

The Patrick Allan-Fraser of Hospitalfield Trust

**Trustees' report and consolidated financial statements
for the year ended 31 December 2025**

Charity number SC009987

The Patrick Allan-Fraser of Hospitalfield Trust

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The Patrick Allan-Fraser of Hospitalfield Trust

Reference and Administrative Details of the Trust, its Trustees and Advisers

Trustees

Frances Fowle, Chair
David McAllister, Chair of Development Committee - resigned 07 February 2025
Russell Willis Taylor – resigned 09 May 2025
Benjamin Cook
David Codling
Lee Lappin
Philip Buchan
Nicola Catterall
Elizabeth Sutherland
Julie-Ann Delaney – appointed 07 February 2025
Yvonne Brownlee – appointed 07 February 2025
Justin Willey – appointed 09 May 2025

Auditor	Findlays Audit Limited 11 Dudhope Terrace Dundee DD3 6TS
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Bankers	Bank of Scotland Brothock Bridge Arbroath DD11 1NH
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Solicitors	Thorntons Law LLP Whitehall House 33 Yeaman Shore Dundee DD1 4BJ
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Principal Office	Hospitalfield House West Way Arbroath Angus DD11 2NH
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Charity Number	SC009987
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Chief Executive Officer	Lucy Byatt
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The Patrick Allan-Fraser of Hospitalfield Trust

Trustees' report

The Trustees present their annual report together with the audited financial statements of the group and the Trust for the year 1 January 2025 to 31 December 2025. The Trustees confirm that the Annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as amended (effective 1 January 2019). The Trustees of the charity (the Trust) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The board of Trustees presents its report and consolidated financial statements for the year ended 31 December 2025.

Objectives and Activities

AIMS OF THE TRUST

To: Provide, furnish, maintain and administer at Hospitalfield House, Arbroath, an Institute for the study and practice of the arts, which would function for such part of the year as the Trustees regard practical within the limits of the finances available and of the facilities of the Trust.

HOSPITALFIELD - An Artist's House - a place where time and space for new ideas is the highest priority.

A place for art production; we run an international programme of residencies for artists; rooted in the visual arts yet working across art form. We commission new work, summer schools; events; talks; festivals; conferences & more.

Hospitalfield is one of Scotland's most fascinating Victorian Arts & Crafts houses with a history that connects Arbroath's dynamic medieval history with the legacy of a 19th century artist. This is a beautiful place to visit, learn about and enjoy.

Hospitalfield is a place of research and development for artists and at the core of the programme is a series of nationally and internationally significant residency programmes for artists, curators and writers which are accommodated within the house and purpose built studios. Over the last year we have made great strides in developing new commissions for our public programme, so growing the audience for Hospitalfield.

A current priority is to develop a greater audience focused programme through opening the house frequently to the public, platforming new work, developing productive international links that will help us to support artists working locally and evolving strong strategic partnerships with schools and other local and regional agencies. Since opening the garden to the public we are receiving a great deal of attention for the garden and our horticultural programme.

The context within which this programme is evolving is a valuable historic one - in 1890 Patrick Allan-Fraser left his house and estate of Hospitalfield in trust. The principle of the bequest has been interpreted loyally over the years and, since the early part of the 20th century Hospitalfield has hosted and facilitated, through residency programmes; artists, students, educators, writers, curators, and others working within the broad themes of contemporary art, design and cultural ideas. As a result, Hospitalfield has had a central role in the arts ecology of Scotland for a long time and will continue to facilitate the development of artists and designers at all stages of their careers.

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The House itself is one of Scotland's most important Arts & Crafts houses with a significant history. As a hospital established in the 12th century the site was linked to the early years of Arbroath Abbey then as a monastery and much later was the inspiration behind Walter Scott's novel *The Antiquary*. It is however the mid-19th century architecture, and the early arts and crafts style that influenced the vision of Patrick Allan-Fraser, that we experience today. Alongside the vivid Victorian collections and exceptional early arts and crafts interiors experienced in combination with the surrounding landscape, this is an impressive place to visit and outstanding resource for the arts in Scotland and beyond. Hospitalfield has been an artist's house since the mid-19th century, and we continue to interpret this vision by supporting artists and learning in the arts through the prism of contemporary art and ideas.

The aims as set out in the current business plan: -

- To conserve and care for the outstanding heritage of Hospitalfield.
- To provide a dynamic research and production environment that will be a valuable and creative catalyst in the working lives of artists and arts professionals.
- Further establish the public facing, porous cultural resource for a broad range of audiences across Scotland.
- Ensure that learning is central to, and effective within, all programming strands.
- Engage our participants through a variety of access points, from contemporary art programming to the range of historical narratives.
- To prioritise local concerns and opportunities equally to the development of international partnerships and networks which will contribute much to the quality and impact of our programmes.
- To ensure that Hospitalfield has an economically sustainable future achieved through strong partnerships, collaborations, and a clear strategy for earned income.

Review of Finances

2025 A year of stabilisation:-

After several years of managing capital investment, Hospitalfield is now emerging from this period of change with far more resilience, better resources and a more sustainable approach to income generation. For a small organisation managing this sort of development, which is then always followed by a period of change and building business growth, is a challenge and requires an understanding that some investment is likely to be required in the first two years after project completion.

In May 2021 the Trust completed and opened phase 1 of the Future Plan. Investing approximately £1.5 million and managing the project through covid was a stretch for a small management team. The organisation opened to the public in a sustained way for the first time in its long history. The café and garden, combined with the heritage and contemporary art programme are, in combination, at the heart of developing a visitor destination which meets the needs and interests of a diverse audience.

The work entailed in opening the Garden and café to the public was a huge change; from developing ticketing and payment platforms, building the catering and kitchen teams and pivoting the programme strategically with the aim of bringing visitors to Hospitalfield to see for themselves the significant change and what they might expect when they get here. A great emphasis was placed on marketing and communications through social media and the development of the horticultural programme.

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Trustees' report

November 2022 and the team went back into a capital programme, completing the studios and back sheds phase 2 of the Future Plan in March 2024.

This phase of capital works, costing £3.5m, was delivered whilst establishing the public face of Hospitalfield through the management of the garden and garden buildings. By 2024 we were welcoming over 23,000 visitors p.a.

A reduced scope of works were delivered as part of phase 2 due to the impact of inflation. The guest house was taken out of the scope of works. The project cost came back 30% over budget as the market was fragile at this time. We were reluctant to let this stop us moving forward so we created a project that we were able to afford and that met the terms of the stakeholder funders. i.e. arts and heritage funders for the most part.

This change in scope within the building works required changes to the business plan, to develop more income around the income generating use of the studios and to place a greater emphasis on the income that could be achieved through the café. The business plan was therefore adjusted, both in trust and trading, to meet the terms of the charity whilst also yielding a greater income.

We then triggered a VAT review which assed the reclaim rate of the capital works given that a larger % of the new development was being used for business use than anticipated. In 2026 this has triggered a moderate windfall from an adjustment in the VAT reclaim rate from 77% to 82%

A phase 3 of Future Plan works has reached RIBA design stage 3 and £4.3m has been raised for a project cost of £5m. There is important works still to complete to secure the future stability of the historic house and collections.

In 2025 the Trust received news from Creative Scotland that from 2025/26 the annual grant would increase to £188k pa from £100k and then in 2026/27 from £188k to £250k p.a. This is 150% increase in revenue funding into the trust.

Other consistent stakeholders of the Trust include the Northwood Trust, Hope Scot Trust and the William Grant Foundation. They are sustaining and raising their support on a three year basis.

The trading arm; Hospitalfield Trading, made losses in 2024 & 2025 as the café established and the restructure of the staffing team was underway. In 2025, whilst overall the Trading arm made a loss, the café was making a larger income than anticipated. In 2026 we can see a greater growth here.

