

THE LOTHIAN HOMES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2026

CT:

THE LOTHIAN HOMES TRUST

ANNUAL REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2026

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THE LOTHIAN HOMES TRUST

GOVERNORS AND ADVISERS

For the year ended 31 March 2026

Principal Address	Lothian Homes Trust C/O Lindsays LLP Caledonian Exchange 19a Canning Street Edinburgh EH3 8HE	
Ex Officio Governors	Mr Jim Cormack KC	Deputy Keeper of the Signet
	Sheriff Principal Nigel Ross	Sheriff Principal of Lothian & Borders
Elected Governors	Mrs Irene Noble	Educational Institute of Scotland
	Mr Alun Thomas WS (Chairman)	The Society of Writers to His Majesty's Signet Finance Committee member
	Mr C S Kennedy WS	The Society of Writers to His Majesty's Signet (Appointed 7 October 2025) Finance Committee member
	Councillor Jack Caldwell Councillor Vicky Nicolson Councillor Ben Parker	The City of Edinburgh Council The City of Edinburgh Council The City of Edinburgh Council
	Mr Hugh McMichael Dr Karen Aitchison Mr Richard Davidson	John Christie's Trust John Christie's Trust John Christie's Trust Finance Committee member
	Calum Martin	The Presbytery of Edinburgh & West Lothian
	Rev. Norman Smith	The Presbytery of Lothian & Borders (Resigned 14 December 2025)
The Clerk to the Governors	Mr C S Kennedy WS	Finance Committee member (Resigned 7 October 2025)
	Helen Kidd WS	(Appointed 7 October 2025)
Investment Managers	Rathbones Investment Management George House 50 George Square Glasgow G2 1EH	
Auditor	CT Audit Limited Chartered Accountants and Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL	
Bank	Bank of Scotland Plc 20-22 Shandwick Place Edinburgh EH2 4RN	

THE LOTHIAN HOMES TRUST

REPORT OF THE GOVERNORS

For the year ended 31 March 2026

The Governors, who are the charity trustees for the purposes of charity law, present their report and the financial statements of the Trust for the year ended 31 March 2026. The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 14, and comply with the Trust deed and applicable law.

OBJECTIVES AND ACTIVITIES

The manner in which the Trust may operate is determined by the amended Scheme, copies of which may be obtained from the Clerk.

The primary objective of the Trust is the promotion of the education and training of young people under the age of 22 who are in need of care or are living in deprived circumstances or otherwise require assistance to become adjusted to living independent lives. These objectives are achieved through the organisation established by the Governors known as Bridges Project (Scottish charity no. SC036976) which, while operating under the auspices of The Trust until 31 March 2006, is now separately constituted as an independent charitable company limited by guarantee. The Lothian Homes Trust now exists as a grant making charity and the Governors have undertaken to provide annual funding for the Bridges Project for a number of years. A report on the Bridges Project activities can be obtained from its operational office at Bogpark Road, Musselburgh, EH21 6RT but in summary activities are focused on assisting young people to become more self-reliant and independent through the provision of education, housing support and life skills.

ACHIEVEMENTS AND PERFORMANCE

The Trust has continued to fund the Bridges Project activities through payment of a quarterly grant under a Funding Agreement between the Trust and Bridges Project which commits the Trust to fund the Project with an annual amount equal to the net annual income of the Trust for an initial six years (from 1 April 2006) and renewable thereafter. The Governors have thrice extended the Trust's undertaking to provide continued funding, subject to satisfactory annual performance, and the current undertaking extends to 31 March 2030.

Plans for the future

The Trust continues to view Bridges Project as its main means of discharging its charitable responsibilities and as mentioned previously is committed, subject to satisfactory performance reports from Bridges Project, to provide funding for the period to 31 March 2030.

FINANCIAL REVIEW

The financial position of the Trust at the year end is as disclosed in the attached Balance Sheet. Unrealised gains within the investment portfolio stood at £1,696,207 at the year end (2025: £1,000,907). The market value of the portfolio was £5,435,825 at the year end (2025: £4,731,800).

