Charity registration number SC035823 (Scotland)

NATURE FOUNDATION

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

NATURE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Drever T Clifford D Gilbert A Scobie
Charity number (Scotland)	SC035823
Principal address	Druim Diomhain Achnacloich Sleat Isle of Skye United Kingdom IV46 8SA
Independent examiner	Claire Neumann BA(Hons) CA AAB Macfarlane Gray House Castlecraig Business Park Stirling FK7 7WT

NATURE FOUNDATION

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NATURE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2026

The trustees present their annual report and financial statements for the year ended 31 March 2026.

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 constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) (second edition - October 2019) (effective 1 January 2019).

Objectives and activities

a) The protection, restoration and enhancement of the biodiversity and natural wildlife habitats for the benefit of the general public through:

(i) the purchase, long-term lease or long-term management agreements of land or property.

(ii) provision of funding by way of grant, loan or payment out of Trust Property to other recognised charitable organisations involved in similar objectives.

(iii) provision of, or assisting in the provision of, advice, education and assistance which will further the charitable objectives of the Trust.

(b) (i) advance the education of the public and raise awareness of the threats to natural habitats and the need to protect and restore them by the provision of grants, loans and payments out of the trust property to other recognised charitable organisations for the purpose of study, research and education, providing that the results of any such research is made available to the public.

(ii) advance the education of school children, over and above the statutory responsibility of the education authority, on the threats to natural habitats and the need to protect and restore them by the provision of funding out of the Trust property.

(c) to benefit or further such other charitable purposes, subjects or institutions which in the sole discretion of the Trustees shall comply with or promote the above principal purposes of the Trust.

Activities for achieving objectives

The aim of the Nature Foundation is the conservation of natural habitats, along with associated raising awareness of the threats facing them. The organisation seeks to achieve these aims through its own activities.

The organisation's own activities centre on purchasing areas of land of particular nature conservation importance, with a special emphasis on native woodlands.

Achievements and performance

Review of activities and key performance indicators

Activities remain focused on restoring this native woodland remnant.

Natural regeneration of several native tree species, especially Birch, growing above deer browsing levels, continues to become slowly more established, especially where exotic conifers have been previously clear felled. Ongoing deer control, involving Red Sika and Roe Deer, remains key to successful establishment of natural regeneration.

Deer control continues to be undertaken on return-for-venison basis, involving 3 part-time stalkers. Combined with largely steep ground and some restricted deer visibility, control however remains challenging. Natural regeneration of Sitka Spruce is becoming increasingly widespread within Craig Mains. This exotic species is very invasive among exotic conifer species, and pulling out seedlings is currently occasionally aided by a group of volunteers, who returned again this year. Their efforts were also augmented by voluntary assistance from one of our stalkers.

However, we face a long-term task to prevent biodiversity loss. This will remain the case as long as there are neighbouring Sitka Spruce Plantations providing a seed source. With Sitka plantations dominating our landscape in much of Scotland, invasive seedlings pose a growing threat to much upland ground, especially both regarding native woodlands and peatlands across our Country, particularly in the Highlands.

Over time, we aim to secure natural regeneration of the full range of native tree shrub species present throughout this native woodland remnant. Deer control continues to be predominately undertaken during the autumn and winter.

The Scottish Government, via Nature Scot, continues to implement measures to establish higher deer control levels across Scotland, with the abolition of the stag shooting season as first major step, enabling all year round culling. Reform is rooted in recommendations by the Independent Deer Working Group.

As planned, most remaining exotic conifer blocks were clear-felled involving a contractor during this year, and timber harvested, following extraction access agreed across our neighbour's land to the south, enabling access to the public road.

Inevitably timber extraction has caused damage to the ground cover over areas of total removal. This was greater than had been expected, because the agreed whole-tree harvesting was not undertaken over much of the site. However, some subsequent remedial work by contractor should prevent further erosion and pollution of water courses. It was not possible to remove 100% of branch wood, which will hamper subsequent control of Sitka Spruce regeneration, but might assist with protecting native species regeneration from deer browsing. The machine tracking in some areas will take some years to re-vegetate.

Removal of remaining exotic conifers will enable increased colonisation of native trees through natural regeneration over time, through ongoing deer control. The considerable increase in open ground following this year's large area of conifer blocks removal, has also greatly improved access and visibility for deer control.

The next work phase will involve felling in situ the remaining exotic conifers, which were on too steep ground to be harvested.

We continue to have some involvement in Scottish Environment Link, and we remain active within their Woodland and Deer Working Groups. Involvement in the latter remains at a particularly opportune time, with ongoing Scottish Government engagement regarding implementing deer reform.

