EDINBURGH INTERNATIONAL FESTIVAL

ENDOWMENT FUND

ANNUAL REPORT and FINANCIAL STATEMENTS

For the Year ended 31 December 2025

CHARITY NO: SC004511

WHITELAW WELLS
Chartered Accountants
9 Ainslie Place
Edinburgh EH3 6AT

EDINBURGH INTERNATIONAL FESTIVAL ENDOWMENT FUND

ANNUAL REPORT and FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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EDINBURGH INTERNATIONAL FESTIVAL ENDOWMENT FUND

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Edinburgh International Festival Endowment Fund (the 'Trust') is the permanent endowment for the Edinburgh International Festival (the 'Festival') and therefore exists only to support the Festival and this is all its trust deed allows it to do. The capital has been contributed by legacies, large and small and by living donors. Their foresight continues to make a real difference for future generations.

2025 was a successful year for the Festival given under the banner of The Truth We Seek. The programme was slightly more compact than in prior years due to uncertainty in the level and timing of funding decisions from Creative Scotland, however it was a resounding success with critics and 88% of all available tickets were sold—the highest percentage capacity in over a decade.

Besides box office receipts and fundraising, the Festival has always depended on a high level of contribution from the public purse. At this time of pressure on public budgets, which is only likely to become more severe, the Trust is glad to be in the position to offer long term support which gives the Festival the ability to plan ahead and keep it at the forefront of the world's major festivals.

The financial market background, which is one of the primary drivers of the value of the endowment, was positive in 2025 as inflation concerns remained under control and interest rates continued to fall. Economic growth was muted but positive in general and this allowed equity markets to make progress. The investment portfolio produced a capital return of 6.8%. Investment income during the year fell to £364,541 from £494,516 in 2024. The reduction in income was expected as the investment manager selected investments that were more likely to grow in value as well as to produce income.

The investment portfolio is now managed by Rathbones with a total return mandate and the trustees make an annual award to the Festival based on a sustainable percentage of the total value of the endowment. The trustees recognises the Festival's ethical framework and fundraising policy, which combined inform the Endowment Fund Trustees' approach to investments and the receipt of donations.

In 2025, a donation of £500,000 was made to the Festival, down from £590,000 in 2024 which included a one-off donation that was not expected to be repeated in the current year.

In 2025, we were extremely fortunate to receive some significant new donations which will permanently increase the size of the endowment and therefore what we are able to donate to the Festival each year. Support like this is what has created this charity and the trustees are extremely grateful for the vision of our supporters which have enabled us to offer increasing and reliable support to the Edinburgh International Festival each year. As a result of these donations, which were received late in the year the capital value of the endowment increased by £10,933,473 to £24,108,328 at the end of 2025.

Once again, the Trustees express their profound gratitude for these donations on behalf of all those who experience every year the extraordinary transforming power of art in the Festival.

Sarah Whitley

Date: 12th May 2026

EDINBURGH INTERNATIONAL FESTIVAL ENDOWMENT FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their report and financial statements for the year ended 31 December 2025

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Memorandum and Trust Deed of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Charity's Aims and Main Objectives for the Year

The Charity has continued to support the Edinburgh International Festival Society (EIFS) for its long-term maintenance and enhancement.

There have been no changes in the objectives since the last annual report.

Strategies to Achieve the Charity's Objectives

The Trustees meet at least once a year with the Festival Director to ascertain the current financial position of the EIFS and to discuss how donations from the Trust can best assist the International Festival.

Grant making policy

The Trust has established its grant making policy to achieve its objects for the public benefit. The beneficiaries of the Trust's grant making policy are ultimately the supporters of, and those interested in, the Edinburgh International Festival.

ACHIEVEMENTS AND PERFORMANCE

In 2024, as previously noted, the two funds in the charity were merged into one, having the same objectives. It was noted that EIFS would continue to name an event each year in honour of Lean Scully and Pirie Rankin who each left very substantial legacies which now form part of the endowment managed by the charity. In order to give the investment managers a remit to achieve the highest risk adjusted return from the portfolio, a Total Return mandate was adopted for the investments and the trustees aim to make donations from the portfolio based on its total value henceforth. This should enable the investment managers to achieve higher long term returns and allow the trustees to offer a more reliable level of funding to EIFS.