The results of the year are shown in detail in the attached Statement of Financial Activities. Under the commitment to fund the continuing activities of the Bridges Project, the Trust is to give an annual grant of its "net annual disposable income" for the year and grants of £235,884 (2025: £223,242) are payable in relation to the year. £200,000 (2025: £200,000) of this was paid out in equal quarterly instalments during the year, with the remaining £35,884 (2025: £23,242) being the surplus of funding received during the year, accrued in the financial statements and due to be paid out after the year end.

Net expenditure, before investment gains and losses, was £130 (2025: £80).

Investment policy and performance

The Governors have appointed Rathbones, Investment Managers, Glasgow to manage the Trust's investment portfolio on a discretionary basis. The primary investment objective is skewed towards a large income stream as opposed to capital growth. There are no specific investment restrictions or limitations applicable. Surplus liquid funds are held on short term deposit with the Bank of Scotland and via a client account with Lindsays LLP where they can be accessed readily. The Governors were pleased with the investment performance during the year.

THE Lothian Homes TRUST

REPORT OF THE GOVERNORS (*continued*)

For the year ended 31 March 2026

FINANCIAL REVIEW (*continued*)

Reserves policy

The Governors of the Lothian Homes Trust have a responsibility to ensure the best management of their financial resources in the continuing interest of the Trust's current and future beneficiaries. As a consequence, the Trust's current reserves of £5,967,123 (including a fixed asset held at a carrying value of £396,556) at 31 March 2026 are regarded as an investment for the future funding of charitable activities and the maintenance of capital reserves to enable the ongoing funding of the commitments made to the Bridges Project activities of providing direct services to vulnerable young people and young people "at risk".

Whilst the Trust's terms and conditions retain an option for the Governors to fund other projects, it is the intention of the Governors (assuming good governance) to continue viewing Bridges Project as its chosen vehicle for discharging its charitable responsibilities for the foreseeable future. The Trust's terms and conditions also allow it to consider applications from any previous, current or future beneficiary.

Represented within the reserves are a property and investments which make up a permanent capital endowment of the Trust and regarding which the Governors must act prudently to protect the income generating resources for planned funding as well as maintaining an element of reserves for contingencies. Sufficient sums must be held in reserve to manage the maintenance of the properties.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and objects

The Governors of the Lothian Homes Trust are a body established originally under an Educational Endowment Scheme of 1934 under the Educational Endowments (Scotland) Acts 1928 to 1935 and currently under a Scheme of 1955 under Education (Scotland) Act 1946 (which Scheme revoked the 1934 Scheme and a subsequent Scheme of 1946) as revised said 1955 Scheme by Decree granted in the Court of Session on 16 February 1984 in respect of an application formally presented under Section 105 (4A) of the Education (Scotland) Act 1980 as amended by Section 15 and paragraph 4 of Schedule 6 to the Education (Scotland) Act 1981.

The Trust is a charity and is recognised as such by H M Revenue & Customs for Taxation purposes. The charity number of the Trust is SC003369.

Organisation

The Governors who served during the year and since the year end are set out on pages 1 and 2.

Under the provisions of the Scheme the governing body consists of ex officio Governors and elected Governors.

There are two ex officio Governors:-

The Sheriff Principal of Lothian and Borders or a person to be appointed by them;

The Deputy Keeper of the Signet or a person to be appointed by them;

THE LOTHIAN HOMES TRUST

REPORT OF THE GOVERNORS (*continued*)

For the year ended 31 March 2026

STRUCTURE, GOVERNANCE AND MANAGEMENT (*continued*)

Organisation (*continued*)

The elected Governors are:-

One person appointed by the Church of Scotland Presbytery of Edinburgh & West Lothian (formerly the Presbytery of Edinburgh);

One person appointed by the Church of Scotland Presbytery of Lothian and Borders (formerly the Presbytery of Lothian);

One person elected by the Educational Institute of Scotland;

Two persons elected by the Society of Writers to His Majesty's Signet from its members;

Four members of the City of Edinburgh Council with an interest in Education, Social Work & Housing. Council members are appointed by Council (only three members have currently been appointed); and

Three persons elected from their own number by the Trustees of the late John Christie.

