governance

Further reference and administrative details are provided on page 74.

Risk management and internal controls

Risk management

The Trust's risk management is overseen by the Board of Trustees, and risk management is a standing item on the Board's agenda. The Audit & Risk Management Committee supports the Board by receiving quarterly reports from the Executive Committee on the most significant risks and how these are being managed. The Trust's Risk Register identifies current and emerging risks. For each risk, there is an agreed risk appetite, based on anticipated likelihood and impact; a risk owner; and a series of controls and assurances to reduce the inherent risk level to the desired, residual risk level. The Director of Conservation & Policy oversees compliance reporting and progress on actions.

Risks are grouped into strategic categories: Conservation; Engagement; People; Health and Safety; Funding and Financial Management; ICT and Data Management; Emergency Response; Governance; and External Change. There are a number of risk areas that are of particular importance to our charity and people; these are detailed below.

Health and safety

The safety of our visitors, our staff and our volunteers is of priority concern to the Trust. The Board of Trustees oversees the Trust's Health and Safety Policy and receives regular reports on health and safety management and performance. The Trust operates a Safety, Health and Environment system, which supports incident management at all Trust places. The Trust operates a comprehensive regulatory compliance tracker, which provides reports on property status and is reported on quarterly at the Audit & Risk Management Committee. We have also established a rolling health and safety audit of properties and review of Fire Risk Assessments to ensure compliance and support best practice.

Engagement

At the Trust, the public, our members and visitors are the beneficiaries of our conservation work and our mission to provide access, learning and enjoyment. To understand how members and visitors are engaging with the Trust, a rolling visitor satisfaction survey provides real-time intelligence on how well properties are performing and identifies areas for improvement. We also take part in an independent mystery shopper survey programme. We survey our members on specific topics on a regular basis.

Conservation

Conservation of Scotland's natural and cultural heritage is at the heart of the Trust's work. Our Conservation Performance Index (CPI) assesses the condition of our archaeological sites, collections and interiors, built heritage, gardens and designed landscapes, and natural heritage assets. Using this data, we can identify areas of need and plan for interventions. The CPI is used as one of the Trust's Key Performance Indicators, and progress is reported to the Executive Committee and Board of Trustees.

Funding and financial management

As a self-supporting charity, the Trust requires careful financial management to ensure we live within our means. The Trust has controls in place to manage risks relating to fundraising, financial reporting, payments, detection of fraudulent activity, and regulatory compliance.

Information and communication technologies, and data protection

The Trust depends on its systems to coordinate staff and volunteers, deliver enterprise activities, and to manage our finances. We have been investing in additional protections to ensure our cybersecurity, data recovery and cyber incident response. The Trust also has processes and policies in place to manage the collection, use and disposal of personal data to ensure compliance with the UK's General Data Protection Regulation.

Internal control framework

The Board of Trustees, with the support of the Audit & Risk Management Committee, receives regular reports from the Trust's external and internal auditors in order to monitor and evaluate the effectiveness of the Trust's internal control framework. Anderson Anderson & Brown Audit LLP are the Trust's current external auditors and Grant Thornton UK LLP were the Trust's internal auditors until the appointment of Wbg (Audit) Limited as the Trust's internal auditors with effect from 18 June 2024 after a competitive tender process.

The Board of Trustees, with the support of the Audit & Risk Management Committee, consider reports from the Trust's external auditors, including the audit plan for 2023/24 and the audit findings report that documented key findings arising from the audit of the year-end financial statements.

The Audit & Risk Management Committee considers areas of focus for internal audit during the year and receives reports from the internal auditors that highlight the effectiveness of internal controls and risk mitigation measures in those areas and recommendations for improvement. The Audit & Risk Management Committee monitors the implementation of internal audit recommendations and provides updates to the Board of Trustees after each meeting.

The Board of Trustees and Audit & Risk Management Committee regularly review management accounts from the Chief Operating Officer, which report projected outturns against the budgets approved by the Board. The committee also reviews reports submitted by management on the effectiveness of internal controls and management systems.

The Trustees confirm that, as far as they are aware, there is no relevant audit information of which the auditors are unaware and, with the benefit of advice from the Audit & Risk Management Committee, are satisfied that:

- the range of assurances and evidence of effective internal controls supplied to the committee are robust, have integrity and are sufficiently reliable to provide overall assurance and support to the Board of Trustees in its financial stewardship responsibilities
- appropriate action plans are in place to address any weaknesses identified
- it is appropriate for the Financial Statements to be prepared on a going concern basis, as detailed in Note 1 of the Financial Statements

Related parties

The National Trust for Scotland consolidates the results of its wholly owned subsidiary undertaking, National Trust for Scotland Enterprises Ltd, into these financial statements. The company's principal activities are the running of retail, catering, holiday cottages, hospitality and other sundry trading activities at National Trust for Scotland places. Other related parties with which the Trust has transacted during the year are listed in Note 36.

Approved by the Board of Trustees on 26 June 2025 and signed on their behalf by:



Sir Mark Jones
Chair
24 July 2025

Independent Auditor's Report to the Trustees of the National Trust for Scotland

Opinion

We have audited the financial statements of the National Trust for Scotland (the 'Trust') and its subsidiary (the 'group') for the year ended 28 February 2025, which comprise the Consolidated Statement of Financial Activities, the Trust Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated and Trust Cash Flow Statement 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 FRS 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 group's affairs as at 28 February 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 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 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 12 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, except to the extent otherwise explicitly stated in our report, 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) 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' Annual Report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out on page 19, 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 group'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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

The 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, 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 within which the Trust operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) regulation 2006 (as amended) and the Companies Act 2006.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the Trust's key performance indicators to meet targets
- Recognition of revenue in an incorrect period
- Compliance with relevant laws and regulations, which directly impact the financial statements and those that the company needs to comply with for the purpose of trading

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions outside the normal course of business
- Vouching revenue transactions to source documentation and performance obligations, assessing the revenue recognition
- Reviewing judgments made by management in their calculation of accounting estimates for potential management bias
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations
- Analytical procedures to identify any unusual or unexpected trends or relationship
- Reviewing minutes of meetings of those charged with governance to identify any matters indicating actual or potential fraud

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

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

Use of our report

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

Anderson Anderson & Brown Audit LLP

Anderson Anderson & Brown Audit LLP

Statutory Auditor
Chartered Accountants
81 George Street
Edinburgh
EH2 3ES
25 July 2025

Anderson Anderson & Brown Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006. This description forms part of our auditor's report.

Financial Statements for 2024/25

Consolidated Statement of Financial Activities

for the year ended 28 February 2025

	Notes	Unrestricted funds		Restricted funds		2024/25
		General funds	Designated funds	Restricted funds	Endowment funds	Total
		£000s	£000s	£000s	£000s	£000s
Income and endowments from:						
Donations and legacies						
Donations from membership subscriptions		15,383				15,383
Appeals and donations	3	2,615		8,767	3	11,385
Legacies	4	10,655		1,437		12,092
Investment income	5	1,446		6,031		7,477
Income from charitable activities						
Income from membership subscriptions		4,906				4,906
Grants	6	82		3,739		3,821
Property and other income	7	9,578		200		9,778
Income from other trading activities						
Commercial activities	8	21,855		(1)		21,854
Other income	9	4,664		72		4,736
Total income and endowments		71,184		20,245	3	91,432
Expenditure on:						
Costs of raising funds						
Membership and recruitment		2,888				2,888
Publicity and fundraising	10	5,752				5,752
Commercial activities	8	16,637				16,637
Expenditure on charitable activities						
Membership and recruitment		685				685
Property operating expenditure	11	44,544	15	436		44,995
Conservation, repairs and improvements	12	540	135	9,623		10,298
Other expenditure	14					
Other		498				498
Total expenditure		71,544	150	10,059		81,753
Net (expenditure)/income before investment gains		(360)	(150)	10,186	3	9,679
Net gains/(losses) on investment assets	5	(986)		8,025	1,935	8,974
Net (expenditure)/income before transfers		(1,346)	(150)	18,211	1,938	18,653
Transfers between funds	32	(1,754)	9,417	(7,663)		-
Net movement in funds		(3,100)	9,267	10,548	1,938	18,653
Reconciliation of funds:						
Total funds brought forward 1 March 2024		37,158	35,805	89,411	73,633	236,007
Total funds carried forward at 28 February 2025		34,058	45,072	99,959	75,571	254,660

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The comparative figures for each fund are shown on page 32 and in the notes to the Financial Statements on pages 38–73, which form part of these Financial Statements.

