

Company registration number SC060925 (Scotland)

Charity registration number SC020909 (Scotland)

GARVALD WEST LINTON LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

GARVALD WEST LINTON LTD

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GARVALD WEST LINTON LTD

DIRECTORS' REPORT (INCLUDING TRUSTEES' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees who are also directors present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 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)".

Structure, governance and management

Governing Document

Garvald West Linton Limited is a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association dated 1976, amended Articles of Association adopted 25 November 2017. The liability of each member is limited to £1. It is a registered charity with the Office of the Scottish Charity Regulator (OSCR) and its residential and day service is registered and monitored by the Care Inspectorate.

The directors who served during the year and up to the date of signature of the financial statements are detailed below. In terms of the Articles of Association, 2 directors retire by rotation and need re-elected. During the period four new directors were appointed and three retired.

Directors did not receive any remuneration.

GARVALD WEST LINTON LTD

DIRECTORS' REPORT (INCLUDING TRUSTEES' REPORT) FOR THE YEAR ENDED 31 AUGUST 2025

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

Directors

Steven Whalley (Chair)
Vincent D'Agostino
Rennie Gardner
Hannah Cairns
Christopher Levison (appointed 27/01/2026)
Mary Levison (appointed 27/01/2026)
Ilka Roehe (appointed 27/01/2026)
Elaine Robinson (appointed 27/01/2026)
Gillian Learmonth (resigned 25/03/2025)
Mike Casey (resigned 23/09/2025)
Sophie Pilgrim (resigned 23/9/2025)

Secretary

Sophie Pilgrim (appointed 23/09/2025)
Craig McGregor (resigned 23/09/2025)

Interim Chief Executive Officer (CEO)

Sophie Pilgrim (appointed 29/09/2025)

Chief Executive Officer (CEO)

Craig McGregor (resigned 26/09/2025)

Charity number (Scotland) SC020909

Company number SC060925

Registered Office

Garvald House
Dolphinton
West Linton
EH46 7HJ

Auditor

Thomson Cooper
22 Stafford Street
Edinburgh
EH3 7BD

Bankers

Royal Bank of Scotland
142-144 Princes Street
Edinburgh
EH2 4BL

GARVALD WEST LINTON LTD

DIRECTORS' REPORT (INCLUDING TRUSTEES' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

Appointment of new Directors

Directors are elected at the Company's Annual General meeting and can be appointed during the year by the Board of Directors. A Director shall be entitled to hold office for three years and is eligible for re-election.

Recruitment of new Directors

The Directors are recruited to maintain a balance of skills within the Board. Most appointments come from parties who already know the work of Garvald West Linton and who have visited and attended events held at Garvald. The number of directors now stands at eight and we are actively seeking new recruits with the skills we need at Board level.

Induction and Training of Directors

New directors are briefed on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, and recent performance of the charity. Directors are encouraged to attend appropriate external training events where these facilitate the undertaking of their role. A new director's induction programme is now in place.

Structure

The Board of Directors appoints the CEO, Residential Manager, Day Service Manager, Finance Manager, and other key management posts and is available to assist on more complex issues. The CEO and Residential Manager are responsible for placement of residents, the engagement and training of staff and the day to day management of the Residential Home, the Day Service Manager is responsible for the placement of Day Service users. The Finance Manager reports to the CEO and the Board of Directors. The Directors met on six occasions during the year to receive management and financial reports from the CEO, Residential Manager, Finance Manager and Day Services Manager; meetings have now changed to quarterly.

Key Management Remuneration Policy

The key management of the charity during the year consisted of the CEO, Residential Manager, Day Service Manager and Finance Manager. Salaries are reviewed each year in line with Local Authority/COSLA pay settlements.