The income generation has stabilised into the trading arm since 2025 and in to 2026. The Trust is expecting to be able to make back the investment that is showing as a deficit in the current accounts over the next three year.

Key events from 2025 that have contributed to a greater visibility of Hospitalfield and therefore assisted with the generation of income through business and grants;

Contributing significantly to raising the national profile of Hospitalfield:- Participating in the Chelsea Flower Festival 2025 with the late garden designer Nigel Dunnett who won Silver Gilt. The Hospitalfield Arts Garden returned to Ladyloan Primary school in Arbroath. The extraordinary range of coverage continues well beyond the Flower Show, sparking interest from many areas of interest.

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Trustees' report

Contributing to the international profile of Hospitalfield:- In June 2025 Hospitalfield was awarded the International Carlo Scarpa Prize for Gardens. This has been celebrated in 2026 in Treviso in Italy at the Benneton Study Centre for Landscape. It is to be further marked in Edinburgh and Arbroath in September 2026 – we are being sponsored by our MSP, Lloyd Melville, to hold this event at the Scottish Parliament.

Review of Activities

HOSPITALFIELD'S FUTURE PLAN

Throughout 2024/25 Hospitalfield was managing the design phase for phase 3 of the Future Plan development.

Phase 3 - the house and collections study centre the design stage to RIBA stage 3 started at the end of 2024 and was completed in late 2025 with a submission of a stage 2 application to NHLF. In early 2026 we heard that we were successful with this application. The Trust has raised £4.3m towards a project with a cost of £5m.

There is still some funding to raise and a clear consideration of the business plan before, during and after this programme of works.

FUNDING – KEY STAKEHOLDERS

Public sector: -

Creative Scotland have reviewed their annual funding with a three year agreement. Although this funding is stepped by year three there will be an addition of 150% in our annual grant from 100k per annum to 250k.

Angus Council: -

Support from our local authority is minimal but we are in close contact. In 2025 Angus Council was able to grant our application to the shared economies fund some funds towards the marketing for Chelsea. They also gave us some funds towards the programme at Hospitalfield as a one off.

Angus Rural Partnerships, a fund administered through the Council has awarded funds in two consecutive years. This has enabled major projects in the garden and in relation to our horticulture programme.

Trusts and Foundations

Northwood Trust – a new agreement has been reached for 2 further years supporting Hospitalfield's core costs £50,000 per annum.

William Grant Foundation - a new agreement has been reached for 3 years supporting Hospitalfield's core costs £35,000 per annum with particular interest in the engagement programme.

Hope Scott Trust - a new agreement has been reached for 3 years supporting Hospitalfield's Graduate Programme £12,000 per annum.

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STAFFING

We have made a number of key appointments in the last year and during 2025. With staff who have been at Hospitalfield for a number of years moving on; this includes the Programme Manager and Manager of Engagement and Volunteers.

This gave us the opportunity to restructure for the engagement and volunteer post and also the programme development post.

In late 2024 a new Manager for the Residency Programme was initially appointed as a part time post. This post was extended to a full-time post in May 2025. At the point of transition from part time to full time more responsibility for marketing and communications was introduced into the job description.

We did not re appoint immediately after the Manager of Engagement and Volunteers left as we had to take advantage of the saving in the salary. This did put quite a lot of pressure on the team. In November 2025 we advertised for a post that took on the working relationship with the collection volunteers yet with far more experience and knowledge of collection care and management. This post was filled in April 2026.

A new Hospitality Manager started in post in 2024 is now getting to grips with his role creating new systems for income generation and meeting the targets set out in the budget for 2026.

The Head Chef is now understanding the complex demands between the café, the income generating hires and the residency programme and a 2nd Chef has been appointed in a full time role.

The business is on the right track and managing the change that is inevitable after each phase of capital development. The income is covering the cost of all shared costs of the hospitality and catering that we offer across the programme.

The café is bringing visitors to Hospitalfield and making the tours that the volunteers deliver, 4 times a week in increasing demand.

There are two further posts that we wish to appoint during 2026; a part time marketing post, so reducing the pressure of the Programme Manager, and part time community gardener who will drive the horticulture programme forward and manage the garden at Hospitalfield and at Ladyloan.

THE OVERVIEW OF THE PROGRAMME

We are a strategic and developmental organisation, working well in partnership, with communities, local authority and others to support cultural activity in the region with the following values;

- Accessible & welcoming to all visitors.
- Considerate of the needs of artists and the quality of time and space that they require for the development of their work.
- Generous and open in our approach to supporting artists within the local arts ecology.
- Ambitious as we bring artists to Angus from around the globe to engage with our local ecology
- Engaged with & listening to local communities responding to their needs and ideas.
- Planning ahead through our medium and long term policies, to ensure that Hospitalfield is an economically sustainable, climate aware, well-managed organisation fit for the future.

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- We are a fair work employer supportive of our staff through the provision of high quality jobs that are appropriately remunerated.
- Flexible, responsive and fast moving, showing our organisational and financial model to responds to external conditions and factors within the wider changing cultural and financial landscape.

Aims and themes of our programme;

- Providing the right quality of space and time for artists and the development of their work;
- The horticulture and ecology programme; highlighting and questioning issues relating to climate, food safety and our natural environment.
- Heritage and collection care; improving the care of the heritage held at Hospitalfield and making the collections and archives ever more accessible to our audiences, artists and participants.

RESIDENCY PROGRAMME

The Residency Programme 2025

This was the first full year that we had been able to use the studios since the handover of the project from the contractor.

We hosted 4 interdisciplinary programmes with approximately 36 artists.

These programmes also included partnership funded places with national and international partners including;

- TAP – Beirut based, British Council Funded
- New Contemporary – London based
- Foundling Foundation - Canada Council Funded
- Partnership with Tabakelera - Catalonia

We had funding from the Foyle Foundation for three funded places.

The graduate programme remains strong thanks to the funds from Hope Scott Trust, Christopher Breward for the Christopher bursary and the Hospitalfield Alumni for their painting award.

COLLECTION CARE

In 2025 the focus has been on the design phase for the restoration of the house and the development of the new collections study centre. So, whilst a huge amount of capacity has been given over to the consideration of long-term care, the short terms management and care has been left to the volunteers.

We have a very strong cohort who have been working to transcribe the letters in the archive, sort material that is in boxes that have not been opened for many years and manage and research the library. We have had an intern from St Andrew University here who has completely organised the painting store. So, with each year we are reaching even better standards of care and using the process to research the archives and this directly feeds into the various scripts that each tour guide has for the tours.

In 2026 we appointed a new member of staff to focus our audience development and engagement around the collections. We are much looking forward to this new role, the Collections Curator taking this role in hand and being central to all our activities.

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PUBLIC PROGRAMME AT HOSPITALFIELD

Much of our programme in 2025 had a strong relationship to the horticulture focus that had been developed in the previous two years through our NLHF funding for the activity and interpretation programme.

Project such as **Pollinate** which was an artist's commission, collaboration within our staff team between the Community Gardener and the Engagement programmer – a major conservation project which used a large area of Hospitalfield land previously left unplanted. This will culminate in May 2026 – this has been a long programme.

The first part of the year was dominated by our participation in the **Chelsea Flower Show**. Then bringing the garden back to be permanently located at Ladyloan School in Arbroath. This was unprecedented, a huge visibility for Hospitalfield. Bringing visitors from across the UK and also enabling the organisation, as a destination, to be taken more seriously locally.

Smaller project such as the Community Lottery Funded programme **Solidarity Herbal Medicine –with Angus Carers, and participation** Angus Open Doors Day, Scotland's Gardens and the development of our Apple Day.

The Annual Schools Procession – in June, the artist Sinead Hargan made a wonderful project inspired by the European Rights for Children. A very successful film and launch event.