The Trust made donations totalling £500,000 to EIFS during the year under review (2024: £590,000 which included a one-off donation that was not expected to be repeated). Due to £10,625,720 of donations that were received into the Truste late in 2025, the level of donations in future years is expected to increase materially thereby giving greater certainty to EIFS in their funding model.

FINANCIAL REVIEW

The Trust's work is reliant on investment returns from its share portfolio and donations received in order to give donations in support of the work of EIFS.

The total value of the Trust's net assets increased to £24,108,328 (2024: £13,174,855) all of which is unrestricted following the merging of the Léan Scully EIF restricted fund during 2024.

Investment income in the year amounted to £364,541 (2024: £494,516), an expected decrease of 26% as targeting income was no longer a requirement of the investment mandate. Resources expended in the year amounted to £562,034 (2024: £651,795) including donations to the EIFS of £500,000 (2024: £590,000). Net realised loss on investments totalled £213,006 (2024: net gains of £27,552), and unrealised gains on investments totalled £710,849 (2024: £200,794). The investment portfolio underwent a period of adjustment as the mandate altered its focus towards long term total return over generating income in the short term. The Trustees do not need to generate a specific level of income in order to provide the support that it does to its beneficiary.

Investment Policy

The Trustees delegate management of the Trust's assets to a firm of investment managers. The investment objective is to maximise overall returns through a combination of capital appreciation and investment income over the medium and long term with the aim of preserving the real value of the capital and at least maintaining the level of income in nominal terms.

Investment transactions have been carried out in accordance with the Trust Deed.

In managing the EIFEF investments, we align ourselves with Rathbones Responsible investment approach to invest for everyone's tomorrow as regards Environmental, Social and Governance (ESG) factors. While the paramount objective remains the preservation of investment value by helping identify risk and opportunities for the companies they invest in, their responsible investment approach rest on four pillars. These are ESG Integration (identifying & taking account of ESG issues when evaluating investments), Engagement with Consequences (monitoring & discussing ESG issues with companies to improve practice for benefit of shareholders & society), Voting with Purpose (escalation process to vote against a Board if they consider appropriate steps to address an ESG issues are lacking) and Transparency (provision of regular reports on this responsible investment activity, engagement and voting activity to ensure client transparency).

Reserves Policy

As at the year end total funds amounted to £24,108,328 (2024: £13,174,855), all of which was unrestricted. Free reserves at 31 December 2025, being unrestricted general funds not tied up in investments, were £4,960,642 (2024: £412,526).

The Trustees seek to maintain reserves sufficient to support the Trust's objectives. The Trustees have considered the reserves required, and concluded they are appropriate, and have taken into account the Trust's current and future liabilities. They aim to maintain free reserves sufficient to provide funds to further the Trust's objects and ensure that support and governance costs are covered.

FUTURE PLANS

The Trustees plan to continue the Trust's support of the Festival in accordance with the purposes for which the Trust was established and will continue to keep under review means of increasing the level of funding available.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Edinburgh International Festival Endowment Fund is registered as a charity with the Office of the Scottish Charity Regulator and is governed by the Trust Deed dated 12 April 1989.

Constitution and Objectives

The Trust, established as a charity recognised by HM Revenue & Customs, was set up to create a capital fund, the income from which could be applied by the Trustees to support the Edinburgh International Festival Society (EIFS) in special initiatives and to enhance the long-term development and standing of the Festival.

Recruitment and Appointment, Induction and Training of Trustees

New Trustees are appointed based on their knowledge and interest in the Festival and for other skills that they have such as legal knowledge or experience with other voluntary organisations. New Trustees are provided with a copy of the Trust Deed, the latest set of accounts, a copy of the most recent portfolio valuation and copies of the minutes of the latest Trustees meeting. Specific training is provided as required.

Key management personnel

The Trust considers that its key management personnel comprise the Trustees and the Secretary Chris Thomson. No remuneration was payable to the Trustees. The Trust employs no staff.

Organisational Structure and Decision Making

The Trustees meet as and when required, normally on at least two occasions each year. Decisions are made by a majority of the Trustees present at their meetings. All papers are circulated to the Trustees prior to Trustees' meetings and minutes taken of meetings are circulated for comments and approval.

Risk Management

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

The principal risks faced by the Trust lie in the performance of investments. The Trustees consider variability of investment returns to constitute the charity's major financial risk. This is mitigated by retaining professional investment managers and holding a diversified investment portfolio.