Risk Management

The Board have identified and addressed the following main risk areas facing the charity as follows:

- The requirement to comply with legislation, regulations, standards & guidance for residential and day care of adults with additional support needs: The residential care home and day services are led by an experienced management team and trustees and are subject to external inspection by regulatory bodies including local authorities, The Care Inspectorate and Fire and Rescue Services. Further to this there is a series of internal quality audits as part of the quality assurance system.
- Financial risks have arisen due to continued high rates of inflation and Budget/Employers NI changes, leading to a significant rise in the cost base. This is being mitigated by efforts to increase both the number of places available and the number of day service users, together with ongoing improvements in cost controls
- The risk to recruit suitable staff in the social care sector increased following the UK decision to leave the European Union along with more local factors such as ongoing poor rate of pay, perceived complexity of the roles and Garvald West Linton's geographical remoteness. This continues to be mitigated by use of the UK Visas and Immigration Sponsorship License Scheme which has assisted the organisation to maintain adequate numbers of staff.

The directors regularly review all risks to which the charity is exposed and the procedures in place to manage these risks. The company risk register was updated and a substantial review took place. All risk factors have been graded in terms of likelihood to occur, impact, control procedure and responsibility.

GARVALD WEST LINTON LTD

DIRECTORS' REPORT (INCLUDING TRUSTEES' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

Objectives and activities

Garvald West Linton offers care, support and training in both residential and day settings for adults with learning disabilities. The organisation is founded on the philosophy of Rudolf Steiner.

The objects for which the company is established are the relief of those in need by reason of age, ill-health, disability financial hardship by the provision of residential accommodation, day and support services for adults with disabilities. To provide this service in a safe yet stimulating environment where people live and work and are encouraged to participate to the best of their ability in daily living activities, work, recreation and community life. To work in an environment underpinned by the values of Rudolf Steiner to support individuals to develop to their full potential and acknowledge their abilities and contribution to the community.

There are five houses for residents and staff and in addition, a varied day centre provision of workshops. Cultural activities and festivals take place throughout the year, both within Garvald West Linton and in the local community.

Achievements and performance

The number of residents has remained stable at 32 this year. The number of non-residents accessing Day Services increased slightly, from 10 last year to 11 this year.

The principal funding is from local authorities in the form of care packages. Fees were increased by 3.59% for this financial year, and the majority of local authorities have agreed to fund this increase. This uplift has enabled Garvald West Linton to ensure that staff continue to be paid at least the Real Living Wage. Not all local authorities have accepted the fee increase, despite fees being set by our Home Local Authority and the expectation under the COSLA agreement that other authorities will follow this rate.

Changes introduced by the UK Government to the rules for Certificates of Sponsorship in July 2025 mean that we are no longer able to recruit new staff from overseas via this route. However, Garvald West Linton continues to benefit from excellent retention of existing overseas staff. In addition, a recent local recruitment campaign has been successful in addressing a historic challenge in recruiting care staff.

Despite the ongoing social care workforce crisis and widespread staff shortages across the sector, Garvald West Linton continues to demonstrate sector-leading levels of staff retention.

We continue to provide a wide range of workshops for residents and Day Service users. Workshop options include working with our Estates team, the Bakery, Weaving, the Craft Workshop, and Paradise Gardens. During the summer months, there are additional opportunities to take part in activities in our walled garden.

Throughout the year, we also offer a varied programme of festivals, carnivals, fairs, concerts and ceilidhs. These events are enjoyed by residents, Day Service users, staff and visitors, and play an important role in building community and enriching life at Garvald West Linton.

Improvements in recruitment and staffing levels have enabled more staff to be released to attend training and professional development, and to engage with other Steiner organisations through shared away days and learning events. This supports staff wellbeing, skills development and the sharing of best practice across the sector. We are embarking on a proactive programme of estate maintenance and improvements to décor across Garvald West Linton. This has begun with upgrading flooring and introducing regular inspections of roofs to ensure issues are identified and addressed at an early stage.

In recent years, the expansion of activities at Garvald has been constrained by limitations in our electricity supply. We are therefore exploring the installation of three-phase electricity to increase capacity and resilience. This upgrade would also enable future investment in renewable energy and support planned improvements to insulation, helping to improve the sustainability and energy efficiency of our estate.

GARVALD WEST LINTON LTD

DIRECTORS' REPORT (INCLUDING TRUSTEES' REPORT) FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

These statements are prepared in terms of the Charities SoRP FRS 102 and the Companies Act 2006.