Grow Up The Horticultural Camp out, in its second year, much better attended and programmed with our now former Community Gardener **Carley Wootton**.

The **Study Day** model is one that we are excited by as a way of attracting a small yet very focussed audience around the work and research of a particular artist. During this year we ran study days with; Rehana Zaman and Carl(e) Gent. Both were well attended.

Rehana combined her visit to Hospitalfield to complete some filming for her new project 'Soft Fruit'.

The project opened at Site Gallery in early 2026 and will be shown at Gi in the summer then on to Whitechapel Gallery and Chapter Art centre. We are very delighted that this long-term project, one that we have supported over 5 nearly 6 years, has culminated in such an expansive tour.

VOLUNTEERS

The volunteer cohort at Hospitalfield is currently around 50 people. Some are focussed on working in the grounds and the garden, others with the collection care. This is an increasingly committed group of people that we rely on significantly as they run the tours of the house.

Financial review

GOING CONCERN

The trust continued to progress with the ongoing capital project with the support of the capital funders. 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 regarding the adoption of the going concern basis can be found in the accounting policies.

The Patrick Allan-Fraser of Hospitalfield Trust

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RESTRICTED RESERVES

Hospitalfield is holding considerable reserves currently as this is funding that is restricted to capital development. Some trusts give their funding in advance of the project taking place. Once the capital funds have been spent the depreciation of the project will be offset against the relevant funds. Depreciation is only applied to phases as they are complete and fully operational. Moving forward the Trustees want to pay particular attention to the tracking of restricted funds to operating budgets.

INVESTMENT POLICY AND PERFORMANCE

Under its Constitution, the charity has power to make any investment that the Trustees deem appropriate. The Trustees objectives are to invest the funds with a view to the generation of income and capital growth from the portfolio of the charity's investments.

Structure, governance and management

GOVERNING DOCUMENT

The Trust in its present form was set up by a Statutory Instrument 1980 No. 2037 (S. 183) [Education, Scotland] and is governed by its constitution. The organisation is unincorporated and a new constitution was approved on 27 April 2010 following the constitution of 23 December 1980.

Following the 2010 constitution, the governing body shall consist of a maximum of 11 Trustees. The appointed Trustees shall hold office for a period of three years. Trustees shall be eligible for appointment for a maximum of two terms, thereafter vacating office for one year before becoming eligible to serve for a maximum of two further terms.

The Trustees are responsible for the overall strategy of the charity. Lucy Byatt was appointed in September 2012 as the Director of Hospitalfield, to form the vision and to take this forward.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Trustees ensure that a skills audit is maintained and where there are clear gaps in the skills and knowledge required by Hospitalfield at board level, the Director and Chair of the Trust work together to gain applications from individuals who can bring these skills to the organisation. The Chair will invite interested individuals to follow his preferred application process. A potential Trustee will often be invited to observe a Trustee's Meeting and will be formally invited to become a Trustee if all parties are in agreement. When each Trustee joins the board, they are presented with a pack which includes a range of papers relating to the Trust. Within these papers there is a guide to the roles and responsibilities of a trustee published by OSCR. The Trustees attend an away day annually with the staff. Part of the programme for these days will include training and an update on the roles and responsibility of a Trustee of a charitable trust.

PAY POLICY FOR SENIOR STAFF

The pay policy for senior staff is reviewed annually.

The Patrick Allan-Fraser of Hospitalfield Trust

Trustees' report

ORGANISATIONAL STRUCTURE AND DECISION MAKING

A scheme of delegation is in place and during the year the day to day responsibility for the provision of service rested with the executive director, Lucy Byatt. The executive director is responsible for the day to day management of the charity and also the supervision of the staff team.

RISK MANAGEMENT

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees are working to ensure that they have a system in place that offers them a good level of day to day knowledge of the running of the organisation. The main risk over the coming three to five years will relate to the capital development. There are key fundraising targets and if these are not met the Trustees must consider the position before commencing the next capital phase. The Trust has established a Development Sub Committee which allows for very close scrutiny of the fundraising in progress. The Trust has made the decision to phase the capital project to ensure that work can take place yet on a manageable scale.

In 2017 Hospitalfield established a trading arm. This has been done to ensure that increased business use of the site can benefit the Trust in terms of revenue income and in preparation for running the site after the capital investment. Work is underway to improve the reporting between staff and Trustees to ensure the financial and organisational risk is low.

REVIEW OF RESULTS AND RESERVES POLICY

The consolidated financial statements show a deficit in unrestricted reserves of £47,911 at the year-end (2024 - deficit £48,488). In the individual charity financial statements, the charity has unrestricted reserves of £67,404 (2024 – £27,348). During the year the decision was taken by the trustees to amalgamate the endowment fund which had no restrictions with the unrestricted reserves. This has been shown in the financial statements as a transfer between the funds.

The Trust has considered the level of reserves required to meet current and future liabilities. The Trustees' policy is to gradually build up unrestricted reserves, given the financial requirements of the day to day operation of the Trust, as well as maximizing restricted funds acquired to invest in the capital infrastructure, in the collection, and in specific activities of the Trust. The Trustees aim to maintain free reserves to cover between three and six months expenditure. The trustees are working tirelessly to increase reserves to ensure the policy can be met over the next couple of years.

FUTURE DEVELOPMENTS

This focusses on the future plan and its impact. In 2025/6 we will be opening the new studios, and the other elements of the development will be managed as the fundraising targets are achieved.

The corresponding organisational change requires clear and strategic planning and management however this is often an energising aspect of the process as we see in front of us, the great changes and improvements to the quality of facilities and condition of the historic buildings.

The Patrick Allan-Fraser of Hospitalfield Trust

Trustees' report

TRUSTEES' RESPONSIBILITIES STATEMENT

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 the group and of the income & expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the group 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. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the Trusts constitution, a resolution proposing that Findlays be reappointed as auditor of the charity will be put at the General Meeting.

Disclosure of information to auditor

Each of the Trustees have 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.

This report was approved by the Trustees, on and signed on their behalf by:



Frances Fowle
Trustee & Chair

23 September 2026

The Patrick Allan-Fraser of Hospitalfield Trust

Independent auditor's report to the Trustees of The Patrick Allan-Fraser of Hospitalfield Trust

Opinion

We have audited the financial statements of The Patrick Allan-Fraser of Hospitalfield Trust (the “parent charity”) and its subsidiary (“the group”) for the year ended 31 December 2025 which comprise the consolidated statement of financial activities, Trust and group balance sheets, Trust and group cash flow statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's and group's affairs as at 31 December 2025 and of its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust and group 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trust's ability to continue as a going concern for a period of at least 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.

The Patrick Allan-Fraser of Hospitalfield Trust

Independent auditor's report to the Trustees of The Patrick Allan-Fraser of Hospitalfield Trust

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Patrick Allan-Fraser of Hospitalfield Trust

Independent auditor's report to the Trustees of The Patrick Allan-Fraser of Hospitalfield Trust

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.

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

Irregularities, including fraud, are instance 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 and non compliance with laws and regulations is detailed below.

The audit team has the appropriate skills and expertise required and through discussions with management and trustees and knowledge of the sector to ensure any non compliance is recognised and all necessary disclosures are made. The controls in place help the charity mitigate the risk of fraud and also aids them in highlighting any instances of fraud that might have occurred.

We assess the susceptibility of the charity's financial statements to material misstatement including obtaining an understanding of how fraud and non compliance with laws and regulations may occur.

- Making enquiries of management & Trustees about any known or suspected instances of non compliance with laws and regulations, including GDPR, health and safety, employment law and fraud.
- Enquires of management & Trustees as to where they consider there is a susceptibility to fraud and their knowledge of how actual, suspected and alleged fraud might occur.
- Review of any correspondence with regulators including OSCR & HMRC.
- Challenging assumptions and judgements made by management in their significant accounting estimates – depreciation and allocation of funds and support costs as accounting estimates during the audit.
- Auditing the risk of management override controls, including through testing of journal entries and other judgments for appropriateness.
- Review of any areas where there is potential of management bias, large & unusual transactions and the risk of undisclosed related parties.
- Performed analytical procedures to identify any unusual transactions.