Consolidated Statement of Financial Activities

for the year ended 29 February 2024

	Notes	Unrestricted funds		Restricted funds		2023/24 Total £000s
		General funds	Designated funds	Restricted funds	Endowment funds	
		£000s	£000s	£000s	£000s	
<i>Income and endowments from:</i>						
Donations and legacies						
Donations from membership subscriptions		13,251		(53)		13,198
Appeals and donations	3	1,310		5,663		6,973
Legacies	4	5,223		996		6,219
Investment income	5	1,476		6,373		7,849
Income from charitable activities						
Income from membership subscriptions		4,623				4,623
Grants	6	1,548		2,026		3,574
Property and other income	7	9,404		38		9,442
Income from other trading activities						
Commercial activities	8	17,417		25		17,442
Other income	9	226				226
Total income and endowments		54,478		15,068		69,546
<i>Expenditure on:</i>						
Costs of raising funds						
Membership and recruitment		2,598				2,598
Publicity and fundraising	10	5,979				5,979
Commercial activities	8	13,441				13,441
Expenditure on charitable activities						
Membership and recruitment		560				560
Property operating expenditure	11	40,676		542	(38)	41,180
Conservation, repairs and improvements	12	7,673	7	4,188	38	11,906
Other expenditure	14	238		4		242
Total expenditure		71,165	7	4,734		75,906
Net (expenditure)/income before investment gains		(16,687)	(7)	10,334		(6,360)
Net gains/(losses) on investment assets	5	238		9,217	(1,562)	7,893
Net (expenditure)/income before transfers		(16,449)	(7)	19,551	(1,562)	1,533
Transfers between funds	32	3,286	4,871	(8,149)	(8)	-
Net movement in funds		(13,163)	4,864	11,402	(1,570)	1,533
<i>Reconciliation of funds:</i>						
Total funds brought forward 1 March 2023		50,321	30,941	78,009	75,203	234,474
Total funds carried forward at 29 February 2024		37,158	35,805	89,411	73,633	236,007

Trust Statement of Financial Activities

for the year ended 28 February 2025

	Notes	Unrestricted funds		Restricted funds		2024/25 Total
		General funds	Designated funds	Restricted funds	Endowment funds	
		£000s	£000s	£000s	£000s	
Income and endowments from:						
Donations and legacies						
Donations from membership subscriptions		15,383				15,383
Appeals and donations	3	2,615		8,767	3	11,385
Legacies	4	10,655		1,437		12,092
Investment income	5	4,406		6,031		10,437
Income from charitable activities						
Income from membership subscriptions		4,906				4,906
Grants	6	82		3,739		3,821
Property and other income	7	10,599		200		10,799
Other income	9					
Commercial		165				165
Other		4,644		94		4,738
Total income and endowments		53,455		20,268	3	73,726
Expenditure on:						
Costs of raising funds						
Membership and recruitment		2,888				2,888
Publicity and fundraising	10	5,752				5,752
Commercial Activities		6				6
Expenditure on charitable activities						
Membership and recruitment		685				685
Property operating expenditure	11	44,544	15	436		44,995
Conservation, repairs and improvements	12	536	135	9,623		10,294
Other expenditure	14					
Other		497				497
Total expenditure		54,908	150	10,059	-	65,117
Net (expenditure)/income before investment gains		(1,453)	(150)	10,209	3	8,609
Net gains/(losses) on investment assets	5	(986)		8,025	1,935	8,974
Net (expenditure)/income before transfers		(2,439)	(150)	18,234	1,938	17,583
Transfers between funds	32	(1,754)	9,417	(7,663)		-
Net movement in funds		(4,193)	9,267	10,571	1,938	17,583
Reconciliation of funds:						
Total funds brought forward 1 March 2024		34,136	35,805	89,388	73,633	232,962
Total funds carried forward at 28 February 2025		29,943	45,072	99,959	75,571	250,545

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The comparative figures for each fund are shown on page 34 and in the notes to the Financial Statements on pages 38–73, which form part of these Financial Statements.

Trust Statement of Financial Activities

for the year ended 29 February 2024

	Notes	Unrestricted funds		Restricted funds		2023/24 Total
		General funds	Designated funds	Restricted funds	Endowment funds	
		£000s	£000s	£000s	£000s	
<i>Income and endowments from:</i>						
Donations and legacies						
Donations from membership subscriptions		13,251		(53)		13,198
Appeals and donations	3	1,310		5,663		6,973
Legacies	4	5,223		996		6,219
Investment income	5	4,017		6,373		10,390
Income from charitable activities						
Income from membership subscriptions		4,623		-		4,623
Grants	6	1,548		2,026		3,574
Property and other income	7	10,415		38		10,453
Other income	9	228		2		230
Total income and endowments		40,615		15,045		55,660
<i>Expenditure on:</i>						
Costs of raising funds						
Membership and recruitment		2,598				2,598
Publicity and fundraising	10	5,979				5,979
Commercial Activities		142				142
Expenditure on charitable activities						
Membership and recruitment		560				560
Property operating expenditure	11	40,675		542	(38)	41,179
Conservation, repairs and improvements	12	7,673	7	4,188	38	11,906
Other expenditure	14	139		4		143
Total expenditure		57,766	7	4,734		62,507
Net (expenditure)/income before investment gains		(17,151)	(7)	10,311		(6,847)
Net gains/(losses) on investment assets	5	238		9,217	(1,562)	7,893
Net (expenditure)/income before transfers		(16,913)	(7)	19,528	(1,562)	1,046
Transfers between funds	32	3,286	4,871	(8,149)	(8)	-
Net movement in funds		(13,627)	4,864	11,379	(1,570)	1,046
<i>Reconciliation of funds:</i>						
Total funds brought forward 1 March 2023		47,763	30,941	78,009	75,203	231,916
Total funds carried forward at 29 February 2024		34,136	35,805	89,388	73,633	232,962

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Consolidated Balance Sheet

as at 28 February 2025

	Notes	2024/25 £000s	2023/24 £000s
Fixed Assets			
Tangible assets	20	38,781	34,223
Heritage assets	21	271	271
Intangible assets	22	1,159	356
Investment assets	5	189,985	184,693
Total fixed assets		230,196	219,543
Current assets			
Stock	23	1,326	1,126
Debtors	24	12,975	11,038
Cash and bank	35	22,055	17,352
Total current assets		36,356	29,516
Creditors: amounts falling due within one year	25	(9,539)	(9,368)
Net current assets		26,817	20,148
Total assets less current liabilities		257,013	239,691
Creditors: amounts falling due after more than one year	25	(2,258)	(1,934)
Provision for liabilities	27	(95)	(1,750)
Net assets	28	254,660	236,007
The funds of the group			
Restricted funds			
Endowments	29	75,571	73,633
Other restricted funds	30	99,959	89,411
Total restricted funds		175,530	163,044
Unrestricted funds			
Designated – tangible fixed assets	31	39,680	34,712
Other designated funds	31	5,392	1,093
Total designated funds		45,072	35,805
General income		34,058	37,158
Total unrestricted funds		79,130	72,963
The funds of the group		254,660	236,007

The Financial Statements were approved by the Board of Trustees on 26 June 2025 and signed on behalf and authorised for issue by:



Sir Mark Jones,
Chair, 24 July 2025

Trust Balance Sheet

as at 28 February 2025

	Note	2024/25 £000s	2023/24 £000s
Fixed assets			
Tangible assets	20	38,781	34,223
Heritage assets	21	271	271
Intangible assets	22	1,159	356
Investment assets	5	189,985	184,693
Total fixed assets		230,196	219,543
Current assets			
Stock	23	135	122
Debtors	24	12,635	11,236
Cash and bank	35	17,912	15,824
Total current assets		30,682	27,182
Creditors: amounts falling due within one year	25	(7,980)	(10,090)
Net current assets		22,702	17,092
Total assets less current liabilities		252,898	236,635
Creditors: amounts falling due after more than one year	25	(2,258)	(1,923)
Provision for liabilities	27	(95)	(1,750)
Net assets	28	250,545	232,962
The funds of the group			
Restricted funds			
Endowments	29	75,571	73,633
Other restricted funds	30	99,959	89,388
Total restricted funds		175,530	163,021
Unrestricted funds			
Designated – fixed assets	31	39,680	34,713
Other designated funds	31	5,392	1,092
Total designated funds		45,072	35,805
General income		29,943	34,136
Total unrestricted funds		75,015	69,941
The funds of the Trust		250,545	232,962

The Financial Statements were approved by the Board of Trustees on 26 June 2025 and signed on behalf and authorised for issue by:



Sir Mark Jones,
Chair, 24 July 2025

Consolidated and Trust Cash Flow Statement

for year ending 28 February 2025

	Notes	Group		Trust	
		2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s
Cash (used in)/generated by operating activities	34	(3,013)	(14,322)	(8,588)	(15,014)
<i>Cash flows from investing activities:</i>					
Purchase of assets		(8,178)	(7,365)	(8,178)	(7,365)
Returns from investments		7,477	7,849	10,437	10,390
Receipts from sales of assets		4,735	228	4,735	233
Purchase of investments		(1,069)	(47,643)	(1,069)	(47,643)
Sale of investments		4,751	60,391	4,751	60,391
Cash (used in)/provided by investing activities		7,716	13,460	10,676	16,006
<i>Cash flows from financing activities:</i>					
Repayment of borrowings			-		-
Cash used in financing activities			-		-
(Decrease)/Increase in cash in the year	35	4,703	(862)	2,088	992
Cash and cash equivalents at beginning of year		17,352	18,214	15,824	14,832
Cash and cash equivalents at end of year	35	22,055	17,352	17,912	15,824

The notes on pages 38-73 form part of these Financial Statements.

Notes to the Financial Statements

1. Accounting policies

The Trust operates under the National Trust for Scotland Order Confirmation Acts 1935 to 1973 and the National Trust for Scotland (Governance etc) Act 2013. The National Trust for Scotland for Places of Historic Interest or Natural Beauty is registered as a charity in Scotland with charity registration number SC007410, and its principal office and place of business at Broadstone, 50 South Gyle Crescent, Edinburgh EH12 9LD. The charitable purpose of the Trust may be summarised as the promotion of the preservation of, access to and enjoyment of places of historic interest or natural beauty.

The National Trust for Scotland has one wholly owned subsidiary undertaking, National Trust for Scotland Enterprises Ltd (The Company), the results of which are consolidated with those of the Trust. The Company's principal activities are the running of retail, catering, holiday cottages, hospitality and other sundry trading activities at National Trust for Scotland places.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows and included in Note 2:

Basis of preparation

The accounts (Financial Statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and related information sheets and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and sections 6 & 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

The National Trust for Scotland ('the Trust') meets the definition of a public benefit entity under FRS 102.

Monetary amounts in these Financial Statements are in £ sterling and rounded to the nearest whole £1,000 except when otherwise indicated.

Going concern

The Financial Statements are prepared on a going concern basis and under the historical cost convention (as modified by the revaluation of investment properties and listed investments to market value) and in accordance with applicable accounting standards in the United Kingdom, which have been consistently applied. The going-concern basis is considered appropriate due to the strength of the Trust's Balance Sheet, which would allow the Trust to continue to operate if there was either a significant reduction in income or an unexpected increase in costs, or both.