Financial review

The results for the year are shown in the following financial statements.

They show an income of £8,516 (2025: £9,186). Dividend income amounted to £6,006 (2025: £6,823). Interest earned amounted to £2,250 (2025: £2,363) and other investment income amounted to £260.

Total expenditure was £32,739 (2025: £24,817). The net gain on investments was £12,344 (2025: Loss of £18,611) resulting in an overall deficit for the year of £11,878 (2025: £34,242).

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details are given in the accounting policy 1.2.

Reserves policy

The total reserves of the charity are £496,825 (2025: £508,703) of which £300,000 (2025: £300,000) have been designated for a specific purpose. It is the policy of the charity that free unrestricted funds should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investments policy and performance

The Nature Foundation's funds are now split between a deposit account, current account and investment portfolio. The current account remains backed by a portfolio of listed investments.

The bulk of the Organisation's assets represent a Designated Land Purchase Fund, with some cash made available concerning woodland management costs. The Land Purchase Fund remained set at £300,000, though the purchase of additional native woodlands is not envisaged for the foreseeable future. This relates to the Organisation's land management capacity in terms of personnel.

The investment asset valuation at 31st March 2026 was £389,034 (2025: £406,517). The investment portfolio continues to be managed by Rathbones Greenbank.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Future developments

The restoration of Craig Mains Wood represents our principal activity, involving long term commitment. Following logging out felled conifers in the core native woodland area, remaining exotic conifers will be phased out from higher ground. Scots pine blocks will also be restructured to improve biodiversity. Other woodland restoration activities will continue to include the ongoing removal of invasive Sitka Spruce seedlings. We have reviewed how best to progress this in terms of our capacity, involving increased use of contractors, as detailed above.

Structure, governance and management
Governing document

The charity was established under a Trust Deed dated 3rd March 2006 and is registered as a charity in Scotland. The Trust Deed is the charity's governing document and sets out its purposes, powers and governance arrangements.

Trustees

The trustees who served during the year and up to the date of signature of the financial statements were:
A Drever
T Clifford
D Gilbert
A Scobie

Method of appointment or election of trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The Trustees shall be entitled, by the way of a resolution passed by majority vote at a meeting of the Trustees, to appoint any individual as a Trustee. The Trustees shall have power to remove any individual as a Trustee, by way of a resolution passed at a meeting of the Trustees by a majority of two thirds or more of the Trustees then in office. An individual holding office as a Trustee may retire by giving notice in writing to that effect to the secretary to the Trust.

Policies adopted for the induction and training of trustees

The first Trustees were appointed by the Trust Deed. Any new Trustees appointed will be given any required training to carry out their duties.

None of the Trustees have any beneficial interest in the Trust.

The trustees' report was approved by the Board of Trustees.



A Drever
Trustee
Dated: 18 October 2026

NATURE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

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 of the charity for that year.

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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient 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 and the provisions of the trust deed. 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.

NATURE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NATURE FOUNDATION

I report on the financial statements of the charity for the year ended 31 March 2026, which are set out on pages 7 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1)(a)-(c) of the Charities Accounts (Scotland) Regulations 2006 does not apply.

It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
    - to keep accounting records in accordance with Section 44(1)(a) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006, and
    - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Claire Neumann BA(Hons) CA
AAB
Macfarlane Gray House
Castlecraig Business Park
Stirling
FK7 7WT
18 October 2026

NATURE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Income from:			
Investments	**3**	8,516	9,186
Total income		8,516	9,186
Expenditure on:			
Raising funds	**4**	3,963	4,066
Charitable activities	**5**	28,775	20,751
Total expenditure		32,738	24,817
Net gains/(losses) on investments	**7**	12,344	(18,611)
Net expenditure and movement in funds		(11,878)	(34,242)
Reconciliation of funds:			
Fund balances at 1 April 2025		508,703	542,945
Fund balances at 31 March 2026		496,825	508,703

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

NATURE FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	**11**		70,727		70,727
Investments	**12**		389,034		406,517
			459,761		477,244
Current assets					
Cash at bank and in hand		40,542		34,842	
Creditors: amounts falling due within one year	**13**	(3,478)		(3,383)	
Net current assets			37,064		31,459
Total assets less current liabilities			496,825		508,703
The funds of the charity					
Unrestricted funds	**14**		496,825		508,703
			496,825		508,703

The financial statements were approved by the trustees on 18 October 2026

A Drever
Trustee

1 Accounting policies

Charity information

Nature Foundation is an unincorporated charity governed by a deed of trust.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), 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, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have considered the charity’s financial position, including its projected income and expenditure, cash flow requirements and available reserves, for a period of at least 12 months from the date on which these financial statements are approved. The charity’s income is currently expected to exceed its expenditure and it holds reserves within an investment portfolio which may be realised, where necessary, to support its activities and meet its financial obligations. The charity also benefits from the continued support of volunteers, whose contribution is important to the delivery of its charitable activities. Having considered these factors, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on the going concern basis.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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.