Because of the field in which the client operates we identified the following areas as those most likely to have a material impact on the financial statements;

Direct Impact on Financial Statements

- The Charities Accounts (Scotland) regulations 2006
- SORP - FRS 102
- Charities & Trustee Investment (Scotland) Act 2005

Indirect Impact on Financial Statements

- GDPR
- Employment Laws
- Health & Safety at Work Act
- Charities Constitution

The Patrick Allan-Fraser of Hospitalfield Trust

Independent auditor's report to the Trustees of The Patrick Allan-Fraser of Hospitalfield Trust

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.

We communicate with those charged with governance, trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities for the audit of the financial statements is located 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.


findlays (Sep 23, 2026 10:29:48 GMT+1)

Findlays Audit Limited (Senior Statutory Auditor)

Chartered Accountants & Statutory Auditors

11 Dudhope Terrace
Dundee
DD3 6TS

23 September 2026

The Patrick Allan-Fraser of Hospitalfield Trust

Consolidated statement of financial activities (incorporating the income and expenditure account) for the year ended 31 December 2025

		Unrestricted funds	Restricted funds	Endowment funds	Total funds 2025	Total funds 2024 (restated)
	Note	£	£	£	£	£
Income						
Grants and donations	4	314,143	190,322	-	504,465	1,289,677
Income from charitable activities:						
Charitable activities	5	32,539	-	-	32,539	31,714
Income from other trading activities:						
Trading activities	6	257,590	-	-	257,590	246,555
Other income	6	-	37,738	-	37,738	16,650
Investment income	7	-	-	1,766	1,766	3,378
Total income		604,272	228,060	1,766	834,098	1,587,974
Expenditure						
Trading operations	8	287,969	-	-	287,969	245,829
Charitable activities	8	298,801	290,309	-	589,110	722,969
Investment management	8	-	-	272	272	360
Total expenditure		586,770	290,309	272	877,351	969,158
Net gains/(losses) on investments	11	-	-	5,294	5,294	803
Net movement of funds in year		17,502	(62,249)	6,788	(37,959)	619,619
Transfers between funds		(16,925)	23,713	(6,788)	-	-
Net movement in funds		577	(38,536)	-	(37,959)	619,619
Reconciliation of funds						
Total funds brought forward		(48,488)	5,732,563	-	5,684,075	5,064,456
Total funds carried forward	17	(47,911)	5,694,027	-	5,646,116	5,684,075
		=====	=====	=====	=====	=====

All of the above activities relate to continuing operations.

The notes on pages 23-49 form part of these financial statements.

The Patrick Allan-Fraser of Hospitalfield Trust

Consolidated statement of financial activities (incorporating the income and expenditure account) for the year ended 31 December 2025 (continued)

Notes to the statement of financial activities

- i. For the year ended 31 December 2025, the statement of financial activities is equivalent to an income and expenditure account. A separate income and expenditure account has not therefore been prepared.
- ii. None of the group's activities were acquired or discontinued during the above two accounting periods.

The Patrick Allan-Fraser of Hospitalfield Trust

Consolidated statement of financial activities (incorporating the income and expenditure account) for the year ended 31 December 2024

Prior financial year (restated)		Unrestricted funds	Restricted funds	Endowment funds	Total funds 2024 (restated)
	Note	£	£	£	£
Income					
Grants and donations	4	207,758	1,081,919	-	1,289,677
Income from charitable activities:					
Charitable activities	5	31,714	-	-	31,714
Income from other trading activities:					
Trading activities	6	246,555	-	-	246,555
Other Income	6	16,650	-	-	16,650
Investment income	7	-	-	3,378	3,378
Total income		502,677	1,081,919	3,378	1,587,974
Expenditure					
Trading operations	8	245,829	-	-	245,829
Charitable activities	8	308,516	414,453	-	722,969
Investment management	8	-	-	360	360
Total expenditure		554,345	414,453	360	969,158
Net gains/(losses) on investments	11	-	-	803	803
Net movement of funds in year		(51,668)	667,466	3,821	619,619
Transfers between funds		108,970	348	(109,318)	-
Net movement in funds		57,302	667,814	(105,497)	619,619
Reconciliation of funds					
Total funds brought forward		(105,790)	5,064,749	105,497	5,064,456
Total funds carried forward	17	(48,488)	5,732,563	-	5,684,075
		=====	=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Trust balance sheet at 31 December 2025

		2025		2024	
	Note	£	£	£	£
Fixed assets					
Tangible assets	12	5,528,203		5,547,430	
Investments	13	1		75,438	
		<u>5,528,204</u>		<u>5,622,868</u>	
Current assets					
Debtors	14	204,108	289,420		
Cash at bank and in hand		85,429	1,401		
		<u>289,537</u>	<u>290,821</u>		
Creditors					
Amounts falling due within one year	15	(56,310)	(153,778)		
Net current assets			<u>233,227</u>		<u>137,043</u>
Net Assets		<u>5,761,431</u>		<u>5,759,911</u>	
		=====		=====	
Funds					
Unrestricted funds	17	67,404		27,348	
Restricted funds	17	5,694,027		5,732,563	
Endowment funds	17	-		-	
Total funds		<u>5,761,431</u>		<u>5,759,911</u>	
		=====		=====	

The financial statements were approved by the board on 23 September 2026 and signed on its behalf by



Frances Fowle
Trustee & Chair

The notes on pages 23-49 form part of these financial statements.

The Patrick Allan-Fraser of Hospitalfield Trust

Consolidated balance sheet at 31 December 2025

			2025	2024 (restated)
	Note	£	£	£
Fixed assets				
Tangible assets	12		5,528,203	5,547,430
Investments	13		-	75,437
			<u>5,528,203</u>	<u>5,622,867</u>
Current assets				
Stock		2,562		2,162
Debtors	14	133,902		250,528
Cash at bank and in hand		85,634		1,408
		<u>222,098</u>		<u>254,098</u>
Creditors				
Amounts falling due within one year	15	(104,185)		(192,890)
Net current assets			117,913	61,208
Net assets			<u>5,646,116</u> =====	<u>5,684,075</u> =====
Funds				
Unrestricted funds	17		(47,911)	(48,488)
Restricted funds	17		5,694,027	5,732,563
Endowment funds	17		-	-
Total funds			<u>5,646,116</u> =====	<u>5,684,075</u> =====

The financial statements were approved by the board on 23 September 2026 and signed on its behalf by

Frances A. Fowle

Frances Fowle
Trustee & Chair

The notes on pages 23-49 form part of these financial statements.

The Patrick Allan-Fraser of Hospitalfield Trust

Trust statement of cash flows for the year ended 31 December 2025

	Note	£	2025 £	£	2024 £
Net cash provided by operating activities	21		96,930		833,883
Cash flows from investing activities					
Payment to acquire tangible fixed assets		(95,399)		(961,551)	
Purchase of investments		-		(2,489)	
Proceeds from disposal of investment		80,731		11,091	
Investment income		1,766		3,378	
Net cash used in investing activities			(12,902)		(949,571)
Cashflows from financing activities					
Cash inflows/(outflows) from borrowing			-		-
Change in cash and cash equivalents in the reporting period			84,028		(115,688)
Cash and cash equivalents at the beginning of the reporting period			1,401		117,089
Cash and cash equivalents at the end of the reporting period			85,429		1,401
			=====		=====

The Patrick Allan-Fraser of Hospitalfield Trust

Consolidated statement of cash flows for the year ended 31 December 2025

	Note	£	2025 £	£	2024 £
Net cash provided by operating activities	21		97,128		832,181
Cash flows from investing activities					
Payment to acquire tangible fixed assets		(95,399)		(961,551)	
Purchase of investments		-		(2,489)	
Proceeds from disposal of investment		80,731		11,091	
Investment income		1,766		3,378	
Net cash used in investing activities			(12,902)		(949,571)
Cashflows from financing activities					
Cash inflows from new borrowing			-		-
Change in cash and cash equivalents in the reporting period			84,226		(117,390)
Cash and cash equivalents at the beginning of the reporting period			1,408		118,798
Cash and cash equivalents at the end of the reporting period			85,634		1,408
			=====		=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements

1 Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with 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 & Charities SORP - FRS 102), The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Patrick Allan-Fraser of Hospitalfield Trust constitutes a public benefit entity as defined by FRS 102 and is a registered charity in Scotland (charity number SC009987).