The charity had total incoming resources of £4,172,484 (2024: £3,841,109) and total expenditure of £4,032,041 (2024: £3,648,207) resulting in an surplus for the year of £140,443 (2024 of £192,902).

The designated funds had incoming resources of £nil (2024: £nil) and total expenditure of £87,705 (2024: £93,109), resulting in a deficit before transfers of £87,705 (2024 : £93,109).

The financial year has been challenging with the continued inflationary impact on a relatively fixed cost base.

During the year, Garvald West Linton completed a substantial refurbishment of The Lodge at a total cost of £255,862. The refurbishment was largely funded by a grant from Garvald Trust of £170,000 which was gratefully received. This sum is recognised in the income for the year. The capital element of the lodge expenditure has been capitalised in the accounts as an addition to fixed assets and will be depreciated over its useful life in accordance with the organisation's accounting policies. This investment forms part of our wider programme of improving the quality, safety and long-term sustainability of our estate.

Reserves Policy

The current policy is to maintain free reserves sufficient to fund the equivalent of six months expenditure. The Directors acknowledge that they have not reached this target but are working on a Strategic Supported Living Plan to enable surpluses in future years to meet a revised but more realistic objective. The increase in this financial period to August 2025 is £13,247 (2024 increase: £167,951).

An analysis of Net Assets between Reserve Funds is disclosed in note 20 of the accounts.

The designated funds represent expenditure made on fixed assets less depreciation and less liabilities outstanding on their acquisition of £1,424,623 (2024: £1,286,580) and the inheritance fund of £30,688 (2024: £30,688).

At 31 August 2025 free reserves amounted to £720,046 (2024: £706,799) which is equivalent to 20% of annual expenditure or expenditure for just over 2 months.

Plans for future periods

In response to significant changes in the economic, legislative and environmental context, the organisation has developed a five-year strategic plan. The following strategic objectives have been agreed:

- Secure the future of Garvald through sound financial management.
- Transition to a Supported Living model for the people we support.
- Identify additional meaningful daytime activities.
- Provide an environment where staff feel valued and supported.
- Improve infrastructure across the Garvald Estate.
- Work more closely with organisations where there are clear synergies.
- Develop communications that reflect Garvald's strengths and aspirations.

Garvald West Linton is in the process of transitioning from a registered residential care home to a different funding model, known as Supported Living. Under Supported Living, residents are individually assessed for their care and support needs, providing a more secure and sustainable funding base for the organisation. Residents will also have access to a wider range of benefits and greater security of tenure in their homes.

This transition represents a significant organisational change for Garvald West Linton. However, it will strengthen our long-term financial sustainability and aligns us with best practice across the sector. Many comparable organisations, including Steiner organisations, have already made this transition successfully.

GARVALD WEST LINTON LTD

DIRECTORS' REPORT (INCLUDING TRUSTEES' REPORT) FOR THE YEAR ENDED 31 AUGUST 2025

Statement of directors' responsibilities

The directors, who also act as trustees for the charitable activities of Garvald West Linton Ltd, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors 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 charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. 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.

Auditor

In accordance with the company's articles, a resolution proposing that Thomson Cooper be reappointed as auditor of the company will be put at a General Meeting.

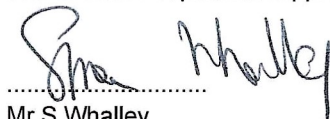
Events after the reporting date

The Trustees are of the opinion that there are no significant Post Balance Sheet Events that would have an impact on charity's assets.

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The directors' report was approved by the Board of Directors.