Day to day overseeing of the Trust is undertaken by the Chairman and the Clerk to the Governors. Overall financial surveillance is entrusted by the Governors to the Finance Committee appointed from the Board's own number. The Governors met once in the year, in order to discuss strategic and operational matters relating to the Trust. Newly appointed Governors are provided with a copy of the governing document, a copy of the most recent financial statements, and a minute of the most recent Governors' meeting. In addition, a verbal briefing is given by the Clerk.

Key Management Personnel

The Governors constitute the key management personnel of the Trust. No Governor of the Trust received any remuneration or reimbursement of expenses during the year (2025: £Nil).

Related Parties

The Lothian Homes Trust is closely connected with the Trustees of the late John Christie who each year allocate a fixed proportion of their free income to the funds of the Lothian Homes Trust. Two of the Governors of The Lothian Homes Trust are also directors of the Bridges Project whose activities have been set out above.

Risk Management

The Governors have assessed the major risks to which the Trust is exposed and are satisfied that systems are in place to mitigate the Trust's exposure to those risks. The major risk is considered to relate to a loss in the value of the charity's investments. In order to reduce this risk, the investments are professionally managed on a discretionary basis and significant liquid reserves are kept on bank deposit.

THE LOTHIAN HOMES TRUST

REPORT OF THE GOVERNORS (*continued*)

For the year ended 31 March 2026

GOVERNORS RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Governors are responsible for preparing the Report of the Governors 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 Governors 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 of the charity for that period.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors are responsible for keeping proper 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 provisions of the charity's constitution.

The Governors 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.

Approved by the Governors and signed on their behalf by:

Alun Thomas
Governor

Date:


05/10/2026

The Lothian Homes Trust

Opinion

We have audited the financial statements of The Lothian Homes Trust (the 'charity') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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 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 March 2026, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 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 governors are responsible for the other information. The other information comprises the information included in the governors' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report.

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the governors' 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 governors

As explained more fully in the governors' responsibilities statement set out on page 6, the governors are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the governors 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 governors 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 governors 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.

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:

- Through gaining a detailed understanding of the business and operations this allowed for identification of irregularities.
- Review of minutes of board meetings throughout the period;
- Specific consideration was given to transactions with related parties.
- Completing testing on investment income and donations and their systems for recognising them to ensure that they have been accounted for accurately and in the correct period.
- Testing within the investment portfolio to gain assurance over the value and ownership of the investments.

Independent Auditor's Report to the Governors of

The Lothian Homes Trust (*continued*)

CT:

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

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

Use of our report

This report is made solely to the Trust's Governors, 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 Trust's Governors 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 Governors as a body, for our audit work, for this report, or for the opinions we have formed.



CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Date: 06 October 2026

CT Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE LOTHIAN HOMES TRUST

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2026

	Note	Restricted Capital Fund £	Un- restricted Pension Reserve £	Un- restricted General Funds £	2026 Total £	2025 Total £
Income from:						
Donations	2	-	-	63,333	63,333	40,707
Investments	3	-	-	221,902	221,902	233,228
Total		-	-	285,235	285,235	273,935
Expenditure on:						
Raising funds:						
Investment management fees		-	-	32,911	32,911	34,783
Property management costs		-	-	3,920	3,920	3,360
Charitable activities	4	6,230	-	242,304	248,534	235,872
Total		6,230	-	279,135	285,365	274,015
Net (expenditure)/income before investment gains		(6,230)	-	6,100	(130)	(80)
Realised gain/(loss) from Quoted investments	9	14,822	-	-	14,822	(55,772)
Unrealised gain/(loss) from Quoted investments	9	707,986	-	-	707,986	18,509
Net income for the year		716,578	-	6,100	722,678	(37,343)
Transfers		-	6,100	(6,100)	-	-
Net movement in funds		716,578	6,100	-	722,678	(37,343)
Funds at 1 April		4,960,273	(79,300)	363,472	5,244,445	5,281,788
Funds at 31 March		5,676,851	(73,200)	363,472	5,967,123	5,244,445

All activities are continuing.

The notes on pages 13 to 18 form part of these financial statements.