The financial statements are presented in Sterling £.

The charity is unincorporated and is a recognised Scottish charity (charity number SC009987). Details of its principal office are noted on page 1.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis.

Basis of accounting and assessment of going concern

The financial statements are prepared under the historical cost convention and included the results of the operations of the Trust as indicated in the Trustees' Report. The financial statements incorporate the requirements of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

The following is a summary of the significant accounting policies adopted by the Trust in the preparation of the financial statements.

Group financial statements

These financial statements consolidate the results of the Trust and its wholly owned subsidiary, Hospitalfield Trading Limited on a line-by-line basis.

Notes to the Consolidated financial statements (continued)

1 Accounting policies (continued)

Going concern

The Trust continues to receive restricted and unrestricted funding for its ongoing activities including the development of the property and running of the site. Excluding restricted funds, the Trust must manage its operating activities within a limited and stretched budget. A significant uplift in public funding from Creative Scotland has been secured for the coming three years. Year one of this funding is less than required, but this has been addressed by a reduction in the expense budget in year one, including delayed hirings. The investment in a trading subsidiary, whilst still in its early days, is now diversified and making a solid contribution to overheads. The Trustees are confident that with its focus on the more profitable revenue streams, together with the rising popularity of the trading offer, the Trading Company will become increasingly profitable. The ongoing capital project is also designed to boost income generating opportunities for the Trust in addition to safeguarding and enhancing the assets. Hospitalfield is currently in a development phase where many of the planned recurring savings in annual expenditure and boosts to regular income are yet to be realized, so cashflow remains tight. Nevertheless, the Trust has considerable tangible heritable assets, including land and buildings and collections of significant worth, most of which are not valued in the balance sheet. Whilst the Trust continues to preserve and enhance these assets in delivering the mission of the organisation, they are unencumbered, and Trustees may liquidate assets as appropriate to ensure the long term health of Hospitalfield's operations. Having considered expected future funding and income streams and the strong asset profile, the Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the financial statements (continued)

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Individual items costing £500 or more are capitalised at cost unless funded by restricted grants.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Heritable property	-	Not depreciated
Fittings & Equipment	-	5 – 25% of cost
Arts Collection	-	Not depreciated
Property' improvements	-	10% of cost (older improvements) 2% of capital development, once in use
1980 scheme expenditure	-	3% of cost

No depreciation is provided in respect of land and buildings under construction.

The historical cost of Land, Buildings and the Art collection owned by the Trust have not been reflected in the accounts up to 21 April 1994, and the Trustees consider it would be impracticable to now include these items. For this reason, reference to Heritable Property and the Art Collection in these accounts relates to expenditure incurred since 22 April 1994.

Heritable property is not depreciated as this cost reflects additional costs attributed to the heritage asset which have not been included in the accounts as information relating to the cost of value is not available. The Trustees believe however that the property will appreciate in value over the coming years.

Heritage assets

Heritage assets measured under the cost model are recognised initially recorded at acquisition cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Where information on the cost or value of an asset is not available and cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements, the asset shall not be recognised in the statement of financial position.

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

(i) Subsidiary undertakings

Investments in subsidiaries are valued at cost less provision for impairment.

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the financial statements (continued)

1 Accounting policies (continued)

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the Bank.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible 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).

Cash at bank and in hand

Cash at bank and in hand includes cash and cash held in a deposit or similar account.

Creditors and provisions

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

Financial instruments

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

Funds

In the Statement of Financial Activities funds are classified as either restricted funds or unrestricted funds, defined as follows:

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Trust without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund together with a fair allocation of management and support costs.

Endowment funds are monies held in an investment portfolio which provides dividend income to the charity.

A transfer is made from unrestricted funds to restricted funds to compensate fully all restricted funds which would otherwise be in deficit at the accounting date.

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the financial statements (continued)

1 Accounting policies (continued)

Income

Income is recognisable when the Trust and group have entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Grants

Government and other grants in respect of capital expenditure are included in the income and expenditure, and depreciation of the capital costs is offset against the grants over the estimated useful life of the relevant fixed asset. These grants are included within restricted funds. Any grants shown in the balance sheet represent the total grants receivable to date less the amount so far credited to the income and expenditure account.

Government and other grants relating to revenue are recognised when the Trust has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. All other income is included when the Trust and group are entitled to the income, it is probable the income will be received and when it can be reliably measured.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings.

- Raising funds are those incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the charitable objects of the Trust and include both the direct costs and support costs relating to these activities as well as the governance of the Trust and group.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories based on an estimate of the proportion of hours spent on these activities.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Pensions

The Trust operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

Taxation

The Trust has been registered by the Office of the Scottish Charity Regulator (OSCR) as a charity. The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Notes to the financial statements (continued)

1 Accounting policies (continued)

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 trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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 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.

Critical Judgements

Depreciation

Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, considering factors such as physical condition, maintenance and obsolescence.

Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose of which the asset is used.

Overhead allocation

Overheads are allocated against restricted funds on an actual basis as are direct costs. Wages and salaries are also allocated on an actual basis. Remaining overheads are allocated on an agreed percentage in line with any grant awards.

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the financial statements (continued)

2 Financial activities of the Trust

The financial activities shown in the consolidated statement of financial activities includes those of the Trust's wholly owned subsidiary, Hospitalfield Trading Limited. The summary of the financial activities undertaken by the Trust is set out below:

	2025 £	2024 £
Total income	583,941	1,342,310
Total expenditure on charitable activities	(589,382)	(723,329)
Gain/(Loss) on investments	5,294	803
Service charge payable by subsidiary	1,667	27,250
Net income	1,520	647,034
Total funds brought forward	5,759,911	5,112,877
Total funds carried forward	5,761,431	5,759,911
	=====	=====
Represented by		
Unrestricted funds	67,404	27,348
Restricted funds	5,694,027	5,732,563
Endowment funds	-	-
	5,761,431	5,759,911
	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

3 Commercial trading activities

The wholly owned trading subsidiary Hospitalfield Trading Limited, which is incorporated in the United Kingdom, pays its profits to the Trust by service charge. Hospitalfield Trading Limited operates a café and offers hire of facilities.

The Trust owns the entire share capital of 1 ordinary share of £1. A summary of the trading results is shown below.