The Board is required to assess the Trust's viability over a period greater than 12 months from the date of signing. In keeping with the way that the Board views the development of the Trust over the long term, a period of three years is considered appropriate for business planning, measuring performance and remunerating at a senior level. The Trust moved to a regular three-year financial planning cycle as part of its development of a longer-term corporate strategy and a three-year operating plan was approved by the Board in December 2023. At present, the assessment of viability continues for a 12-month period to the end of June 2026.

For 2025/26 we start the next phase of our corporate strategy, the *Building* phase.

The strong financial performance in 2024/25 has provided a solid basis for this phase in the strategy and has allowed us to plan for important project work that would otherwise have been harder to prioritise. We recognise however that we cannot plan with the expectation that the significant donations and legacies that we received over the past year will be repeated and the budget for 2025/26 projected total trust income of £78.6 million.

We have a detailed membership review underway which will shape our strategy for growth in this area and investment in the fundraising team will support the required growth in this area which help underpin a number of the larger projects planned over the next few years. Commercial revenues have grown steadily over the past couple of years, and we plan to develop the structures around the Commercial Enterprises team to support them to continue to build these revenues.

The context for this budget sees new processes to support management of staffing costs and project costs and continued investment in systems which will support income growth and operational efficiency. Staffing costs which included the significant changes to National Insurance rates and the Living Wage levels were factored into this budget. Procurement processes are being enhanced and these are expected to help contain the inflationary pressure on operating costs.

In terms of reserves, the Trust's policy to maintain a prudent level of unrestricted general reserves provides a level of financial resilience that has helped the Trust remain financially viable through this challenging period. We continue to monitor this and align the liquidity position with the Trust's overall Investment Strategy. The move to a longer-term planning horizon, along with the Trust's ten-year Corporate Strategy, will ensure that the continuance of the Trust's charitable aims and objectives are sustainable.

The Trust's closing cash and bank balance at 28 February 2025 was £17.9 million, which is unrestricted. In addition, there are liquid investments and deposits linked to unrestricted funds valued at £6.3 million. The total level of liquid cash, bank and investment assets linked to unrestricted funds totals £24.2 million and these are considered to be sufficient to cover the Trust's projected expenditure commitments, should there be a significant shortfall in the £78.6 million estimated income in the 2025/26 budget.

Basis of consolidation

The Trust holds 100% of the issued share capital of National Trust for Scotland Enterprises Limited. The results include those of the National Trust for Scotland and those of National Trust for Scotland Enterprises Ltd (Enterprises), the wholly owned subsidiary of the Trust. Uniform accounting policies are adopted throughout the group, and any profits or losses arising on intra-group transactions are eliminated in the Consolidated Statement of Financial Activities.

Income recognition

With the exception of membership subscriptions, income is recognised when the Trust has legal entitlement; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received; and the amount can be measured reliably.

Membership subscription income

The element of annual membership subscriptions that is not regarded as a donation is treated as income from charitable activities. This is deferred and released to the Statement of Financial Activities over the period to which the membership subscription relates. The element that is deemed to be a donation and its associated Gift Aid is recognised on receipt and reported within Donations and Legacies in the Statement of Financial Activities.

Life Membership subscriptions and any associated Gift Aid are recognised in 15 equal annual instalments and allocated to Donations and Legacies and income from charitable activities within the Statement of Financial Activities, in line with the level of active Life Memberships.

Appeals and donations

Appeals and donations are recognised as income when the donated cash is received or when receipt of the donation meets the Charities SORP (FRS 102) tests of entitlement, probability and measurement. Donations of non-cash assets and investments are included as income when the title of these assets transfers to the Trust, and income is recognised at the appropriate fair value at the point of transfer of title. Gift Aid thereon is accounted for on a receivable basis and is added to restricted funds or unrestricted funds as appropriate.

Where the use of the income has been restricted in accordance with the donor's wishes, appeal and donation income is credited to an appropriate fund (see the Accounting Policy for Funds and Reserves on page 46) until it can be spent for the purpose for which it was given. When a new heritage asset is gifted to the Trust, where practical these are included in income at their fair value. No value has been placed on heritage assets historically gifted to the Trust, in accordance with the National Trust for Scotland's policy on heritage assets.

Grants

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Trust has entitlement to the funds; performance conditions attached to the grants have been met; it is probable that the income will be received; and the amount can be measured reliably.

Where terms or conditions have not been met, or uncertainty exists as to whether they can be met, the relevant income is not recognised in the year but is deferred and included in the balance sheet as deferred income.

Legacies

Legacies are accounted for as income either upon receipt or when receipt of the legacy meets the Charities SORP (FRS 102) tests of entitlement, probability and measurement. Pecuniary legacies are recognised following formal notification from the Estate, whereas residuary legacies are only recognised in line with the following assessments:

- Entitlement to a legacy is evidenced when a charity has sufficient evidence that a gift has been left to them and the executor of the estate is satisfied that the assets in question will not be required to satisfy claims in the estate
- Receipt is normally probable when:
 - i) There is a grant of probate
 - ii) The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy
 - iii) Any conditions attached to the legacy have been fulfilled or are within the charity's control
- The legacy should be recognised at the estimate of fair value of the legacy income receivable based on the income available. If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated, then it is held as a contingent asset until all the conditions for income recognition can be fulfilled (Note 37)

Where the use of the income has been restricted in accordance with the benefactor's wishes, legacy income is credited to an appropriate fund (see Accounting Policy for Funds and Reserves on page 46) until it can be spent for the purpose for which it was given. No value is placed on heritage assets bequeathed to the Trust in accordance with the National Trust for Scotland's policy on heritage assets.

Investment income

Investment income is recorded in the period in which it is earned. The Trust's investment income includes the distribution of earnings from Enterprises, which pays all its taxable profits for the reporting period to its parent charity (the Trust) under the Gift Aid scheme. In line with the amended FRS 102, this Gift Aid income is only recognised on receipt of this distribution or when there is a legal obligation established.

Property and other income

Income reported under this heading includes charitable trading activities (catering, holidays and car parks), rents and admission fees, all of which are recognised in the period to which they relate. Admission fees are included based on the point at which the sale is made.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Depending on the nature of the related expenditure, irrecoverable VAT is either charged to the appropriate expenditure heading or it is capitalised.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party; it is probable that settlement will be required; and the amount of the obligation can be measured reliably. The Consolidated Statement of Financial Activities defines costs in three specific categories:

- Cost of raising funds – costs that are associated with the generation of income from sources other than from undertaking charitable activities, which includes trading, investment management costs, membership, fundraising and an allocation of support costs
- Expenditure on charitable activities – costs incurred by the Trust in the delivery of its charitable activities, which includes membership, property operations, conservation, repairs and improvements, and an allocation of associated support costs
- Other expenditure – items that do not fall under any other heading, for example the cost of restructuring or significant investment on back-office systems and processes (such as the Transforming the Trust project – phase 2) which are anticipated to significantly change the support operating model

Allocation of support costs

Support costs are those costs that do not relate directly to a single activity. They include back-office costs, finance, personnel, ICT and governance costs. Governance costs are those associated with meeting the constitutional and statutory requirements of the charity as well as costs linked to its strategic management. Support costs have been allocated between cost of raising funds and expenditure on charitable activities. The analysis of support costs and the bases of allocation are shown in Note 13.

Pension schemes

The Trust operates a defined contribution scheme through a Group Personal Pension Scheme and National Employment Savings Trust (NEST) and are charged in the year they are incurred. Further detail is provided in Note 16.

Employee benefits

The group contributes to a group personal pension scheme, the assets of which are administered by Standard Life. It is a defined contribution scheme. All contributed costs are accounted for on the basis of charging the cost of providing pensions over the period when the charity benefits from the employees' services. The charity has no further liability under the scheme. Short-term benefits including holiday pay are recognised as an expense in the period in which the service is received. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Contribution of volunteers

No amounts have been included in these Financial Statements to reflect the value of services provided free of charge to the National Trust for Scotland by volunteers. An estimate of the value of hours of volunteer time from which the Trust has benefitted is included in Note 16.

Operating leases

The annual rental for leases that are classified as operating leases is charged as expenditure to the Statement of Financial Activities on a straight-line basis over the lease term.

VAT

The Trust is registered for VAT, with partial exemption due to the nature of incoming resources. Expenditure is stated inclusive of any irrecoverable input tax.

Taxation

The Trust is a Scottish registered charity and is recognised as such by HMRC for UK taxation purposes. As a result, there is no liability for UK taxation on any of its income or capital gains in respect of charitable activities.

The trading activities of the Trust are undertaken by Enterprises, which then Gift Aids its taxable surpluses in the form of a distribution to the Trust; hence no taxation is incurred.

Tangible fixed assets

A fixed asset is typically something long-lasting and owned by the Trust. A tangible fixed asset is an asset that has a physical form, e.g. machinery, buildings or land.

Recognition of a tangible fixed asset

Tangible fixed assets are assets that will be:

- i) used by the Trust in the **generation of income for more than one year**
- ii) the purchase cost and/or the total costs incurred to produce the asset **are more than £5,000**

Where these criteria are met, the purchase costs and/or costs incurred to produce the asset will be recorded in the balance sheet of the Trust rather than in operational or conservation costs.

Where refurbishment and major repair costs are incurred for the purpose of income generation, the criteria noted above are considered to determine if the costs should be capitalised on the balance sheet.

Valuation and depreciation of a tangible fixed asset

Tangible fixed assets are recorded at the historic purchase cost or costs of production, less accumulated depreciation. Tangible fixed asset costs are depreciated on a straight-line basis in line with their estimated useful lives to ensure their values are accurately reflected in the Financial Statements.

Capital asset category	Expected useful life
Buildings	30 years
Renewable energy equipment*	20 years
Building fit-outs	10–15 years
Fixtures and fittings*	5–20 years
Motor vehicles	4 years
Computer equipment	4 years

**Included in Fixtures & Fittings in Note 20*

Depreciation is first charged in the calendar month of acquisition or on the bringing into use of the asset, whichever is later.