REFERENCE and ADMINISTRATIVE INFORMATION

Charity name	Edinburgh International Festival Endowment Fund
Charity registration number	SC004511
Principal Office	3 Glenfinlas Street Edinburgh EH3 6AQ
Board of Trustees	Sarah Whitley Gavin McEwan Merryn Somerset Webb Christopher Wynn Alan Macfarlane (appointed 07/10/2025) Heather Lamont (appointed 07/10/2025)
Secretary	Chris Thomson
Statutory Auditor	Whitelaw Wells Chartered Accountants 9 Ainslie Place Edinburgh EH3 6AT
Investment Manager	Rathbone Investment Managers 10 George Street Edinburgh EH2 2PF
Solicitors	Murray Beith Murray WS 3 Glenfinlas Street Edinburgh EH3 6AQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities & Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all the steps he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the Board of Trustees on 12 May 2026 and signed on its behalf by:-

Sarah Whitley

. . . .
Sarah Whitley, Chair

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2025

Opinion

We have audited the financial statements of Edinburgh International Festival Endowment Fund for the year ended 31 December 2025, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, Including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of the 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 regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' annual report;
- 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 trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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 our procedures are capable of detecting irregularities, including fraud is detailed below:

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:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We performed income and expenditure testing which was designed to identify any irregularities as a result of mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

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

Use of our report

This report is made solely to the charity'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 charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Whitelaw Wells

Whitelaw Wells, Statutory Auditor,
9 Ainslie Place, Edinburgh, EH3 6AT

12 May 2026

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

EDINBURGH INTERNATIONAL FESTIVAL ENDOWMENT FUND

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Un-restricted fund £	2025 Total £	Restricted Fund - Léan Scully EIF £	Un-restricted fund £	2024 Total £
Income and endowments from:						
Donations and legacies	4	10,625,720	10,625,720	-	13,200	13,200
Investments	4	364,541	364,541	182,237	312,279	494,516
Total income		10,990,261	10,990,261	182,237	325,479	507,716
Expenditure on:						
Charitable activities	5	509,920	509,920	226,784	369,716	596,500
Raising funds	6	52,114	52,114	21,128	34,167	55,295
Total expenditure		562,034	562,034	247,912	403,883	651,795
Net income/(expenditure) before gains/(losses) on investments		10,428,227	10,428,227	(65,675)	(78,404)	(144,079)
Net gains/(losses) on investments (realised and unrealised)	10	497,843	497,843	5,218	223,128	228,346
Other Gains/(Losses)		7,403	7,403	-	-	-
Net income		10,933,473	10,933,473	(60,457)	144,724	84,267
Transfers between funds	11	-	-	(4,955,105)	4,955,105	-
Net movement in funds		10,933,473	10,933,473	(5,015,562)	5,099,829	84,267
Reconciliation of funds						
Fund balances at 31 December 2024	11	13,174,855	13,174,855	5,015,562	8,075,026	13,090,588
Fund balances at 31 December 2025	11	24,108,328	24,108,328	-	13,174,855	13,174,855

All of the results relate to continuing activities.

There are no gains or losses other than those dealt with in the Statement of Financial Activities.
The notes on pages 15 to 23 form part of these financial statements.

BALANCE SHEET

As at 31 December 2025

	Note	2025 £	2025 £	2024 £	2024 £
Fixed Assets					
Investments	10		19,147,686		12,762,329
Current Assets					
Debtors	8	2,284,473		162,091	
Cash at bank		2,694,292		268,407	
Total current assets			4,978,765		430,498
Creditors: Amounts falling due within one year	9	(18,123)		(17,972)	
Net Current Assets			4,960,642		412,526
Net Assets			24,108,328		13,174,855
Funds					
Unrestricted funds	11		24,108,328		13,174,855
Total Funds			24,108,328		13,174,855

These financial statements were approved by the Board of Trustees on 12 May 2026 and were signed on its behalf by:

Gavin McEwan *Sarah Whitley*

. . . .

Gavin McEwan
Trustee

Sarah Whitley
Trustee

The notes on pages 15 to 23 form part of these financial statements.