	2025 £	2024 £ (restated)
Turnover	250,157	245,664
Grant income	-	-
Cost of sales	(263,749)	(222,273)
Administration costs	(24,220)	(23,556)
Intercompany service charge costs	(1,667)	(27,250)
Net profit/(loss) before tax	(39,479)	(27,415)
Tax on profit	-	-
Retained profit/(loss) in subsidiary	(39,479)	(27,415)
	=====	=====
The assets and liabilities of the subsidiary were:		
Tangible assets	-	-
Current assets	5,586	7,176
Current liabilities	(120,900)	(83,011)
Total net assets	(115,314)	(75,835)
	=====	=====
Aggregate share capital and reserves	(115,314)	(75,835)
	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

4	Income from donations & grants	Unrestricted	Restricted	
		funds	funds	Total
		2025	2025	2025
		£	£	£
Donations		14,643	-	14,643
Grants		299,500	190,322	489,822
		<u>314,143</u>	<u>190,322</u>	<u>504,465</u>
		=====	=====	=====
		<i>Unrestricted</i>	<i>Restricted</i>	
		<i>funds</i>	<i>funds</i>	<i>Total</i>
		<i>2024</i>	<i>2024</i>	<i>2024</i>
		£	£	£
Donations		6,758	50	6,808
Grants		201,000	1,081,869	1,282,869
		<u>207,758</u>	<u>1,081,919</u>	<u>1,289,677</u>
		=====	=====	=====
Donations				
		Unrestricted	Restricted	
		funds	funds	Total
		2025	2025	2025
		£	£	£
General donations		2,643	-	2,643
Gift in kind – Kitchen Equipment		12,000	-	12,000
		<u>14,643</u>	<u>-</u>	<u>14,643</u>
		=====	=====	=====
		<i>Unrestricted</i>	<i>Restricted</i>	
		<i>funds</i>	<i>funds</i>	<i>Total</i>
		<i>2024</i>	<i>2024</i>	<i>2024</i>
		£	£	£
General donations		5,258	50	5,308
British Council		1,500	-	1,500
		<u>6,758</u>	<u>50</u>	<u>6,808</u>
		=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

4 Income from donations & grants (continued)

Grant income by project	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Art programme	-	13,750	13,750
Capital project	-	157,790	157,790
Place partnership/Angus Remembers	-	18,782	18,782
William Grant	35,000	-	35,000
Leng Charitable Trust	3,000	-	3,000
Creative Scotland	161,500	-	161,500
Northwood Foundation	100,000	-	100,000
	<u>299,500</u> =====	<u>190,322</u> =====	<u>489,822</u> =====

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Art Programme	-	66,857	66,857
Capital Project	-	992,512	992,512
Place Partnership/Angus Remembers	-	22,500	22,500
Small Grants	3,000	-	3,000
Garfield Weston Foundation	25,000	-	25,000
William Grant	30,000	-	30,000
Leng Charitable Trust	3,000	-	3,000
Creative Scotland	100,000	-	100,000
Northwood Foundation	40,000	-	40,000
	<u>201,000</u> =====	<u>1,081,869</u> =====	<u>1,282,869</u> =====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

4 Grant Income by funder	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Creative Scotland	161,500	-	161,500
THAT partnership	-	1,500	1,500
Angus Council – Place Programme	-	18,782	18,782
Northwood Foundation	100,000	-	100,000
Tay Cities	-	14,321	14,321
Leng Charitable Trust	3,000	-	3,000
HES Heritage – capital grant	-	14,789	14,789
Creative Scotland – capital grant	-	53,621	53,621
National Heritage – capital grant	-	74,814	74,814
William Grant	35,000	-	35,000
Hope Scott Trust	-	10,000	10,000
Goldsmiths, University of London	-	1,000	1,000
Other small grants (<£1,500)	-	1,495	1,495
	<u>299,500</u>	<u>190,322</u>	<u>489,822</u>
	=====	=====	=====
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total 2024 £</i>
Creative Scotland	100,000	-	100,000
THAT partnership	-	3,109	3,109
Community Funding – Herbal Solidarity	-	19,840	19,840
Angus Council – Place Programme	-	12,500	12,500
Northwood Foundation	40,000	-	40,000
Idlewild Trust	-	3,876	3,876
Tay Cities	-	555,711	555,711
PF Charitable Trust	3,000	-	3,000
Leng Charitable Trust	3,000	-	3,000
HES Heritage – capital grant	-	137,232	137,232
Greenspace Scotland	-	10,000	10,000
Creative Scotland – capital grant	-	113,854	113,854
National Heritage – capital grant	-	185,714	185,714
William Grant	30,000	-	30,000
Hope Scott Trust	-	10,000	10,000
Foyle Foundation	-	25,000	25,000
Garfield Weston Foundation	25,000	-	25,000
Other small grants (<£1,500)	-	5,033	5,033
	<u>201,000</u>	<u>1,081,869</u>	<u>1,282,869</u>
	=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

5	Income from Charitable activities	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
	Self-funded residencies	29,538	-	29,538
	Other income	5	-	5
	Friends of Hospitalfield Membership	2,996	-	2,996
		32,539	-	32,539
		=====	=====	=====
		<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total 2024 £</i>
	Self-funded residencies	28,247	-	28,247
	Other Income	29	-	29
	Friends of hospital field Membership	3,438	-	3,438
		31,714	-	31,714
		=====	=====	=====
6	Trading income	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
	Book and other sales	7,433	-	7,433
		7,433	-	7,433
		=====	=====	=====
		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
	Income from trading subsidiary	£	£	£
	Hires & events	224,877	-	224,877
	Tours	16,607	-	16,607
	Rent received	2,000	-	2,000
	Café and other income	6,673	-	6,673
		250,157	-	250,157
		257,590	-	257,590
		=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

6 Trading income (continued)

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total 2024 £</i>
Book and other sales	891	-	891
	<u>891</u>	<u>-</u>	<u>891</u>
	=====	=====	=====
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total 2024 £</i>
Income from trading subsidiary			
Hires & events	224,037	-	224,037
Tours	13,286	-	13,286
Rent received	2,000	-	2,000
Café and other income	5,875	-	5,875
	<u>245,198</u>	<u>-</u>	<u>245,198</u>
	<u>246,089</u>	<u>-</u>	<u>246,089</u>
	=====	=====	=====
Other income		Unrestricted funds 2025 £	Unrestricted funds 2024 £
VAT Recoverable		37,738	-
Insurance proceeds		-	16,650
		<u>37,738</u>	<u>16,650</u>
		=====	=====

VAT is recoverable from HMRC in respect of a change agreed % in regards to partial exemption calculation. There are amounts included relating to the current year and three preceding years.

7	Investment income	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
	Investment income	-	-	1,766	1,766
		=====	=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

	<i>Unrestricted funds 2024</i>	<i>Restricted funds 2024</i>	<i>Endowment funds 2024</i>	<i>Total 2024</i>
	£	£	£	£
Investment income	-	-	3,378	3,378
	=====	=====	=====	=====

8 Analysis of charitable & trading activities by fund	Unrestricted funds 2025	Restricted funds 2025	Endowment funds 2025	Total 2025
	£	£	£	£
Study & practice of arts	298,801	290,309	272	589,382
Events, private hires & café	287,969	-	-	287,969
	<u>586,770</u>	<u>290,309</u>	<u>272</u>	<u>877,351</u>
	=====	=====	=====	=====

	<i>Unrestricted funds 2024</i>	<i>Restricted funds 2024</i>	<i>Endowment funds 2024</i>	<i>Total 2024</i>
	£	£	£	£
Study & practice of arts	308,516	414,453	360	723,329
Events, private hires & café	245,829	-	-	245,829
	<u>554,345</u>	<u>414,453</u>	<u>360</u>	<u>969,158</u>
	=====	=====	=====	=====

Analysis of charitable & trading activities by expenditure type	Staff costs 2025	Depreciation 2025	Other costs 2025	Total 2025
	£	£	£	£
Study & practice of arts	171,354	114,626	303,402	589,382
Events, private hires & café	174,622	-	113,347	287,969
	<u>345,976</u>	<u>114,626</u>	<u>416,749</u>	<u>877,351</u>
	=====	=====	=====	=====

	<i>Staff costs 2024</i>	<i>Depreciation 2024</i>	<i>Other costs 2024</i>	<i>Total 2024</i>
	£	£	£	£
Study & practice of arts	238,326	125,615	359,388	723,329
Events, private hires & café	151,620	-	94,209	245,829
	<u>389,946</u>	<u>125,615</u>	<u>453,597</u>	<u>969,158</u>
	=====	=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust
Notes to the consolidated financial statements (continued)