Assets under construction are not depreciated until completed and placed into service or use.

Heritage assets

Heritage assets are defined as tangible and intangible assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

The Trust's charitable purpose is to promote the preservation of and access to Scotland's heritage. As a result, a large majority of assets held may fall under the definition of heritage assets.

The Trust accounts for its heritage assets in line with FRS 102. These fall into two categories:

Land and buildings

Heritage assets in the form of land and buildings are not generally capitalised on the balance sheet. Following the introduction of FRS 102, the Board of the National Trust for Scotland reviewed the position and confirmed that the capitalisation of heritage assets at that point would result in a distorted view of the Trust's financial position. These assets are not assets in the normal sense, since any value placed on them would more than be offset by the liability of having the obligation to maintain them.

Many of the Trust's Heritable Land and Building Assets have been gifted or bequeathed since the inception of the Trust, and as a result it is not possible to establish a cost or valuation for these assets; these are therefore not recorded on the balance sheet.

Where refurbishment and major repair costs are incurred predominantly for the conservation of Heritable Assets and/or to improve access to the Heritable Asset, these costs will not be capitalised and instead will appear as Conservation and Repair costs in the SoFA in the financial year in which the expenditure was incurred. In most cases, the original cost is not capitalised. To capitalise the conservation of these costs would result in a distorted view of the Trust's financial position.

When a new Heritable Asset is purchased and it has a cost of acquisition, these acquisition costs will be recognised on the balance sheet if they meet the criteria for capitalisation of tangible fixed assets; otherwise they will appear as expenses in the SoFA. When a new Heritable Asset is gifted to the Trust, where practical, these are recognised at their fair value in the balance sheet if they meet the criteria for capitalisation of tangible fixed assets; otherwise they will appear as expenses in the SoFA. Heritage land and buildings are not depreciated.

Any acquisition of new land or buildings should follow the Trust's Conservation Property Acquisition and Disposals Policy, a copy of which is available on request.

Any disposals of land and buildings must be considered by the Disposals Committee and the Board of Trustees. Any proceeds from the disposal of a Heritable Asset should be recognised through the gains and losses within the SoFA, together with the derecognition of any carrying amount in the balance sheet.

Collections

Over time the Trust has amassed various collections of furniture, paintings, books, fine china and artefacts. These collections, of substantial heritage significance, are generally recorded within a database that is updated as new collections are acquired. As these items have accumulated over a considerable period of time, it is not possible to establish a cost or valuation for these assets and these are therefore not recorded on the balance sheet.

In accordance with FRS 102 and the SORP, the Trust does not carry out valuations of the collections. There are around 300,000 individual items. When a new Heritable Asset in the form of a collection item is purchased, its costs will be recognised on the balance sheet at this amount if it meets the criteria for capitalisation of tangible fixed assets; otherwise they will appear as expenses in the SoFA.

The purchase or disposal of collections must be in line with the policies outlined in the Trust's *Developing Collections: A Policy to Reflect and Enrich Lives*. Any proceeds from the disposal of a heritage asset would be

recognised through the gains and losses within the SoFA, together with the derecognition of any carrying value in the balance sheet.

Where refurbishment and major repair costs are incurred predominantly for the conservation of heritage assets or to improve access to the heritage asset, these costs will not be capitalised in line with the Heritage Assets Policy.

Where refurbishment and major costs to a heritage asset are incurred predominantly to increase income generation, the costs are capitalised despite the work being carried out on a heritage asset. An example could be when the interiors of holiday cottages or commercial operations such as retail or catering outlets are refurbished. These units are often located in heritage assets, which themselves are not capitalised in line with the Heritage Assets Policy. However, since the primary purpose of these refurbishments is income generation, the costs of the refurbishments (if in excess of £5,000) are capitalised.

Intangible fixed assets

Intangible assets are non-monetary assets that are without physical substance, that are controlled by the Trust and that are transferable. Examples include computer software, trademarks and internet domains. Intangible fixed assets are intangible assets that will be:

- i) used by the Trust in the generation of income for more than one year; and
- ii) the purchase cost and/or the total costs incurred to produce the asset are more than £5,000

Where these criteria are met, the purchase costs and/or costs incurred to produce the asset will be recorded in the balance sheet of the Group, rather than in operational or conservation costs.

Valuation and amortisation of intangible fixed assets

Intangible fixed assets are stated at their historical cost and amortised on a straight-line basis over their expected useful lives, with adjustments made for impairment as required.

Capital asset category	Expected useful life
Website development	4 years

Amortisation is first charged in the calendar month of acquisition or on the bringing into use of the asset, whichever is later. Amortisation is charged to publicity and fundraising costs, as the asset relates to the Trust website.

Costs associated with software with an annual licence or subscriptions are not capitalised as they will provide no benefit to the Trust without incurring the next year's licence or subscription being paid.

Investments

The Trust holds substantial funds for endowments, restricted and designated purposes. The Board of Trustees is assisted by the Investment Committee on the management of the equity and other investments represented by these funds.

Investments are shown at fair value, which is normally the bid price for quoted investments. Unquoted investments are shown at the Board of Trustees' valuation on advice. Investment properties are included at valuation based on a comparable, open market, existing use. A quinquennial external desktop valuation cycle is in place (the last external valuation took place in March 2023). Between the external valuations, an annual valuation review is undertaken by the Trust's own professionally qualified surveyors. These valuations have been assessed based on trends and known changes in occupation and in line with RICS (Royal Institution of Chartered Surveyors) assumptions. Additions are shown at cost, with the exception of gifts which are shown at valuation on the date of gift. The movement in valuation of investments is shown in the Consolidated Statement of Financial Activities and comprises both realised and unrealised gains and losses.

The investment held in the subsidiary undertaking (National Trust for Scotland Enterprises Limited) is held at cost.

Stock

Stock is stated at the lower of purchase cost or net realisable value, other than farm stocks which are stated at valuation. In relation to retail stock that is deemed to be end of life and not sellable at any price, the stock is written off and disposed of. Stock consists of retail and catering trading stock, livestock, publications and raw materials. Stock is valued on a first-in, first-out (FIFO) basis.

Cash and cash equivalents

Cash at bank and in hand is held to meet the day-to-day running costs of the charity as they fall due.

Capital contributions

Capital contributions from landlords are treated as deferred income and are released to the Statement of Financial Activities over the initial lease period.

Provision for liabilities

A provision for a liability is established for an obligation as a result of past transactions or events that exists at the balance sheet date.

Recognition of a provision:

An obligation will be established as a provision where:

- i) there is a present obligation (legal or constructive) as a result of a past event
- ii) it is probable that a transfer of economic benefits will be required to settle the obligation, e.g. the Trust will have to make a payment to a third party to settle the obligation
- iii) a reliable estimate can be made of the amount of the obligation

If the above criteria are met, then the Trust will establish a provision for liabilities and disclose this within the notes to the Financial Statements.

Financial instruments

The Trust applies the provisions of *Section 11 'Basic Financial Instruments'* and *Section 12 'Other Financial Instruments Issues'* of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provision of the instrument and are offset only when the Trust currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets

A financial asset represents financial resources available to the charity; examples include financial investments in shares or bonds, debtors and cash.

Debtors: Trade and other debtors which are receivable within one year are initially measured at the transaction price. They are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade and other debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities

Creditors: Trade and other creditors payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Funds and reserves

The Trust's **Charity Funds** are a consolidation of around 345 individual funds and are divided into two distinct categories: unrestricted and restricted, as set out below:

Charity funds	Unrestricted funds The use of these funds has not been restricted to a particular purpose by donors or their representatives.	General Income Fund (GIF) To provide a reserve to finance central infrastructure, provide access to large project funding for properties with insufficient reserves themselves. This fund may also provide working capital for properties with no restricted funds of their own with operational deficits and provide financial protection against uncertainty or unexpected events and is available to use at the discretion of the Trustees in furtherance of the Trust's objectives.
		Designated funds Have been allocated by the Trustees for particular purposes. Where specific planned activities are identified as requiring significant funding, proposals will be made to the Board to designated unrestricted funds for use for a particular project or commitment. These include the Fixed Asset Reserve.
	Restricted funds These funds have been restricted to a particular purpose by donors.	Endowment funds Typically arise when donors or grant-giving bodies provide funds on the condition that they must be retained in order to generate investment income for the long-term needs of the property or the restricted activity that the endowment is provided for. Income arising on endowment funds is generally expendable and is distributed as income to funds in order to be spent.
		Other restricted funds These include gifts and legacies which have been given or bequeathed to the Trust to be used in accordance with the conditions of donors. Both the capital and the income may only be applied for the purpose for which the funds were donated.

A number of the Trust's places held for conservation have established restricted funds that have been given to the Trust either by donors or grant-making bodies. The existence of these restricted funds places less reliance on reserve requirements to maintain these properties, and the Trust's policy is to seek adequate endowments for new acquisitions.

Transfers between funds

Transfers may be made between funds for the following reasons:

- From restricted to unrestricted funds when restricted funds may be lawfully released (i.e. permission for the release has been given by the donor, or OSCR or court approval has been given to release historic funds)
- Transfers from General Income Fund to designated funds to support properties' conservation and improvement requirements, as approved by the Board
- Transfers from designated funds to General Income Fund where previously designated funds are no longer required for the designated purpose, as approved by the Board
- From unrestricted to restricted funds to cover a deficit on a restricted fund that may (for example) have been caused by investment losses
- To reflect the increase in the book value of tangible fixed assets without specific designated or restricted funding
- Transfers to reflect assets purchased with restricted funds, but not held for a restricted purpose

The Board has adopted a formal **Reserves Policy**, as detailed in the Trustees' Report on page 17. Free reserves are reserves available to spend freely on any charitable purpose. These are represented by unrestricted funds, less designated funds, less fixed assets.

In the case of the Trust, free reserves are represented by the General Income Fund (GIF) disclosed on the Trust's Balance Sheet. Free reserves do not include endowment funds, restricted funds or designated funds.