THE LOTHIAN HOMES TRUST

BALANCE SHEET

As at 31 March 2026

	Notes	2026 £	2025 £
Fixed assets			
Tangible fixed assets	8	396,556	396,556
Investments at market value	9	5,435,825	4,731,800
		<u>5,832,381</u>	<u>5,128,356</u>
Current assets			
Accrued income and sundry debtors		1,064	11,988
Investment Managers' cash balances		40,168	54,907
Cash at bank		213,790	162,882
		<u>255,022</u>	<u>229,777</u>
Creditors: amounts falling due within one year	10	(47,080)	(34,388)
Net current assets		<u>207,942</u>	<u>195,389</u>
Total assets less current liabilities		<u>6,040,323</u>	<u>5,323,745</u>
Defined benefit pension scheme liability	7	(73,200)	(79,300)
Total net assets		<u>5,967,123</u>	<u>5,244,445</u>
The funds of the Charity:			
Restricted Capital		5,676,851	4,960,273
Unrestricted Revenue			
General Funds		363,472	363,472
Pension Reserve (deficit)		(73,200)	(79,300)
	12	<u>5,967,123</u>	<u>5,244,445</u>

Approved by the Governors on 5th October 2026 and signed on their behalf by:



Alun Thomas
Governor

The notes on pages 13 to 18 form part of these financial statements.

THE LOTHIAN HOMES TRUST

STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	2026 £	2025 £
Cash flows from operating activities:		
Net cash provided by operating activities (see below)	17,386	(29,908)
Cash flow from investing activities:		
Proceeds from sale of investments	270,920	960,241
Purchase of investments	(252,137)	(939,559)
Net cash used in investing activities	18,783	20,682
Change in cash and cash equivalents	36,169	(9,226)
Cash and cash equivalents at the beginning of the year	217,789	227,015
Cash and cash equivalents at the end of the year	253,958	217,789
Cash and cash equivalents:		
Investment manager's cash balances	40,168	54,907
Cash at bank	213,790	162,882
	253,958	217,789
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income before investment gains/(losses)	(130)	(80)
(as per the statement of financial activities)		
Adjustments for:		
Pension cost	(6,100)	(6,100)
(Increase)/decrease in debtors	10,924	5,272
(Decrease)/Increase in creditors	12,692	(29,000)
Net cash provided by operating activities	17,386	(29,908)

Reconciliation of Net Debt

	As at 1 April 2025	Cashflows	As at 31 March 2026
Cash	217,789	36,169	253,958

The notes on pages 13 to 18 form part of these financial statements.

THE LOTHIAN HOMES TRUST

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. Accounting policies

Basis of preparation

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 (FRS 102) (Charities SORP FRS 102)(updated October 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trust constitutes a public benefit entity as defined by FRS 102. The functional and presentational currency of the financial statements is pounds sterling.

Going concern

The financial statements have been prepared on a going concern basis. The Governors have assessed the Trust's ability to continue as a going concern and have reasonable expectation that the Trust 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.

Restricted funds

The permanent endowment of the Capital Fund represents the Restricted Funds of the Trust.

Financial instruments

The Trust has only basic financial assets and liabilities comprising investments, income debtors, cash at bank and creditors for grants and operating costs. These assets and liabilities are initially recorded at cost and subsequently at market value in the case of investments and in respect of other assets and liabilities at the amounts that are expected to be, or have been, received or paid.

Investments

In order to comply with the Statement of Recommended Practice, investments are included in the Balance Sheet at market value at the period end date, the unrealised gain being added to Funds. Gains or losses on sale of investments are credited or charged to the Statement of Financial Activities (calculated as net proceeds less previous valuation or cost if purchased in the period).

Fixed assets

Investment property consists of the operational centre at Bogpark Road in Musselburgh which is let to Bridges Project. The operational centre meets the definition of a social investment property under FRS 102, as it is let to tenants that further the charity's own purposes or benefit the charity's beneficiaries and is required by the SORP to be shown in the balance sheet at cost value at each year end.

Income

Income is recognised when the Trust becomes entitled to the income, when it is probable that the income will be received and when it can be reliably measured. Therefore, grants are included in the financial statements in the year in which they are receivable and income from investments is accounted for when receivable.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to the expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure allocation

Costs directly attributable to charitable activities are allocated to the appropriate activity. Support costs, including governance costs are similarly directly attributed to an activity.