8 Charitable Activities & direct costs

	Basis of appointment	Trading operations		Charitable activities		2025		2024		2025		2024		2025		2024	
			£		£		£		£		£		£		£		£
Drink & food purchases	Direct		84,744		67,427		-		-		84,744		-		84,744		67,427
Wages and salaries	Direct		174,621		151,620		171,355		238,326		345,976		389,946		345,976		389,946
Hire of equipment	Direct		950		287		-		-		950		287		950		287
Subscriptions & licences	Direct		2,228		2,728		-		-		2,228		-		2,228		2,728
Advertising & marketing	Direct		-		946		5,913		4,778		5,913		5,724		5,913		5,724
Non-recoverable VAT	Direct		-		-		4,554		74,439		4,554		74,439		4,554		74,439
Telephone	Direct		-		-		5,266		3,654		5,266		3,654		5,266		3,654
Capital project – repairs & renewals	Direct		-		-		32,934		53,490		32,934		53,490		32,934		53,490
Bank charges	Direct		6,492		1,814		1,280		1,196		7,772		3,010		7,772		3,010
Art programme expenses	Direct		-		-		112,345		55,471		112,345		55,471		112,345		55,471
Rates	Direct		-		-		7,129		9,919		7,129		9,919		7,129		9,919
Printing & postage	Direct		-		-		816		680		816		680		816		680
Sundries	Direct		-		233		10,405		6,999		10,405		7,232		10,405		7,232
Training, travel & subsistence	Direct		159		284		-		-		159		284		159		284
Repairs	Direct		1,811		1,334		32,720		19,762		34,531		21,096		34,531		21,096
Compliance expenses	Direct		-		-		2,250		2,172		2,250		2,172		2,250		2,172
Independent auditor fee	Direct		5,250		5,250		13,200		12,745		18,450		17,995		18,450		17,995
Heat & light	Direct		-		-		31,546		25,151		31,546		25,151		31,546		25,151
Garden repairs	Direct		-		-		1,970		3,349		1,970		3,349		1,970		3,349
Place partnership expenses	Direct		-		-		1,000		44,170		1,000		44,170		1,000		44,170
Cleaning	Direct		3,433		2,719		-		2,109		3,433		4,828		3,433		4,828
Insurance	Direct		-		-		37,110		27,158		37,110		27,158		37,110		27,158
Legal & Professional	Direct		7,604		10,957		366		7,562		7,970		18,519		7,970		18,519
Accountancy	Direct		-		-		2,325		-		2,325		-		2,325		-
Angus remembers expenses	Direct		-		-		-		4,224		-		4,224		-		4,224
Depreciation	Direct		-		-		114,626		125,615		114,626		125,615		114,626		125,615
Interest on overdue tax	Direct		491		230		-		-		491		230		491		230
Bad debts	Direct		186		-		-		-		186		-		186		-
Investment management	Direct		-		-		272		360		272		360		272		360
Total expenditure			287,969		245,829		589,382		723,329		877,351		969,158		877,351		969,158
			=====		=====		=====		=====		=====		=====		=====		=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

9	Analysis of staff costs and remuneration of key personnel	Group		Trust	
		2025	2024	2025	2024
		£	£	£	£
	Wages and salaries	316,816	359,864	160,606	217,679
	Social security costs	25,008	25,527	6,596	16,092
	Other pension costs	4,152	4,555	4,152	4,555
		<u>345,976</u>	<u>389,946</u>	<u>171,354</u>	<u>238,326</u>
		=====	=====	=====	=====

The average monthly number of employees during the year was as follows:

2025	2024	2025	2024
No.	No.	No.	No.
15	18	6	8
===	===	===	===

No Trustees received any remuneration in either year and trustees were reimbursed for travel expenses totalling £318 (2024 - £255) in the year.

None of the employees were paid more than £60,000 in either year.

Key management in the year was deemed to be the chief executive officer, hospitality development manager, and programme manager. The aggregate remuneration of the key management personnel was £123,062 (2024 - £107,872).

10 Auditors Remuneration

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
Auditor's remuneration				
- audit	17,325	16,750	12,075	11,500
- payroll & VAT services	1,125	1,245	1,125	1,245
	=====	=====	=====	=====

Governance & support costs

	2025	2024
	Unrestricted	Unrestricted
	£	£
Governance costs	15,891	20,307
	=====	=====
Governance costs comprise:		
Audit fees	13,200	12,745
Accountancy	2,325	-
Legal and professional	366	7,562

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

11 Other gains and losses

	2025	Group 2024	Trust 2025	2024
	£	£	£	£
Fair value gains/(losses)				
Change in value of financial assets held at fair value	5,294	803	5,294	803
	=====	=====	=====	=====

12 Tangible fixed assets

Trust	Heritable property	Fittings and equipment	Art Collection	Property improvement	1980 scheme expenditure	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2025	240,257	168,631	2,000	5,498,274	15,290	5,924,452
Additions	-	8,742	-	86,657	-	95,399
Disposals	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
At 31 December 2025	240,257	177,373	2,000	5,584,931	15,290	6,019,851
	-----	-----	-----	-----	-----	-----
Depreciation						
At 1 January 2025	-	142,779	-	218,953	15,290	377,022
Charge for year	-	11,683	-	102,943	-	114,626
	-----	-----	-----	-----	-----	-----
At 31 December 2025	-	154,462	-	321,896	15,290	491,648
	-----	-----	-----	-----	-----	-----
Net book value						
At 31 December 2025	240,257	22,911	2,000	5,263,035	-	5,528,203
	=====	=====	=====	=====	=====	=====
At 31 December 2024	240,257	25,852	2,000	5,279,321	-	5,547,430
	=====	=====	=====	=====	=====	=====

Heritage assets

It is the policy of the Trust not to capitalise heritage assets that were given to them at no cost, including the property from which they operate, Hospitalfield House. The cost of any acquisitions and improvements to the building are reflected in the balance sheet.

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

12 Tangible fixed assets (continued)

<i>Group</i>	Heritable property	Fittings and equipment	Art Collection	Property improvement	1980 scheme expenditure	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2025	240,257	168,631	2,000	5,498,274	15,290	5,924,452
Additions	-	8,742	-	86,657	-	95,399
Disposals	-	-	-	-	-	-
At 31 December 2025	240,257	177,373	2,000	5,584,931	15,290	6,019,851
Depreciation						
At 1 January 2025	-	142,779	-	218,953	15,290	377,022
Charge for year	-	11,683	-	102,943	-	114,626
At 31 December 2025	-	154,462	-	321,896	15,290	491,648
Net book value At 31 December 2025	240,257	22,911	2,000	5,263,035	-	5,528,203
	=====	=====	=====	=====	=====	=====
At 31 December 2024	240,257	25,852	2,000	5,279,321	-	5,547,430
	=====	=====	=====	=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

13 Fixed asset investments

Group & Trust	Listed Securities
	£
1 January 2025, at Market Value	75,437
Movements in the year	
Purchases at cost	-
Sales at cost	(80,731)
Increase/(decrease) in unrealised appreciation	5,294
31 December 2025, at Market Value	-
	=====
All investments held are listed UK securities	
Represented by	£
Investments at cost	-
Unrealised appreciation	=

Hospitalfield Trading Limited is a wholly owned subsidiary incorporated in Scotland. The profit/(loss) for the year ended 31 December 2025 in Hospitalfield Trading Limited is (£39,479) (2024 restated – (£27,415)) and closing shareholders' funds are a deficit of £115,314 (2024 restated – deficit of £75,835).