EDINBURGH INTERNATIONAL FESTIVAL ENDOWMENT FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
Cash flows from operating activities:		
Net cash (used in)/provided operating activities below	7,948,858	(641,954)
Cash flows from investing activities:		
Dividends and interest from investments	364,541	494,516
Proceeds from sale of investments	9,226,054	1,930,461
Purchase of investments	(15,113,568)	(2,061,266)
Net cash provided by investing activities	(5,522,973)	363,711
Change in cash and cash equivalents in the reporting period	2,425,885	(278,243)
Cash and cash equivalents brought forward	268,407	546,650
Cash and cash equivalents carried forward	2,694,292	268,407

	2025 £	2024 £
Cash and cash equivalents		
Cash at bank	2,694,292	268,407

	2025 £	2024 £
Reconciliation of net income to net cash flow from operating activities		
Net income for the year (as per Statement of Financial Activities)	10,933,473	84,267
Adjusted for:		
Dividends and interest from investments	(364,541)	(494,516)
(Increase) in debtors	(2,122,382)	(4,386)
Increase in creditors	151	1,027
(Gain) on investments	(497,843)	(228,346)
Net cash provided by operating activities	7,948,858	(641,954)

1. ACCOUNTING POLICIES

1.1 General information

Edinburgh International Festival Endowment Fund (the "charity") is registered in Scotland. The address of the registered office is given on page 8 of these financial statements. The nature of the charity's operations and principal activities are disclosed on page 4 and 5 of these financial statements.

1.2 Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charity's transactions are denominated.

Edinburgh International Festival Endowment Fund meets the definition of a public benefit entity under FRS 102. The financial statements are denominated in £ sterling.

1.3 Going concern basis

The financial statements have been prepared on a going concern basis. The trustees have assessed the charity's ability to continue as a going concern and have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements and consider that there are no material uncertainties relating to going concern.

1.4 Income recognition

Voluntary income including donations, gifts, legacies and grants are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods; or the donor has imposed conditions which must be met before the charity has unconditional entitlement. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis. Costs of generating funds comprise the investment management costs. Charitable expenditure comprises those costs incurred by the Trust in meeting its charitable purpose.

1. ACCOUNTING POLICIES (cont)

1.5 Expenditure recognition (cont)

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

1.6 Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising, both realised and unrealised, on revaluation and disposals throughout the year.

The Trust does not directly acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair values at the year end and their carrying value. Restricted and unrestricted investment gains are combined in the Statement of Financial Activities.

1.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.8 Apportionment of Costs

Certain costs have been apportioned between restricted and unrestricted funds on the basis of their relevant share of the total of the investment portfolios.

1.9 Debtors

Debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

1.10 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1. ACCOUNTING POLICIES (cont)

1.11 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

1.12 Critical judgements and estimates

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

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

1.13 Provisions

Provisions are recognised when the charity has a present obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation.

2. Taxation

The fund has charitable status and is exempt from taxation, other than Value Added Tax. The fund is not registered for Value Added Tax and accordingly any such irrecoverable tax is included in the expenditure concerned.

3. Average number of employees and staff costs

The average number of employees for the year, excluding Trustees, was nil (2024: Nil). The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2024: £Nil). Expenses paid to the trustees in the year totalled £Nil (2024: £Nil).

4. Analysis of income

	Un-Restricted £	2025 £	2024 £
Voluntary income			
EIF donation	-	-	12,375
Individual donations	8,500,000	8,500,000	-
Gift Aid	2,125,000	2,125,000	-
Other donations	720	720	825
	10,625,720	10,625,720	13,200
Investment income			
Dividends received	363,471	363,471	490,176
Bank interest received	16	16	10
Miscellaneous income	1,054	1,054	4,330
Total income	364,541	364,541	494,516

5. Analysis of charitable activities

	Un-restricted £	2025 £	2024 £
EIFS – donations	500,000	500,000	590,000
Support costs:			
Administration	5,000	5,000	2,000
Auditor’s Renumeration	4,920	4,920	4,500
	509,920	509,920	596,500

No grants were awarded to individuals during the year (2024: £nil).

6. Expenditure on Raising Funds

	Un-restricted £	2025 £	2024 £
Investment management costs	52,114	52,114	55,075
Miscellaneous expenses	-	-	220
	52,114	52,114	55,295

7. Net income for the year

	2025 £	2024 £
This is stated after charging:		
Auditor's remuneration: audit	4,920	4,500

No trustee received any remuneration for services as a trustee (2024: £nil). There were no reimbursement of expenses to the trustees in the current year (2024: none).