Comparative financial information

The accounting policies adopted have been consistently applied in both the current and comparative period.

2. Critical accounting estimates and areas of judgement

In the application of the accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The key areas that are deemed to be material for these financial statements are as follows:

- Accruing for income derived from legacies where complicated issues surrounding the measurement or the entitlement to income existed at the year end, in line with the Accounting Policy on legacies (page 40)
- The valuation of investment properties is carried out by the Trust's National Estates Manager. This estimate is in line with the Trust's accounting policies (pages 38–47)

3. Appeals and donations

The income from appeals and donations was £11,385K (2023/24: £6,973K). Detailed comparative information for each separate class of fund is set out below:

Group and Trust	Unrestricted funds		Restricted funds		Total
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
2025	2,615	-	8,767	3	11,385
2024	1,310	-	5,663	-	6,973

4. Legacies

The income from legacies was £12,092k (2023/24: £6,219k). Detailed comparative information for each separate class of fund is set out below:

Group and Trust	Unrestricted funds		Restricted funds		Total
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
2025	10,655	-	1,437	-	12,092
2024	5,223	-	996	-	6,219

5. Investments and investment income

5.1 Reconciliation of Movement in Investments by Asset Class:

Group and Trust	Investment Asset Class			Total £000s
	Investments	Deposits and cash	Net property investments	
	£000s	£000s	£000s	
Market value as at 28 February 2023	184,825	2,012	2,711	189,548
Additions at cost	47,642	1	-	47,643
Disposal proceeds	(58,441)	(1,950)	-	(60,391)
Capital events, transfers & movements	-	-	-	-
Realised gain/(loss)	4,260	-	-	4,260
Unrealised gain/(loss)	3,633	-	-	3,633
Market value as at 29 February 2024	181,919	63	2,711	184,693
Additions at cost	1,069	-	-	1,069
Disposal proceeds	(4,688)	(63)	-	(4,751)
Capital events, transfers & movements	-	-	-	-
Realised gain/(loss)	-	-	-	-
Unrealised gain/(loss)	8,779	-	195	8,974
Market value as at 28 February 2025	187,079	-	2,906	189,985

The following table provides further information on the breakdown of investments:

Group and Trust	2024/25	2023/24
	£000s	£000s
UK listed investment	67,301	80,982
Overseas listed investment	112,513	92,292
UK unlisted investments	7,265	8,645
Market Value	187,079	181,919

5.2 Detailed comparative information for each separate class of fund relating to the realised gains/(losses) from investment asset disposals and unrealised gains/(losses) from investment asset revaluation is set out below:

Group and Trust	Unrestricted funds				Restricted funds				Total	
	General funds		Designated funds		Restricted funds		Endowment funds			
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Unrealised gain/(loss) on investment revaluation	(986)	251	-	-	8,025	4,944	1,935	(1,562)	8,974	3,633
Realised gain/(loss) on investment disposal	-	(13)	-	-	-	4,273	-	-	-	4,260
Net gain/(loss) on investment assets	(986)	238	-	-	8,025	9,217	1,935	(1,562)	8,974	7,893

5. Investments and investment income (continued)

5.3 The following is a summary of the income arising from the Trust's investments:

	Investment Income			
	Group		Trust	
	2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s
Income from investments	6,927	7,067	6,927	7,067
Interest on deposits and cash	550	782	472	772
Distribution from Enterprises	-	-	3,038	2,551
Total Investment Income	7,477	7,849	10,437	10,390

5.4 Detailed comparative information for each separate class of fund for the investment income is set out below:

Group	Unrestricted funds		Restricted funds		Total
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
2025	1,446	-	6,031	-	7,477
2024	1,476	-	6,373	-	7,849

Trust	Unrestricted funds		Restricted funds		Total
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
2025	4,406	-	6,031	-	10,437
2024	4,017	-	6,373	-	10,390

5.5 Distribution from Enterprises

The Trust receives a distribution of earnings from trading activities which are undertaken by National Trust for Scotland Enterprises Ltd SC095585 (Enterprises), its subsidiary undertaking, arising from an investment of £2 held within the National Trust for Scotland. This investment income is in the form of Gift Aid on taxable profits made by Enterprises. Gift Aid distributions are recognised in the year they are paid. A payment of £3,038k was made during the year 2024/25 (2023/24: £2,551k).

5.6 At the year end, the Trust held property deemed not to be 'of heritage significance'. In line with FRS 102, these properties have been included within property investments above at a fair value of £2,906k (2023/24: £2,711k) as per valuations conducted by the Trust's National Estates Manager in March 2025. Included in investment properties is property with a value of £975k for which the Trust has granted an irrevocable undertaking to retain the property.

6. Grants

The Trust received grants from the following bodies:

	Group		Trust	
	2024/25	2023/24	2024/25	2023/24
	£000s	£000s	£000s	£000s
Scottish Government	-	1,529	-	1,529
Historic Environment Scotland	434	289	434	289
NatureScot (formerly Scottish Natural Heritage)	435	1,533	435	1,533
Local authorities and Enterprise companies	2,782	223	2,782	223
Heritage Lottery Fund	170	-	170	-
Total for year ending 28 February	3,821	3,574	3,821	3,574

For both Group and Trust, £3,739k (2023/24: £2,026k) of the total grants received were restricted.

7. Property and other income

Group	Unrestricted funds				Restricted funds				Total	
	General funds		Designated funds		Restricted funds		Endowment funds			
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Admissions	6,657	5,443	-	-	-	-	-	-	6,657	5,443
Rents	2,223	1,933	-	-	191	-	-	-	2,414	1,933
Other	698	2,028	-	-	9	38	-	-	707	2,066
Property & other income	9,578	9,404	-	-	200	38	-	-	9,778	9,442

Trust	Unrestricted funds				Restricted funds				Total	
	General funds		Designated funds		Restricted funds		Endowment funds			
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Admissions	5,387	5,443		-	-	-		-	5,387	5,443
Rents	2,223	1,933		-	191	-		-	2,414	1,933
Other	2,989	3,039		-	9	38		-	2,998	3,077
Property & other income	10,599	10,415		-	200	38		-	10,799	10,453

Other income, for the Group and Trust, includes income from events, produce sales and countryside activities, as well as subsidies and commission.

8. Commercial activities

National Trust for Scotland Enterprises Ltd (Enterprises) is wholly owned by the Trust with share capital of £2. It is incorporated in Scotland (SC095585) and its results are consolidated with the results of the National Trust for Scotland in the group accounts. Enterprises' principal activities are the running of retail, catering, holiday cottages, hospitality and other sundry trading activities at Trust places. All of these activities are unrestricted; therefore, all income and expenditure is unrestricted. Unlike most of the Trust's income, Enterprises does not enjoy exemption from taxation and distributes, under a Gift Aid scheme, the whole of its surpluses to the Trust.

A management charge of £1,049k (2025/24: £1,023k) was charged by the National Trust for Scotland for management services provided to Enterprises.

The turnover and net contributions to Trust funds from Enterprises were:

NTS Enterprises	Turnover		Costs		Contribution	
	2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s
Retail	8,324	7,220	5,675	4,650	2,649	2,570
Catering	9,048	7,440	8,195	6,405	853	1,035
Holiday cottages	2,029	1,963	1,458	1,360	571	603
Functions	425	417	314	342	111	75
Travel Trade	1,270	-	465	-	805	-
Other income and events	699	420	530	642	169	(222)
Total	21,795	17,460	16,637	13,399	5,158	4,061

Travel Trade operations were moved into NTSE during this financial year. These were previously included in NTS (2024 £1,015k).

After inclusion of the management charge, a profit before tax of £4,109k (2023/24: £3,038k) and a profit after tax of £4,109k (2023/24: £3,038k) was as recorded below.

Enterprises profit/(loss) before tax

Contribution

Property and other income

Other operating income – grants received

Other operating expenditure – management recharge

Profit/(loss) before tax for year

Taxation credit

Profit/(loss) after tax for year

2024/25
£000s

2023/24
£000s

5,158

4,061

(1,049)

(1,023)

4,109

3,038

-

4,109

3,038

The net assets/(liabilities) of Enterprises are summarised as follows:

Enterprises net assets/(liabilities)

Stock

Debtors

Cash and bank

Creditors

Net assets/(liabilities)

2024/25
£000s

2023/24
£000s

1,190

1,003

757

3,689

4,143

1,501

(1,974)

(3,149)

4,116

3,044

9. Other income

Other income was £4,736k (2023/24: £226k) resulting from a sale of Trust property and the release of the dilapidation provision on exit of the Hermiston Quay office in the year. Detailed comparative information for each separate class of fund is set out below:

Group	Unrestricted funds				Restricted funds				Total	
	General funds		Designated funds		Restricted funds		Endowment funds			
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/25	2024/25	2023/24
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Gain on sale of assets	4,664	226		-	72	-	-	-	4,736	226
Other income	4,664	226		-	72	-	-	-	4,736	226

Trust	Unrestricted funds				Restricted funds				Total	
	General funds		Designated funds		Restricted funds		Endowment funds			
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/25	2024/25	2023/24
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Gain on sale of assets	4,644	226		-	94	2	-	-	4,738	228
Other income	4,644	226		-	94	2	-	-	4,738	228

10. Publicity and fundraising

Expenditure on publicity and fundraising was £5,752k (2023/24: £5,979k). Detailed comparative information for each separate class of fund is set out below:

Group and Trust

	2024/25	2023/24
	£000s	£000s
Salaries and wages	1,977	1,664
Marketing and publications	2,181	2,670
Consultants and professional fees	215	58
Maintenance and equipment	226	292
Travel and subsistence	36	44
Other overheads (including depreciation)	312	404
Support costs (see Note 13)	726	686
Governance costs (see Note 13)	79	161
Total publicity and fundraising expenditure	5,752	5,979

10. *Publicity and fundraising (continued)*

The total publicity and fundraising expenditure can be analysed by fund as follows:

Group and Trust	Unrestricted funds		Restricted funds		Total
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
2025	5,673	-	-	-	5,673
2024	5,979	-	-	-	5,979

11. Property operating expenditure

Property operating expenditure consists of the following main areas of resources:

Group and Trust	2024/25 £000s	2023/24 £000s
Salaries and wages	16,342	15,463
Utilities	4,205	3,574
Maintenance and equipment	5,493	6,116
Insurance	2,220	869
Travel and subsistence	608	688
Other overheads (including depreciation)	7,571	5,448
Support costs (see Note 13)	8,797	8,047
Governance costs (see Note 13)	682	975
Release of Dilapidation provision	(923)	-
Total property operating expenditure	44,995	41,180

The total property operating expenditure can be analysed by fund as follows:

Group and Trust	Unrestricted funds		Restricted funds		Total
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
2025	45,544	-	15	436	45,995
2024	40,676	-	542	(38)	41,180

12. Conservation, repairs and improvements

The Trust spent the following on conservation, repairs and improvements:

Group and Trust	2024/25	2023/24
	£000s	£000s
Major projects	5,475	5,902
Routine conservation and repairs	1,911	2,598
Support costs (see Note 13)	2,322	2,276
Governance costs (see Note 13)	590	1,130
	10,298	11,906

The total expenditure on conservation, repairs and improvements can be analysed by fund as follows:

	Unrestricted funds		Restricted funds		Total restated
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	
2025	540	135	9,623	-	10,298
2024	7,673	7	4,188	38	11,906

Major projects vary year on year, and as such spending will increase or decrease in accordance with the projects ongoing in the year.

13. Analysis of support and governance costs

The Trust initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. The other support costs, together with the governance costs, are allocated between fundraising activities and charitable activities. The basis of allocation is on the estimated time spent by the appropriate support service.

Group and Trust	2024/25					2023/24
	Admin & other	Human resources	Finance	ICT ¹	Total	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Membership and recruitment	20	201	57	332	610	506
Publicity and fundraising	97	32	266	332	727	685
Property operating expenditure	3,985	1,868	954	1,991	8,798	8,047
Conservation, repairs and improvements	1,379	116	329	498	2,322	2,276
Governance	1,215	42	116	166	1,539	3,466
Total support & governance cost	6,696	2,259	1,722	3,319	13,996	14,980

¹ ICT stands for Information and Communications Technology

Governance	2024/25	2023/24
	£000s	£000s
Membership and recruitment ²	188	330
Publicity and fundraising	79	160
Property operating expenditure	682	1,847
Conservation, repairs and improvements	590	1,129
Total governance cost allocation	1,539	3,466

² Governance costs relating to membership and recruitment are allocated across cost of raising funds and charitable activities, based on the percentage split of income

14. Other expenditure

The Trust incurred other expenditure of £469k (2023/24: £143k) which includes prior year expenditure relating to goods received not accrued in 2023/24 so recognised in 2024/25. Detailed comparative information is set out below:

Group	2024/25 £000s	2023/24 £000s
Organisational, systems & process change projects	29	242
Prior year expenditure relating to Goods Received	469	-
Total other expenditure	498	242
Trust	2024/25 £000s	2023/24 £000s
Organisational, systems & process change projects	28	143
Prior year expenditure relating to Goods Received	469	-
Total other expenditure	497	143

Total other expenditure can be analysed by fund as follows:

Group	Unrestricted funds		Restricted funds		Total
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
2025	498	-	-	-	498
2024	238	-	4	-	242

Trust	Unrestricted funds		Restricted funds		Total
	General funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
2025	497	-	-	-	497
2024	139	-	4	-	143

The Trust incurred a total of £28k (2023/24: £143k) in improving systems and processes and supporting organisational change.

15. Trustees' remuneration, benefits and expenses

No remuneration has been paid to members or former members of the Board of Trustees in respect of their duties as Board members. In addition, £9,474 was reimbursed to nine Board and Committee members (2023/24: £5,710 five Board members).

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

16.1 The average number of employees on permanent and fixed-term contracts, including seasonal employees, was 1,253 (2023/24: 1,144). On a full-time equivalent basis, this becomes 650 (2023/24: 617). The average number of employees on permanent contracts was 932 (2023/24: 795) and the average number of employees on fixed-term contracts was 312 (2023/24: 339). The peak number of staff employed during the year was 1372 (2023/24: 1,288). All employees are employed by the Trust, and costs relating to commercial activities are charged to the subsidiary company.

Details of staff costs and emoluments for the year are as follows:

Group	2024/25	2023/24
	Total	Total
	Permanent & fixed term £000s	Permanent & fixed term £000s
Gross pay	32,114	28,027
Employer's NI	2,755	2,442
Employer's pension	1,473	1,281
Agency staff costs	108	13
Total	36,450	31,763

Trust	2024/25	2023/24
	Total	Total
	Permanent & fixed term £000s	Permanent & fixed term £000s
Gross pay	32,114	28,027
Employer's NI	2,755	2,442
Employer's pension	1,473	1,281
Agency staff costs	108	13
Total staff costs	36,450	31,763
Less: recharge to NTSE	(6,687)	(5,443)
Total	29,763	26,320

16.2 Total pension contributions paid during the year for the Group were £1,133k (2023/24 £992k) to the defined contribution scheme and £340k (2023/24: £289k) to the National Employment Savings Trust (NEST) scheme. Total contributions paid during the year for the Trust were £1,473k (2023/24: £1,281k) to both schemes. Pension contributions are treated as an operating cost and allocated by employee activity.

16. Analysis of staff costs and remuneration of key management personnel (continued)

16.3 The Trust considers its key management personnel to be the Executive Committee (as shown on page 24), led by the Chief Executive. The employee benefits (exclusive of pension contribution) of key management personnel were £1.3 million (2023/24: £1.2 million). Pension contributions were £97k (2023/24: £84k) for key management personnel.

The number of employees whose annual emoluments (including termination payments but excluding employer pension contributions) were above £60k are set out below:

	2025 Number of Employees	2024 Number of Employees
Between £60,000 and £69,999	17	20
Between £70,000 and £79,999	12	6
Between £80,000 and £89,999	5	4
Between £90,000 and £99,999	7	6
Between £100,000 and £109,999	3	1
Between £130,000 and £139,999	1	-
Between £140,000 and £149,999	-	1
Between £150,000 and £159,999	-	-
Between £160,000 and £169,999	1	1

16.4 Redundancy and termination payments of £230k (2023/24: £1k) were made or contractually committed to during the year, largely due to the move to a new Head Office facility. Redundancy costs are recognised in the year for employees who have received written notification within the financial year confirming their redundancy. There were no ex-gratia payments included in these amounts.

17. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024/25		2023/24	
	Land & buildings	Other assets	Land & buildings	Other assets
	£000s	£000s	£000s	£000s
Within one year	301	92	428	105
Between one and five years	986	147	107	245
After five years	-	-	-	-
Total	1,287	239	535	350

During the year, expenses of £551k (2023/24: £517k) were made in respect of operating leases.

18. Auditor's remuneration

Remuneration for audit services for the year ending 28 February 2025 was £71.4k (2024: £70k) for the Group and £54.7k (2024: £51k) for the Trust.

19. Non-audit services

In common with many other organisations of a similar size, entities related to the Trust's auditors prepare and submit corporation tax and other related returns to the tax authorities. Total fees for non-audit, one-off services at 28 February 2025 amounted to £14.1k (2024: £14k).

20. Tangible fixed assets

Group and Trust	Tangible fixed assets						Total £000s
	Assets under construction	Motor vehicles	Buildings	Building fit-outs	Computer equipment	Fixtures & fittings	
	£000s	£000s	£000s	£000s	£000s	£000s	
Cost and valuation							
At 1 March 2024	4,819	3,752	32,686	16,573	4,181	7,506	69,517
Additions	6,087	655		530			7,272
Disposals		(73)					(73)
Transfers	(224)		77	200		24	77
At 28 February 2025	10,682	4,334	32,763	17,303	4,181	7,530	76,793
Cumulative depreciation							
At 1 March 2024	-	2,676	11,206	11,627	4,181	5,603	35,293
Charge for the period		442	1,091	967	-	292	2,792
Disposals		(73)					(73)
Transfers							
At 28 February 2025	-	3,045	12,297	12,594	4,181	5,895	38,012
Net book value at 28 February 2025	10,682	1,289	20,466	4,709	-	1,635	38,781
Net book value at 29 February 2024	4,819	1,076	21,478	4,946	-	1,902	34,223

The Trust had total capital commitments of £1,862k against fixed assets at the financial year end (2023/24: £1,301k). This relates to contracted work at various properties and projects.

21. Heritage assets

21.1 At 28 February 2025 the Trust owned a variety of places for the access and benefit of the nation, including built properties, major gardens, historic burghs, countryside places, island groups, National Nature Reserves, Munros and a dual World Heritage Site.

These assets have been acquired since the formation of the Trust; many have been gifted or bequeathed to the Trust during that period. It is therefore not possible to give a total acquisition cost for the heritage portfolio, nor would such a figure be meaningful.

The heritage assets owned by the Trust fall into two categories:

- i) land and buildings
- ii) collections

For the reasons explained in the Accounting Policy on heritage assets, neither of these categories are capitalised in the balance sheet unless purchased.

Land and buildings

Land and buildings assets include areas of countryside, islands, castles, museums, houses, farms, gardens and estates. The total insurance reinstatement value of our historic buildings is £1,751 million (2023/24: £1,762 million).

Collections

Our collections assets are extensive and include furniture, paintings, porcelain, domestic items, decorative arts, costume, photography and social history collections. Many of our properties also hold extensive library collections, and some have historic archives. The Trust also cares for its own corporate archive.