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Mr S Whalley

Director

Date: 20/5/26

GARVALD WEST LINTON LTD

INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS OF GARVALD WEST LINTON LTD

Opinion

We have audited the financial statements of Garvald West Linton Ltd (the 'charity') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 directors 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 directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

GARVALD WEST LINTON LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE DIRECTORS OF GARVALD WEST LINTON LTD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 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 directors' 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 directors

As explained more fully in the statement of directors' responsibilities, the directors 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 directors 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 directors 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 directors either intend to liquidate the charitable company 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 the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: existence and timing of recognition of grant income and the posting of transactions to the correct funds. We discussed these risks with management, designed audit procedures to test the timing and existence of donations and grant income, including reviewing of grant paperwork and terms and conditions, reviewing the allocation of costs against the correct funding and reviewed areas of judgement for indicators of management bias.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards). We focused on specific laws and regulations which may have a direct material effect on the financial statements or operation of the charity, including the Charities and Trustees Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended),

We assessed the extent of compliance of the laws and regulations identified above by inspecting any legal correspondence, the Care Inspectorate report and making enquiries of management.

We reviewed the laws and regulations in areas that directly affect the financial statements including financial and taxation legislation and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

GARVALD WEST LINTON LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE DIRECTORS OF GARVALD WEST LINTON LTD

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the company.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. However, the primary responsibility for the prevention and detection of fraud rests with the trustees. To address the risk of fraud we identified internal controls established to identify risk, performed analytical procedures to identify unusual movements, assessed any judgements and assumptions made in determining accounting estimates, reviewed journal entries for unusual transactions and identified related parties.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fiona Haro

Fiona Haro (Senior Statutory Auditor)

For and on behalf of Thomson Cooper, Statutory Auditor

Chartered Accountants

Edinburgh

Date: 27-05-26

Thomson Cooper is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

GARVALD WEST LINTON LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

Current financial year

	Notes	Unrestricted funds 2025 £	Designated funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
<u>Income and endowments from:</u>						
Donations and legacies	2	117	-	171,270	171,387	43,623
Charitable activities	3	3,987,035	-	-	3,987,035	3,787,708
Investments	4	10,816	-	-	10,816	9,778
Other income	5	3,246	-	-	3,246	-
Total income		4,001,214	-	171,270	4,172,484	3,841,109
<u>Expenditure on:</u>						
Raising funds	6	2,550	-	-	2,550	-
Charitable activities	7	3,934,669	87,705	7,117	4,029,491	3,648,207
Total expenditure		3,937,219	87,705	7,117	4,032,041	3,648,207
Net incoming resources before transfers		63,995	(87,705)	164,153	140,443	192,902
Gross transfers between funds		(50,748)	225,748	(175,000)	-	-
Net income/(expenditure) for the year/ Net movement in funds		13,247	138,043	(10,847)	140,443	192,902
Fund balances at 1 September 2024		706,799	1,317,268	38,867	2,062,934	1,870,032
Fund balances at 31 August 2025		720,046	1,455,311	28,020	2,203,377	2,062,934

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

GARVALD WEST LINTON LTD

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

Prior financial year

		Unrestricted funds general 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	2	291	-	43,332	43,623
Charitable activities	3	3,787,708	-	-	3,787,708
Investments	4	9,778	-	-	9,778
Total income		3,797,777	-	43,332	3,841,109
<u>Expenditure on:</u>					
Charitable activities	7	3,540,552	93,109	14,546	3,648,207
Total expenditure		3,540,552	93,109	14,546	3,648,207
Net incoming resources before transfers		257,225	(93,109)	28,786	192,902
Gross transfers between funds		(89,274)	86,723	2,551	-
Net income/(expenditure) for the year/ Net movement in funds		167,951	(6,386)	31,337	192,902
Fund balances at 1 September 2023		538,848	1,323,654	7,530	1,870,032
Fund balances at 31 August 2024		706,799	1,317,268	38,867	2,062,934

GARVALD WEST LINTON LTD

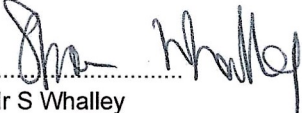
BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	11		1,457,980		1,384,925
Current assets					
Debtors	12	418,828		316,448	
Cash at bank and in hand		696,613		760,440	
		<u>1,115,441</u>		<u>1,076,888</u>	
Creditors: amounts falling due within one year	14				
		<u>(370,044)</u>		<u>(366,708)</u>	
Net current assets			745,397		710,180
Total assets less current liabilities			<u>2,203,377</u>		<u>2,095,105</u>
Creditors: amounts falling due after more than one year	15		-		(32,171)
Net assets			<u>2,203,377</u>		<u>2,062,934</u>
The funds of the charity					
Restricted income funds	17		28,020		38,867
Unrestricted funds - general	19		720,046		706,799
Unrestricted funds - designated	18		1,455,311		1,317,268
			<u>2,203,377</u>		<u>2,062,934</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the directors on 26/5/26