THE LOTHIAN HOMES TRUST

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. Accounting policies (continued)

Costs of raising funds

Costs of raising funds consist of investment manager's fees.

Costs of charitable activities

Charitable activities consist of grant making, and the costs include the grants awarded and the support costs inherent in the activity.

Value Added Tax

The Trust is not registered for VAT and accordingly, all expenditure includes VAT where applicable.

Pensions

The Trust participated in the Lothian Pension Fund, a multi-employer defined benefit scheme. The trust no longer has any active members and a cessation valuation was prepared in 2017, resulting in an agreed exit payment of £122,000 to be paid in equal instalments by the trust over the next 20 years to 2037. In accordance with FRS 102, the Trust's share of a scheme deficit is recognised in full on the balance sheet.

2. Donation income	2026 £	2025 £
Share of surplus from John Christie's Trust	63,333 =====	40,707 =====
3. Investment income	2026 £	2025 £
Listed investments	187,582	197,694
Rental income – operational property (Bridges Project)	31,000	31,000
Interest on deposits	3,319	4,534
	----- 221,902 =====	----- 233,228 =====
4. Charitable activities	2026 £	2025 £
Grants to Bridges Project	235,884	223,242
Support costs - administrative costs and fees	6,420	6,450
- governance costs - auditors remuneration (note 6)	6,230	6,180
	----- 248,534 =====	----- 235,872 =====

Auditors remuneration of £6,230 (2025: £6,180) has been allocated against the Restricted Capital fund as is allowed by the Funding agreement with the Bridges Project.

5. Key management personnel

The Trust has no employees and the Governors constitute the key management personnel of the Trust. No Governor of the Trust received any remuneration or reimbursement of expenses during the year (2025: £Nil).

THE Lothian HOMES TRUST

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2026

6. Auditors remuneration	2026 £	2025 £
Auditor's remuneration	6,230 =====	6,180 =====

7. Pension scheme

The Trust participated in the Lothian Pension Fund which provides benefits payable to members on their retirement from employment or to their dependants on death before or after retirement. The assets of the Fund are held separately from those of the participating employers.

The last employee of Lothian Homes Trust who was an active member of the Lothian Pension Scheme ceased employment with Lothian Homes Trust in 2007. Lothian Homes Trust is considered to be an exiting employer as defined in Regulation 61(1)(b) of the Local Government Pension Scheme (Scotland) Regulations 2018.

The cessation valuation was prepared following the Lothian Pension Scheme's triennial actuarial valuation process for the period ended 31 March 2017. Based on this valuation, the Trust is due to make an Exit Payment of £122,000 to Lothian Pension Fund. It has been agreed with Lothian Pension Fund that this liability shall be paid in equal instalments over 20 years with no interest being charged.

Once the Exit Payment has been settled the Trust will have no further liability to Lothian Pension Fund.

The net pension liability as at 31 March 2026 represents the Exit Payment due.

	2025 £
Opening net pension liability	79,300
Exit Payment instalments paid	(6,100)

Closing net pension liability	73,200 =====

8. Tangible fixed assets	Total £
Cost	
At 1 April and 31 March	396,556 =====

At 31 March 2026, fixed assets consisted of one property, the operational centre at Bogpark Road in Musselburgh which is let to the Bridges Project. This is considered to be a social investment property, and as such is included in the financial statements at cost.

THE LOTHIAN HOMES TRUST

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2026

9. Quoted Investments	2026	2025
	£	£
Market value at 1 April 2025	4,731,800	4,789,745
Additions during the year (cost)	252,137	939,559
Disposals during the year (proceeds: £270,920; realised losses £14,822)	(256,098)	(1,016,013)
Movement in unrealised gains	707,986	18,509
	-----	-----
Market value of listed securities at 31 March 2026	5,435,825	4,731,800
	=====	=====
Historical book cost of investments	3,739,618	3,730,893
	=====	=====
Total unrealised gains	1,696,207	1,000,907
	=====	=====
	2026	2025
	£	£
Net gains/(losses) on investments for the year:		
Realised gains/(losses)	14,822	(55,772)
Unrealised gains/(losses)	707,986	18,509
	-----	-----
	722,808	(37,263)
	=====	=====

All investments are UK listed securities or gilts.