The Trust estimates that these collections contain around 300,000 individual items, acquired at various points during the Trust's 90-year history. The majority of the art, objects and books collections are on display in the places run by the Trust, whilst the archives and some more delicate items are in storage. Examples of significant collections held by the Trust include:

- The Beckford Collection of exceptional small-scale objects de vertu, silver and porcelain housed in Brodick Castle.
- The portrait collection, including works by Batoni, Romney, Gainsborough, Opie, Lawrence and Hoppner, at Fyvie Castle. The castle also contains one of the largest collections of Raeburn paintings in the world as well as an equally impressive collection of fine furniture, tapestries, arms and armour.
- The arms collection at Culzean Castle, which includes one of the most important collections of 18th-century and early 19th-century flintlock pistols in the world.
- The exceptional collection of 20th-century Scottish paintings given to the Trust by Douglas Hutchison in 1999, which is currently hung in the Eisenhower Apartment at Culzean Castle.

The Trust maintains a collections management database of items. There are around 142,000 database entries covering the museum collections, of which approximately 8,400 are records of objects on long- or short-term loan to the Trust. The archives are also catalogued in a separate database module, and a proportion of the book collections are catalogued in the book module. The database holds a valuation figure for approximately 27,700 of the entries in the museum database and the total sum of these valuations is referenced below.

21. Heritage assets (continued)

The collections valuations cover a broad time period, with the earliest dating from the early 1960s, and emanate from three separate sources:

- Professional valuations carried out on certain items under a rolling programme of insurance valuation – this programme ceased in 2005.
- Acquisition costs where items have been purchased separately – in these cases, the cost of purchase is recorded as the valuation.
- Insurance valuations undertaken for specific purposes (e.g. when a painting is loaned to another institution for a temporary exhibition).

Given the age of the recorded valuations and the lack of valuations available for the majority of items, the overall valuation figure for collections is likely to be significantly understated. The cost of obtaining valuations for the 112,800 records that lack valuation is not thought to be commensurate with the benefit to users of these accounts. However, based on the details currently held, the Trust estimates that the collections it holds have a total value in excess of £139 million. This figure remains the same as for the last financial year as there has been no active programme of valuing collections this year.

21.2 The value of heritage assets included in the balance sheet and associated in year movements are set out in the table below:

Group and Trust	Heritage assets	
	Property	Total
	£000s	£000s
Cost and Valuation		
At 1 March 2024	271	271
At 28 February 2025	271	271

21.3 The Trust has acquired new items in accordance with its Acquisition Policy; it has disposed of assets too. In the last five years the costs of acquisitions and values of disposals have been as follows:

	Acquisitions		Disposals	
	Land and buildings	Collections	Land and buildings	Collections
	£000s	£000s	£000s	£000s
2024/25	351		4,729	
2023/24			177	
2022/23	-	-	991	-
2021/22	-	14	1,736	-
2020/21	-	89	438	-
2019/20	121	-	2,174	-

21. Heritage assets (continued)

21.4 The Trust has made the following disposals of heritage assets during the year:

	2024/25 £000s	2023/24 £000s
Land and buildings		
Croft 7, Wester Alligin, Torridon		1
Station Wood, Crathes		15
Craigievar Cottage, Craigievar		161
2 Crofts, Balmacara	1	
Land at Creagan Ard, Balmacara	2	
Land at Leys of Dun	12	
1 South Mains Cottage, Pitmedden	176	
Land at Main Street, Kyle of Lochalsh	20	
Old Post Office, Plockton	76	
VAT adjustment on Threave and Crathes prior years' sales	(33)	
Properties and land at Cathedral Street, High Street and The Cross, Dunkeld	4,475	
Total disposals of heritage assets	4,729	177

This represents the sales value less legal fees incurred in making the sale.

22. Intangible fixed assets

Group and Trust	Web & digital development £000s	Assets under development £000s	Total £000s
Cost and valuation			
At 1 March 2024	716	306	1,022
Transfer			
Additions		828	828
At 28 February 2025	716	1,134	1,850
Cumulative amortisation			
At 1 March 2024	666	-	666
Charge for the period	25		25
At 28 February 2025	691		691
Net book value at 28 February 2025	25	1,134	1,159
Net book value at 29 February 2024	50	306	356

23. Stock

	Group		Trust	
	2024/25	2023/24	2024/25	2023/24
	£000s	£000s	£000s	£000s
Retail stocks	1,191	1,004	-	-
Farm stocks	135	122	135	122
Total stock	1,326	1,126	135	122

The value of stock written off during the year was £5.9k (2023/24: £7k).

24. Debtors

	Group		Trust	
	2024/25	2023/24	2024/25	2023/24
	£000s	£000s	£000s	£000s
Trade debtors	1,534	1,827	1,362	1,553
Other debtors including tax recoverable	4,063	2,709	3,979	3,367
Prepayments and accrued income	7,378	6,502	7,294	6,316
Total debtors	12,975	11,038	12,635	11,236

25. Creditors

	Group		Trust	
	2024/25	2023/24	2024/25	2023/24
	£000s	£000s	£000s	£000s
Trade creditors	4,868	5,331	4,205	4,784
Other creditors	427	791	415	493
Taxation and social security	1,519	623	600	623
Accruals	1,683	1,224	1,387	1,159
Deferred income	854	1,239	769	1,239
Life members account	190	160	190	160
Amounts due to subsidiary undertakings	-	-	416	1,632
Creditors: amounts falling due within one year	9,541	9,368	7,982	10,090
Other creditors	208	58	208	47
Deferred income (see Note 26)	627	685	627	685
Life members account	1,423	1,191	1,423	1,191
Creditors: amounts falling due after more than one year	2,258	1,934	2,258	1,923

25. Creditors (continued)

The Creditors: amounts falling due after more than one year are further analysed as follows:

	Group		Trust	
	2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s
Between one and two years				
Life members account	176	152	176	152
Other creditors	208	58	208	47
Deferred income	58	58	58	58
Between two and five years				
Life members account	466	407	466	407
Deferred income	52	52	52	52
Between five and fifteen years				
Life members account	781	632	781	632
Deferred income	517	575	517	575
Total	2,258	1,934	2,258	1,923

26. Deferred income

26.1 Deferred income, for the purpose of this note, is calculated as follows:

	Group		Trust	
	2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s
Creditors: amounts falling due within one year				
Deferred income	854	1,814	769	1,238
Life members account	190	168	190	160
Creditors: amounts falling after more than one year				
Deferred income	627	740	627	685
Life members account	1,423	835	1,423	1,191
Total deferred income	3,094	3,557	3,009	3,274

Membership income is deferred and released to the Consolidated Statement of Financial Activities (SoFA) over the period to which the membership relates. Other deferred income relates to holiday cottages, functions and wayleaves.

26.2 The movements in deferred income can be analysed as follows, noting that membership income for the purpose of this table is the combination of deferred annual membership income and the Life members account income:

Group & Trust	Deferred income					
	Membership income		Other income		Total	
	Group £000s	Trust £000s	Group £000s	Trust £000s	Group £000s	Trust £000s
At 1 March 2024	1,915	1,915	1,642	1,359	3,557	3,274
Amounts released during the year	(688)	(688)	(760)	(477)	(1,448)	(1,165)
Amounts deferred during the year	899	899	85	-	984	899
At 28 February 2025	2,126	2,126	967	882	3,094	3,009

27. Provision for liabilities

The following table provides an analysis of the provision for liabilities:

Group and Trust	Total £000s
<i>Provision for liabilities</i>	
At 1 March 2024	1,750
Additional provision in year	(1,655)
At 28 February 2025	95

The provision above has been recognised in accordance with the Trust’s Accounting Policy for the provision of liabilities (page 45). The Trust vacated the Hermiston Quay office facility in the year and released the dilapidation provision relating to this property as the final position was agreed with the landlord. There is a small provision included at 28 February 2025 relating to the new office facility at Broadstone.

28. Analysis of net assets among funds

Group fund balances at 28 February 2025 are represented by:

Group	Unrestricted funds		Restricted funds		Total
	General Income Funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
Fixed assets	-	40,211	-	-	40,211
Investments	24,151	4,807	85,487	75,540	189,985
Net current assets	12,099	54	14,472	31	26,656
Creditors due after more than one year	(1,397)	-	-	-	(1,397)
Provision for liabilities	(795)	-	-	-	(795)
At 28 February 2025	34,058	45,072	99,959	75,571	254,660
<i>Fixed assets</i>	-	34,850	-	-	34,850
<i>Investments</i>	32,061	1,063	77,958	73,611	184,693
<i>Net current assets</i>	8,781	(108)	11,453	22	20,148
<i>Creditors due after more than one year</i>	(1,934)	-	-	-	(1,934)
<i>Provision for liabilities</i>	(1,750)	-	-	-	(1,750)
At 29 February 2024	37,158	35,805	89,411	73,633	236,007

Trust fund balances at 28 February 2025 are represented by:

Trust	Unrestricted funds		Restricted funds		Total
	General Income Funds	Designated funds	Restricted funds	Endowment funds	
	£000s	£000s	£000s	£000s	£000s
Fixed assets	-	40,211	-	-	40,211
Investments	24,151	4,807	85,487	75,540	189,985
Net current assets	7,984	54	14,472	31	22,541
Creditors due after more than one year	(1,397)	-	-	-	(1,397)
Provision for liabilities	(795)	-	-	-	(795)
At 28 February 2025	29,943	45,072	99,959	75,571	250,545
<i>Fixed assets</i>	-	34,850	-	-	34,850
<i>Investments</i>	32,061	1,063	77,958	73,611	184,693
<i>Net current assets</i>	5,748	(108)	11,430	22	17,092
<i>Creditors due after more than one year</i>	(1,923)	-	-	-	(1,923)
<i>Provision for liabilities</i>	(1,750)	-	-	-	(1,750)
At 29 February 2024	34,136	35,805	89,388	73,633	232,962

29. Endowment funds

The following endowment funds individually exceed 5% of the total of such funds at 28 February 2025:

Group & Trust	2023/24	Resources expended	Changes in fair value	Transfers	2024/25
Fund	£000s	£000s	£000s	£000s	£000s
Mar Lodge Estate	14,509	-	382	-	14,891
Newhailes	7,428	-	195	-	7,623
Threave	4,304	-	113	-	4,417
Fyvie Castle	3,708	-	97	-	3,805
Other funds	43,684	2	1,149	-	44,835
At 28 February 2025	73,633	2	1,936	-	75,571

At 29 February 2024:

Group & Trust	2022/23	Resources expended	Changes in fair value	Transfers	2023/24
Fund	£000s	£000s	£000s	£000s	£000s
Mar Lodge Estate	14,817	-	(308)	-	14,509
Newhailes	7,586	-	(158)	-	7,428
Threave	4,395	-	(91)	-	4,304
Fyvie Castle	3,787	-	(79)	-	3,708
Other funds	44,618	-	(926)	(8)	43,684
At 29 February 2024	75,203	-	(1,562)	(8)	73,633

The income from these funds is used to support the named properties.