 Mr S Whalley
 Director

GARVALD WEST LINTON LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	24		143,885		230,609
Investing activities					
Purchase of tangible fixed assets		(160,760)		(11,180)	
Proceeds from disposal of tangible fixed assets		3,246		-	
Investment income received		10,816		9,778	
Net cash used in investing activities			(146,698)		(1,402)
Financing activities					
Repayment of bank loans		(61,014)		(78,094)	
Net cash used in financing activities			(61,014)		(78,094)
Net (decrease)/increase in cash and cash equivalents			(63,827)		151,113
Cash and cash equivalents at beginning of year			760,440		609,327
Cash and cash equivalents at end of year			696,613		760,440

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

Garvald West Linton Ltd is a private company limited by guarantee incorporated in Scotland. The registered office is Garvald House, Dolphinton, West Linton, EH46 7HJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of 12 months from the date of approval of the financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Assets under the course of construction	0% until completion
Leasehold improvements	40 year and 20 year straight line
Plant, fixtures and furniture	3 year straight line
Motor vehicles	5 year straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

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

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

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

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	117	1,270	1,387	291	14,602	14,893
Grants	-	170,000	170,000	-	28,730	28,730
	<u>117</u>	<u>171,270</u>	<u>171,387</u>	<u>291</u>	<u>43,332</u>	<u>43,623</u>

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

3 Charitable activities

	2025 £	2024 £
Residential and care fees	3,978,208	3,776,207
Sale of residents work and produce	7,195	9,113
Other income	1,632	2,388
	<u>3,987,035</u>	<u>3,787,708</u>
Analysis by fund		
Unrestricted funds - general	<u>3,987,035</u>	<u>3,787,708</u>

4 Investments

	2025 £	2024 £
Interest receivable	<u>10,816</u>	<u>9,778</u>

5 Other income

	2025 £	2024 £
Net gain on disposal of tangible fixed assets	<u>3,246</u>	<u>-</u>

6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Other fundraising costs	<u>2,550</u>	<u>-</u>

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

8 Support costs allocated to activities (Continued)

	2025	2024
	£	£
Governance costs comprise:		
Staff costs	30,672	28,618
Audit fees	7,620	7,425
Accountancy	2,460	4,305
Registration and disclosure fees	9,359	8,663
	<u>50,111</u>	<u>49,011</u>

9 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Care Home staff	<u>128</u>	<u>135</u>

	2025	2024
	£	£
Employment costs		
Wages and salaries	2,534,571	2,406,350
Social security costs	232,598	180,360
Other pension costs	84,731	85,088
Life Assurance costs	14,616	25,295
	<u>2,866,516</u>	<u>2,697,093</u>

The key management personnel of the charity comprise the CEO, day services manager, residential manager, and finance manager. Their total cost including employer's pension and national insurance contributions was £201,260 (2024: £185,795).

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

10 Taxation

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

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

11 Tangible fixed assets

	Leasehold improvements £	Plant, fixtures and furniture £	Motor vehicles £	Total £
Cost				
At 1 September 2024	2,090,183	330,145	90,889	2,511,217
Additions	113,388	10,407	36,965	160,760
Disposals	-	(1,257)	(29,900)	(31,157)
At 31 August 2025	<u>2,203,571</u>	<u>339,295</u>	<u>97,954</u>	<u>2,640,820</u>
Depreciation and impairment				
At 1 September 2024	800,650	264,215	61,427	1,126,292
Depreciation charged in the year	53,122	22,721	11,862	87,705
Eliminated in respect of disposals	-	(1,257)	(29,900)	(31,157)
At 31 August 2025	<u>853,772</u>	<u>285,679</u>	<u>43,389</u>	<u>1,182,840</u>
Carrying amount				
At 31 August 2025	<u>1,349,799</u>	<u>53,616</u>	<u>54,565</u>	<u>1,457,980</u>
At 31 August 2024	<u>1,289,533</u>	<u>65,930</u>	<u>29,462</u>	<u>1,384,925</u>