Donations

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income, rental income and similar income

Income from investments, rental and similar sources is included in the Statement of Financial Activities in the year in which it is receivable.

1 Accounting policies **(Continued)**

1.5 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities, the charity is not registered for VAT and accordingly expenditure is shown gross.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in activities that raise funds. Costs of raising funds are costs incurred for the management of the investment portfolio.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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:

Woodlands	Not applicable
Bothy	10% 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 Fixed asset investments

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

1.8 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.

2 Critical accounting estimates and judgements

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.

3 Income from investments

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Dividends receivable	6,006	6,823
Other income	260	-
Interest receivable	2,250	2,363
	8,516	9,186

4 Expenditure on raising funds

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Investment management	3,963	4,066

5 Expenditure on charitable activities

	Charitable Activities 2026 £	Charitable Activities 2025 £
Direct costs		
Woodland management expenses	-	3,063
Exotic Conifer eradication project	25,620	13,650
Bothy maintenance costs	33	31
	25,653	16,744
Share of support and governance costs (see note 6)		
Governance	3,122	4,007
	28,775	20,751
Analysis by fund		
Unrestricted funds	28,775	20,751

6 Support costs allocated to activities

	2026	2025
	£	£
Governance costs	3,122	4,007
Analysed between:		
Charitable Activities	3,122	4,007

	2026	2025
Governance costs comprise:	£	£
Legal and professional	389	1,170
Bank charges	5	5
Accountancy	2,478	2,352
Subscriptions	250	480
	3,122	4,007

7 Gains and losses on investments

	Unrestricted funds 2026	Unrestricted funds 2025
Gains/(losses) arising on:	£	£
Revaluation of investments	28,775	(21,467)
Sale of investments	(16,431)	2,856
	12,344	(18,611)

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2026	2025
	Number	Number
Total	-	-

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.

11 Tangible fixed assets

	Woodlands	Bothy	Total
	£	£	£
Cost			
At 1 April 2025	70,727	12,160	82,887
At 31 March 2026	70,727	12,160	82,887
Depreciation and impairment			
At 1 April 2025	-	12,160	12,160
At 31 March 2026	-	12,160	12,160
Carrying amount			
At 31 March 2026	70,727	-	70,727
At 31 March 2025	70,727	-	70,727

12 Fixed asset investments

	Listed investments
	£
Cost or valuation	
At 1 April 2025	406,517
Additions	88,684
Valuation changes	28,775
Disposals	(134,942)
At 31 March 2026	389,034
Carrying amount	
At 31 March 2026	389,034
At 31 March 2025	406,517

Fixed asset investments revalued

The investments are held at revalued amounts, this valuation is provided by Rathbone Investment Management annually. Prices for quoted securities are mid-market closing prices provided by the London Stock Exchange (or any other equivalent investment exchanges where relevant). Unit trusts and collective investments show mid-market prices at the last valuation point prior to the period end. Prices for unquoted and liquid securities have been obtained from independent sources. Where the valuer has been unable to obtain a fair market price or there is no market, fair or otherwise, a nominal price of £0.0001 has been used. The cost of the investments at the year end is £317,531 (2025: £363,784).

13 Creditors: amounts falling due within one year

	2026	2025
	£	£
Accruals and deferred income	3,478	3,383

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2025	Incoming resources	Resources expended	Gains and losses	At 31 March 2026
	£	£	£	£	£
Land Purchase Fund	300,000	-	-	-	300,000
General funds	208,703	8,516	(32,738)	12,344	196,825
	508,703	8,516	(32,738)	12,344	496,825

Previous year:	At 1 April 2024	Incoming resources	Resources expended	Gains and losses	At 31 March 2025
	£	£	£	£	£
Land Purchase Fund	300,000	-	-	-	300,000
General funds	242,945	9,186	(24,817)	(18,611)	208,703
	542,945	9,186	(24,817)	(18,611)	508,703

Land Purchase Fund
The trustees have designated funds for the purchase of land in future periods.

15 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).