8. Debtors

	2025 £	2024 £
Accrued income	159,473	162,091
Gift aid receivable	2,125,000	-
	2,284,473	162,091

9. Creditors: Amounts falling due within one year

	2025 £	2024 £
Accruals	18,123	17,972
	18,123	17,972

10. Investments

	2025	2024
	£	£
Market value at 1 January 2025	12,726,329	12,403,178
Less: Disposals	(9,226,054)	(1,930,461)
Add: Acquisitions at cost	15,113,568	2,061,266
Realised gain/(loss)	(213,006)	27,552
Unrealised gain/(loss)	710,849	200,794
Market value at 31 December 2025	19,147,686	12,762,329
Historical cost at 31 December 2025	16,961,191	10,297,252

	2025	2024
	£	£
Investments at fair value comprised:		
UK equities	4,536,479	5,067,007
UK fixed interest securities	844,238	2,211,020
Overseas equities	12,314,950	2,857,427
Property	755,300	2,032,318
Infrastructure funds	-	445,067
Actively Managed Strategies	199,914	149,490
Other	496,785	-
	19,147,666	12,762,329

There were no investments (2024: nil) exceeding 5% of the portfolio value at the year end.

10. Investments (continued)

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

11. Statement of Funds

	1 January 2025	Income	Net gains & losses	Transfers	Expenditure	31 December 2025
	£	£	£	£	£	£
Unrestricted Funds	13,174,855	10,990,261	505,246	-	(562,034)	24,108,328
	13,174,855	10,990,261	505,246	-	(562,034)	24,108,328

	1 January 2024	Income	Net gains & losses	Transfers	Expenditure	31 December 2024
	£	£	£	£	£	£
Restricted Funds	5,015,562	182,237	5,218	(4,955,105)	(247,912)	-
Unrestricted Funds	8,075,026	325,479	223,128	4,955,105	(403,883)	13,174,855
	13,090,588	507,716	228,346	-	(651,795)	13,174,855

The restricted fund is the Léan Scully Edinburgh International Festival Fund. The income from this fund was to be used in connection with projects forming part of the Edinburgh International Festival. Given the restriction is essentially the same as the main objects of the Trust, to simplify the administration, the trustees decided to merge the fund with the unrestricted general funds during 2024.

12. Analysis of net assets between funds

	Fixed Assets £	Net Current Assets £	Total 2025 £
Unrestricted funds	19,147,686	4,960,642	24,108,328
Total funds	19,147,686	4,960,642	24,108,328

	Fixed Assets £	Net Current Assets £	Total 2024 £
Restricted fund	-	-	-
Unrestricted funds	12,762,329	412,526	13,174,855
Total funds	12,762,329	412,526	13,174,855

13. Related party transactions

There were no related party transactions during the year (2024: £nil).

14. Comparative Statement of Financial Activities

	Notes	Restricted Fund - Léan Scully EIF £	Un-restricted fund £	2024 Total £	Restricted Fund - Léan Scully EIF £	Un-restricted fund £	2023 Total £
Income and endowments from:							
Donations and legacies	4	-	13,200	13,200	-	1,055	1,055
Investments	4	182,237	312,279	494,516	207,974	305,550	513,524
Total income		182,237	325,479	507,716	207,974	306,605	514,579
Expenditure on:							
Charitable activities	5	226,784	369,716	596,500	191,618	289,462	481,080
Raising funds	6	21,128	34,167	55,295	20,199	32,151	52,350
Total expenditure		247,912	403,883	651,795	211,817	321,613	533,430
Net income/(expenditure) before gains/(losses) on investments		(65,675)	(78,404)	(144,079)	(3,843)	(15,008)	(18,851)
Net gains/(losses) on investments (realised and unrealised)	10	5,218	223,128	228,346	165,339	232,186	397,525
Net income		(60,457)	144,724	84,267	161,496	217,178	378,674
Transfers between funds	11	(4,955,105)	4,955,105	-	-	-	-
Net movement in funds		(5,015,562)	5,099,829	84,267	161,496	217,178	378,674
Reconciliation of funds							
Fund balances at 31 December 2023	11	5,015,562	8,075,026	13,090,588	4,854,066	7,857,848	12,711,914
Fund balances at 31 December 2024	11	-	13,174,855	13,174,855	5,015,562	8,075,026	13,090,588