12 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	198,359	91,266
Other debtors	24,162	3,609
Prepayments and accrued income	196,307	221,573
	<u>418,828</u>	<u>316,448</u>

13 Loans and overdrafts

	2025 £	2024 £
Bank loans	<u>33,357</u>	<u>94,371</u>
Payable within one year	33,357	62,200
Payable after one year	-	32,171

The loan granted by Garvald Trust is funded by Royal Bank of Scotland with an interest rate 2.75% above libor.

The total capital repayments on the loan is £688,027 commencing 29 July 2013 with 52 quarterly payments.

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

14 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	13	33,357	62,200
Other taxation and social security		52,987	45,197
Trade creditors		56,634	48,020
Other creditors		24,061	57,929
Accruals and deferred income		203,005	153,362
		<u>370,044</u>	<u>366,708</u>

15 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	13	-	32,171
		<u>-</u>	<u>32,171</u>

16 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	84,731	85,088
	<u>84,731</u>	<u>85,088</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

Current year:	At 1 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Oil bath fund	4,333	-	-	-	4,333
Hill Cottage fund	150	30	(30)	-	150
Linden fund	2,000	-	-	-	2,000
Rowan fund	1,713	-	-	-	1,713
Willow fund	100	-	-	-	100
The Sensory room	(787)	1,000	(96)	-	117
Roger Raymond Charitable Trust	5,000	-	-	(5,000)	-
Outdoor Space fund	25,501	240	(6,134)	-	19,607
RS MacDonald Charitable Trust	566	-	(566)	-	-
Cruden Foundation	291	-	(291)	-	-
Lodge Renovation	-	170,000	-	(170,000)	-
	<u>38,867</u>	<u>171,270</u>	<u>(7,117)</u>	<u>(175,000)</u>	<u>28,020</u>

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Oil bath fund	4,333	-	-	-	4,333
Hill Cottage fund	150	-	-	-	150
Linden fund	1,000	1,000	-	-	2,000
Rowan fund	1,713	-	-	-	1,713
Willow fund	100	-	-	-	100
The Sensory room	234	-	(1,021)	-	(787)
Roger Raymond Charitable Trust	-	5,000	-	-	5,000
80th Birthday Celebrations	-	23,602	(652)	2,551	25,501
RS MacDonald Charitable Trust	-	12,730	(12,164)	-	566
Cruden Foundation	-	1,000	(709)	-	291
	<u>7,530</u>	<u>43,332</u>	<u>(14,546)</u>	<u>2,551</u>	<u>38,867</u>

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

17 Restricted funds

(Continued)

Oil bath fund

To fund the building of an oil bath and cabin.

Hill Cottage fund

To fund special requests for expenditure within Hill Cottage.

Linden fund

To fund special requests for expenditure within Linden House.

Rowan fund

To fund special requests for expenditure within Rowan House.

Willow fund

To fund special requests for expenditure within Willow House.

The Sensory room

To fund a sensory room..

Roger Raymond Charitable Trust

Towards new build fund; the new build project was discontinued and Roger Raymond Charitable Trust agreed that the funds could be allocated towards the Lodge renovations.

Outdoor Space fund (previously named 80th Birthday Celebrations)

Fundraising to raise funds for outdoor space.

RS MacDonald Charitable Trust

Grant funding for replacement ramp.

Cruden Foundation

Funding towards music therapy

Lodge Renovation

Funding from Garvald Trust to renovate lodge to bring into use under new business model of self contained

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

18 Unrestricted funds - designated

This fund is unrestricted and free to use in accordance with the objectives of the charity.