30. Other restricted funds

The Trust has over 230 specifically restricted funds, of which the following restricted funds individually exceed 5% of the total of such funds at 28 February 2025:

Group & Trust	2023/24	Incoming resources	Resources expended	Changes in fair value	Transfers	2024/25
Fund	£000s	£000s	£000s	£000s	£000s	£000s
Baker Fund	-	5,943	-	(145)	-	5,798
Property funds	34,104	9,678	(4,356)	3,257	(6,369)	36,314
Other funds	55,307	4,624	(5,703)	4,913	(1,294)	57,847
At 29 February 2024	89,411	20,245	(10,059)	8,025	(7,663)	99,959

30. Other restricted funds (continued)

At 29 February 2024:

Group & Trust	2022/23	Incoming resources	Resources expended	Changes in fair value	Transfers	2023/24
Fund	£000s	£000s	£000s	£000s	£000s	£000s
Alexander Bequest	4,725	33	(27)	496	(235)	4,992
Unna Bequest	4,928	34	-	520	(639)	4,843
Property funds	30,977	7,561	(1,664)	3,800	(6,570)	34,104
Other funds	37,381	7,441	(3,043)	4,398	(705)	45,472
At 28 February 2023	78,011	15,069	(4,734)	9,214	(8,149)	89,411

The **Baker Fund** is to be used to support a range of projects as agreed with the Donor.

The **Alexander Bequest** is 'to be used for the acquisition, curatorship and management of the National Trust for Scotland's collections'.

The **Unna Bequest** is 'to provide funds to fulfil the 11 purposes as set out in the Will for countryside properties'. The merging of the income and the capital restricted funds (for simplifying their management) has resulted in this fund becoming greater than 5% of the total other restricted funds.

The property funds comprise 94 property-specific restricted funds, including property-specific donations and grants received, as well as the income generated from any property-specific endowment fund.

Details of the transfers are shown in Note 32. It is anticipated that these funds will be used by the Trust as part of the programme of investment in the ten-year strategy.

31. Designated funds

Group & Trust	2023/24	Incoming resources	Resources expended	Changes in fair value	Transfers	2024/25
Fund	£000s	£000s	£000s	£000s	£000s	£000s
Fixed Asset Reserve	34,712	-	-	-	4,968	39,680
Other funds	1,093	-	(150)	-	4,449	5,392
At 28 February 2025	35,805	-	(150)	-	9,417	45,072

At 29 February 2024:

Group & Trust	2022/23	Incoming Resources	Resources Expended	Changes in Fair Value	Transfers	2023/24
Fund	£000s	£000s	£000s	£000s	£000s	£000s
Fixed Asset Reserve	29,777	-	-	-	4,935	34,712
Other funds	1,080	-	(7)	-	20	1,093
At 29 February 2024	30,857	-	(7)	-	4,955	35,805

The Fixed Asset Reserve fund relates to assets that have been capitalised and are included in Notes 20–22. Movements on the fund reflect additions, disposals and depreciation charged during the year. Details of the transfers are shown in Note 32.

32. Transfers between funds

The following table summarises the transfers between classes of funds:

Group & Trust	Unrestricted funds		Restricted funds		Total
	General funds £000s	Designated funds £000s	Restricted funds £000s	Endowment funds £000s	
Capitalisation of project expenditure	(4,968)	4,968	-	-	-
Release of designated funds					
Other transfers between funds	3,214	4,449	(7,663)	-	-
Net transfers at 28 February 2025	(1,754)	9,417	(7,663)	-	-
Net transfers at 29 February 2024	3,286	4,871	(8,149)	(8)	-

During 2024/25 the key reasons for transferring between classes of funds were:

- i) designation of general funds into designated funds to recognise expressions of wishes in legacies received during the year and to designate funds from the sale of properties at Dunkeld to support building conservation projects
- ii) application of restricted property funds as appropriate to offset operational deficits incurred by the General Income Fund in the operation of the properties

33. Financial instruments

The carrying amounts of the Group's financial instruments at 28 February 2025 were:

	Group		Trust	
	2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s
Financial assets:				
Debt instruments measured at amortised cost	12,336	9,863	11,995	11,771
Equity instruments measured at fair value	189,985	181,919	189,985	181,919
Total financial assets at 28 February 2025	202,321	191,782	201,980	193,690
Financial liabilities:				
Measured at amortised cost	6,491	6,658	5,876	10,142
Total financial liabilities at 28 February 2025	6,491	6,658	5,876	10,142

34. Reconciliation of net movement in funds to net cashflow from operating activities

	Group		Trust	
	2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s
Net expenditure before gains and losses on investment assets	10,319	(6,360)	9,249	(6,847)
Add back depreciation & amortisation	2,817	1,961	2,817	2,083
Deduct net gain on disposal of assets	(4,735)	261	(4,735)	133
Deduct returns from investments (within investing activities)	(7,477)	(7,849)	(10,437)	(10,390)
(Increase)/ decrease in stock	(200)	(129)	(13)	(10)
(Increase)/ decrease in debtors	(1,937)	(1,680)	(1,399)	(1,486)
Increase/(decrease) in creditors	(469)	(618)	(2,750)	1,411
Increase/(decrease) in provision for liabilities	(1,331)	92	(1,320)	92
Net cash (used in)/generated by operating activities	(3,013)	(14,322)	(8,588)	(15,014)

35. Analysis of cash and cash equivalents and net debt

The following table provides an analysis of cash and cash equivalents:

	Group		Trust	
	2024/25 £000s	2023/24 £000s	2024/25 £000s	2023/24 £000s
Cash	22,055	17,352	17,912	15,824
Overdraft facility repayable on demand	-	-	-	-
Total cash and cash equivalents	22,055	17,352	17,912	15,824

The following table provides a breakdown of net debt:

Group	As at 1 March 2024 £000s	Cashflows £000s	Fair value movements £000s	As at 28 February 2025 £000s
Cash	17,352	4,703		22,055
Overdraft facility repayable on demand	-			-
Loans	-			-
Total net debt	17,352	4,703		22,055
Trust	As at 1 March 2024 £000s	Cashflows £000s	Fair value movements £000s	As at 28 February 2025 £000s
Cash	15,824	2,088		17,912
Overdraft facility repayable on demand	-			-
Loans	-			-
Total net debt	15,824	2,088		17,912

36. Related party transactions

The Trust has considered the disclosure requirements of the Statement of Recommended Practice – Reporting & Accounting by Charities (SORP FRS 102) and of FRS 102. The Trust believes that the following related party transactions require disclosure:

All Trustees are members of the Trust. Total donations without conditions made by Trustees to the Trust during the year were £0.6k (2023/24: £0.2k). There are no outstanding amounts due.

In 2024/25 the following transactions took place between the Trust and Enterprises, its wholly owned subsidiary:

- The provision of management services by the Trust covering payroll, finance, back-office support, legal and managerial support of £1,049k (2023/24: £1,023k).
- A Gift Aid payment was made in 2024/25 by the subsidiary of £3,038k (2023/24: £2,558k).

The Trust provides a treasury function for Enterprises, and at 28 February 2025 an amount of £1,049k was due to the Trust from Enterprises for transactions paid by the Trust through this function. In 2023/24, £1,023k was due to Enterprises from the Trust at the reporting date.

The Chief Executive of the National Trust for Scotland is an ex officio member of the Board of the National Trust for Scotland Foundation USA. During the year, the National Trust for Scotland Foundation USA made donations to the National Trust for Scotland of £115k (2023/24: £581k).

The above transactions are on an arms-length basis with no unusual terms/conditions and no guarantees.

37. Contingent assets

The Trust has been notified that it is a beneficiary to a number of residuary legacies which have not yet been recognised within the Financial Statements. The Trust's Accounting Policy for legacies (page 40) states that a legacy can only be recognised when entitlement is evidenced, receipt of funds is probable, and it is possible to estimate the fair value of the legacy income receivable. Once all three criteria are met, the Trust will recognise this legacy income in the financial statements. For many of the notified residuary legacies it is the inability to estimate the legacy income receivable that prevents the income being recognised.

Reference and Administrative Details

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EH2 3ES

Internal Auditor
Grant Thornton UK LLP (until 17 June 2024)
7 Castle Street
Edinburgh
EH2 3AH

Wbg Services LLP (from 17 June 2024)
168 Bath Street
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G2 5TP

Bankers
The Royal Bank of Scotland plc
West End Office
142/144 Princes Street
Edinburgh
EH2 4EQ

Trustees on the Board at the date of signing are:

Sir Mark Jones (Chair)
David Mitchell (Deputy Chair)
Shona Malcolm (Deputy Chair)
David MacLellan
Dr Janet Brennan
Dr Will Williams
Peter Drummond

Jill Miller
Stephen Mitchell
Cameron Murray
Professor Murray Pittock
Michael Spence
Ian Turnbull

Executive Officers at the date of signing are:

Philip Long (Chief Executive)
Lesley-Ann Logan (Chief Financial and Corporate Officer)



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