All investments are carried at their fair value. 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 at cost (that is their transaction value).

The significance of investments to the ongoing sustainability of the Trust is considered in the Report of the Governors as the Trust relies on investment income to fund its activities. The main risk to the Trust lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all investment assets are traded. The Governors manage investment risks by retaining professional investment managers.

10. Creditors: amounts falling due within one year	2026	2025
	£	£
Grants payable	35,884	23,242
Sundry creditors and accruals	6,230	6,180
Deferred rental income (note 11)	4,966	4,966
	-----	-----
	47,080	34,388
	=====	=====
11. Deferred income	2026	2025
	£	£
Brought forward	4,966	4,966
Income released	(4,966)	(4,966)
Income deferred	4,966	4,966
	-----	-----
Carried forward	4,966	4,966
	=====	=====

THE LOTHIAN HOMES TRUST

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2026

12. Analysis of net assets between funds

Fund analysis for the year ended 31 March 2026

	Fixed Assets £	Investments £	Net Current Assets £	Pension Liability £	Total £
Restricted capital fund	396,556	5,280,294	-	-	5,676,850
Unrestricted fund	-	-	-	-	-
General	-	155,531	207,942	-	363,473
Pension reserve	-	-	-	(73,200)	(73,200)
	-----	-----	-----	-----	-----
	369,556	5,435,825	207,942	(73,200)	5,967,123
	=====	=====	=====	=====	=====

Fund analysis for the year ended 31 March 2025

	Fixed Assets £	Investments £	Net Current Assets £	Pension Liability £	Total £
Restricted capital fund	396,556	4,563,717	-	-	4,960,273
Unrestricted fund	-	-	-	-	-
General	-	168,083	195,389	-	363,472
Pension reserve	-	-	-	(79,300)	(79,300)
	-----	-----	-----	-----	-----
	396,556	4,731,800	195,389	(79,300)	5,244,445
	=====	=====	=====	=====	=====

13. Contingent financial commitments and asset

The Trust continues to view Bridges Project as its main means of discharging its charitable responsibilities and, subject to satisfactory performance reports from Bridges Project, has agreed to provide funding for the period to 31 March 2026.

The funding agreement in place with the Bridges Project states that the Trust shall provide up to £60,000 to the Project to cover the financial obligations of the Project in the event of the Project being wound up, having to make staff redundant or a similar event. Any surplus after payment of costs arising on the winding-up of the Project shall be repaid to the Trust. The Trust paid the Bridges Project the maximum £60,000 in the year ended 31 March 2007, and therefore a contingent asset exists for any surplus of costs incurred if the Bridges Project is wound up.

14. Related party transactions

As noted in the Report of the Governors, the John Christie Trust and Bridges Project are related parties and the transactions with these bodies are disclosed in notes 2, 3 and 4. The grant balance due to Bridges Project at the year end is noted in note 10 as 'Grants payable'.

THE LOTHIAN HOMES TRUST

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2026

15. Comparative statement of financial activities

	Restricted Capital Fund £	Un- restricted Pension Reserve £	Un- restricted General Funds £	2025 Total £
Income from:				
Donations	-	-	40,707	40,707
Investments	-	-	233,228	233,228
Total	-	-	273,935	273,935
Expenditure on:				
Raising funds:				
Investment management fees	-	-	34,783	34,783
Property management costs	-	-	3,360	3,360
Charitable activities	6,180	-	229,692	235,872
Total	6,180	-	267,835	274,015
Net (expenditure)/income before investment gains	(6,180)	-	6,100	(80)
Realised gain from Quoted investments	(55,772)	-	-	(55,772)
Unrealised gain from Quoted investments	18,509	-	-	18,509
Net income for the year	(43,443)	-	6,100	(37,343)
Other recognised gains/ (losses):				
Transfers	-	6,100	(6,100)	-
Net movement in funds				
Funds at 1 April	5,003,716	(85,400)	363,472	5,281,788
Funds at 31 March	4,960,273	(79,300)	363,472	5,244,445
	=====	=====	=====	=====