	At 1 September 2024 £	Resources expended £	Transfers £	At 31 August 2025 £
Fixed Asset Fund	1,286,580	(87,705)	225,748	1,424,623
Inheritance Fund	30,688	-	-	30,688
	<u>1,317,268</u>	<u>(87,705)</u>	<u>225,748</u>	<u>1,455,311</u>
Previous year:				
	At 1 September 2023 £	Resources expended £	Transfers £	At 31 August 2024 £
Fixed Asset fund	1,290,415	(93,109)	89,274	1,286,580
Inheritance fund	30,688	-	-	30,688
Savings fund	2,551	-	(2,551)	-
	<u>1,323,654</u>	<u>(93,109)</u>	<u>86,723</u>	<u>1,317,268</u>

Fixed asset fund

This fund represents a fund set aside by the Directors to be equal to expenditure made less depreciation provided on fixed assets and less liabilities outstanding on their acquisition.

Inheritance Fund

This fund is legacies received from the estate of Eon Grindlay and Jean Horsburgh which the directors have allocated to the future development of Garvald.

Savings Fund

This fund is fundraising monies which the directors have allocated to future costs, the Directors agreed to transfer the funds to the Outdoor Space fund.

19 Unrestricted funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 September 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2025 £
General funds	706,799	4,001,214	(3,937,219)	(50,748)	720,046
	<u>706,799</u>	<u>4,001,214</u>	<u>(3,937,219)</u>	<u>(50,748)</u>	<u>720,046</u>

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

19 Unrestricted funds (Continued)

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
General funds	538,848	3,797,777	(3,540,552)	(89,274)	706,799

20 Analysis of net assets between funds

	Unrestricted funds 2025	Designated funds 2025	Restricted funds 2025	Total 2025
	£	£	£	£
Fund balances at 31 August 2025 are represented by:				
Tangible assets	-	1,457,980	-	1,457,980
Current assets/(liabilities)	720,046	(2,669)	28,020	745,397
	<u>720,046</u>	<u>1,455,311</u>	<u>28,020</u>	<u>2,203,377</u>
	Unrestricted funds 2024	Designated funds 2024	Restricted funds 2024	Total 2024
	£	£	£	£
Fund balances at 31 August 2024 are represented by:				
Tangible assets	-	1,384,925	-	1,384,925
Current assets/(liabilities)	706,799	(35,486)	38,867	710,180
Long term liabilities	-	(32,171)	-	(32,171)
	<u>706,799</u>	<u>1,317,268</u>	<u>38,867</u>	<u>2,062,934</u>

21 Operating lease commitments

Lessee

The charity has a lease on the property which extends up to June 2037.

The operating leases payments represent rentals payable by the charity for it's properties.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	39,750	33,000
Between two and five years	42,000	132,000
In over five years	419,250	291,500
	<u>501,000</u>	<u>456,500</u>

GARVALD WEST LINTON LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

22 Related party transactions

Transactions with related parties

During the year the charity made payments for fundraising services to Sophie Pilgrim, a Trustee, during the period totalling £2,550 (2024: £nil). The payments were made under standard terms and conditions.

One close relative of one manager received remuneration in the period as an employee under normal terms and conditions. The total salary paid was £1,321 (2024 : £1,482).

23 Analysis of changes in net funds

	At 1 September 2024	Cash flows	At 31 August 2025
	£	£	£
Cash at bank and in hand	760,440	(63,827)	696,613
Loans falling due within one year	(62,200)	28,843	(33,357)
Loans falling due after more than one year	(32,171)	32,171	-
	<u>666,069</u>	<u>(2,813)</u>	<u>663,256</u>

24 Cash generated from operations

	2025 £	2024 £
Surplus for the year	140,443	192,902
Adjustments for:		
Investment income recognised in statement of financial activities	(10,816)	(9,778)
Gain on disposal of tangible fixed assets	(3,246)	-
Depreciation and impairment of tangible fixed assets	87,705	93,109
Movements in working capital:		
(Increase)/decrease in debtors	(102,380)	69,636
Increase/(decrease) in creditors	32,179	(115,260)
Cash generated from operations	<u>143,885</u>	<u>230,609</u>