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
Shares in Hospitalfield Trading Limited	-	-	1	1
Listed Investments	-	75,437	-	75,437
	<u>-</u>	<u>75,437</u>	<u>1</u>	<u>75,438</u>
	=====	=====	=====	=====

The investment portfolio is managed by Brewin Dolphin, and consisted of UK bonds, UK and overseas equities and property.

Notes to the consolidated financial statements (continued)

13 Fixed asset investments (continued)

Investment Risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises of currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Trust has exposure to these risks because of the investments it makes to implement its investment strategy. The Trustees manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Trust's strategic investment objectives. These investment objectives and risk limits are implemented through the investment manager agreements in place with the Trust's investment managers and monitored by the Trustees by regular review of investment portfolios.

Credit risk

The Trust invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

Analysis of direct credit risk

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager.

Pooled investment arrangements used by the Trust comprise authorised unit trusts.

Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicles. This risk is mitigated by only investing in pooled funds which invest in at least investment grade credit rated securities.

Currency risk

The Trust is subject to currency risk because some of the Trust's investments are held in overseas market, via the pooled investment vehicles. At the year end, the Trust's exposure to funds investing in overseas securities was nil as all investments were disposed of (2024 -31.3% of overall investment).

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

Interest rate risk

The Trust is subject to interest rate risk through investments comprising of bonds. At the year end the Trust's exposure to funds investing in bonds was nil as all investments were disposed of (2024 – 16.58% of overall investment).

Other price risk

Other price risk arises principally in relation to equities held in pooled vehicles. The Trust manages this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

14 Debtors

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
Amounts falling due within one year:		(restated)		
Trade debtors	69	6,903	69	1,897
Other debtors	133,831	243,625	131,013	243,625
Amounts due from subsidiary	-	-	73,026	43,898
	<u>133,900</u>	<u>250,528</u>	<u>204,108</u>	<u>289,420</u>
	=====	=====	=====	=====

15 Creditors

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
Amounts falling due within one year:				
Trade creditors	40,555	119,364	22,798	111,939
Other creditors	5,597	5,884	3,824	4,864
Accruals	29,312	33,105	21,302	20,546
Social security and other taxes	28,719	34,537	8,385	16,428
Amounts owed to group	-	-	1	1
	<u>104,183</u>	<u>192,890</u>	<u>56,310</u>	<u>153,778</u>
	=====	=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust
Notes to the consolidated financial statements (continued)

16 Financial instruments

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
Carrying amount of financial assets		(restated)		
Financial assets that are debt instruments measured at amortised cost	133,900	250,528	204,108	289,420
	=====	=====	=====	=====
Carrying amount of financial liabilities				
Financial liabilities measured at amortised cost	104,083	192,890	56,310	153,778
	=====	=====	=====	=====

Financial assets that are debt instruments measured at amortised cost comprises other debtors and amounts due from the subsidiary company.

Financial liabilities measured at amortised cost comprises trade creditors, bank loan and other creditors.

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

17 STATEMENT OF FUNDS – Trust

	Balance at 1 January 2025	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2025
	£	£	£	£	£	£
Restricted funds						
Arts Programme	54,840	32,532	(111,085)	23,713	-	-
Place Partnership	1,000	-	(1,000)	-	-	-
Capital Building project	5,676,723	195,528	(178,224)	-	-	5,694,027
	<u>5,732,563</u>	<u>228,060</u>	<u>(290,309)</u>	<u>23,713</u>	<u>-</u>	<u>5,694,027</u>
Endowment funds						
Endowment funds	-	1,766	(272)	(6,788)	5,294	-
General funds						
General Fund	27,348	355,781	(298,800)	(16,925)	-	67,404
Total funds	<u>5,759,911</u> =====	<u>585,607</u> =====	<u>(589,381)</u> =====	<u>-</u> =====	<u>5,294</u> =====	<u>5,761,431</u> =====

STATEMENT OF FUNDS – Group

	Balance at 1 January 2025 (restated)	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2025
	£	£	£	£	£	£
Restricted funds						
Arts Programme	54,840	32,532	(111,085)	23,713	-	-
Place Partnership	1,000	-	(1,000)	-	-	-
Capital Building project	5,676,723	195,528	(178,224)	-	-	5,694,027
	<u>5,732,563</u>	<u>228,060</u>	<u>(290,309)</u>	<u>23,713</u>	<u>-</u>	<u>5,694,027</u>
Endowment funds						
Endowment funds	-	1,766	(272)	(6,788)	5,294	-
General funds						
General Fund	(48,488)	604,272	(586,770)	(16,925)	-	(47,911)
Total funds	<u>5,684,075</u> =====	<u>834,098</u> =====	<u>(877,351)</u> =====	<u>-</u> =====	<u>5,294</u> =====	<u>5,646,116</u> =====

The Patrick Allan-Fraser of Hospitalfield Trust
Notes to the consolidated financial statements (continued)

Capital Building Project – Hospitalfield is holding considerable reserves currently as this is funding that has been raised specifically for the capital development. Some trusts give their funding in advance of the project taking place. This funding will be held until we have completed the relevant stages of the capital development and subsequent depreciation will be offset.

Arts Programme – relates to funding received for specific arts programmes to be carried out.

Place Partnership – to strengthen a programme of activity across the region and is designed to encourage participation in the arts, support artists and celebrate the rich culture of the region by working alongside Angus Council, Angus Alive, Brechin 2020 and Arbroath 2020.

Endowment Fund – represented monies held in an investment portfolio which provides dividend income to the charity however there is no legal ringfenced fund or evidence of any restriction on the use of either the income or capital. The fund just "represents monies in an investment portfolio" and, the trustees have decided to transfer the investments into the unrestricted funds in the current year.

SUMMARY OF FUNDS – Trust

	Balance at 1 January 2025	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2025
	£	£	£	£	£	£
Restricted funds	5,732,563	228,060	(290,309)	23,713	-	5,694,027
Endowment funds	-	1,766	(272)	(6,788)	5,294	-
General Fund	27,348	355,782	(298,801)	(16,925)	-	67,404
Total funds	5,759,911	585,608	(589,382)	-	5,294	5,761,431
	=====	=====	=====	=====	=====	=====

SUMMARY OF FUNDS – Group

	Balance at 1 January 2025	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2025
	£	£	£	£	£	£
Restricted funds	5,732,563	228,060	(290,309)	23,713	-	5,694,027
Endowment funds	-	1,766	(272)	(6,788)	5,294	-
General Fund	(34,932)	604,272	(586,770)	(16,925)	-	(47,911)
Total funds	5,697,631	834,098	(877,351)	-	5,294	5,646,116
	=====	=====	=====	=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust
Notes to the consolidated financial statements (continued)

18 Analysis of net assets between funds – current period

	Endowment funds 2025 £	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £
Trust				
Tangible fixed assets	-	265,168	5,263,035	5,528,203
Investments	-	1	-	1
Current assets/(liabilities)	-	(197,765)	430,992	233,227
Net assets at 31 December 2025	-	67,404	5,694,027	5,761,431
	=====	=====	=====	=====
Group				
Tangible fixed assets	-	265,168	5,263,035	5,528,203
Investments	-			
Net current assets/(liabilities)	-	(313,079)	430,992	117,913
Net assets at 31 December 2025	-	(47,911)	5,694,027	5,646,116
	=====	=====	=====	=====

Analysis of net assets between funds – prior period (restated)

	Endowment funds 2024 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Trust				
Tangible fixed assets	-	268,108	5,279,322	5,547,430
Investments	-	75,438	-	75,438
Current assets/(liabilities)	-	(316,198)	453,241	137,043
Net assets at 31 December 2024	-	27,348	5,732,563	5,759,911
	=====	=====	=====	=====
Group				
Tangible fixed assets	-	268,108	5,279,322	5,547,430
Investments	-	75,438	-	75,438
Current assets/(liabilities)	-	(392,034)	453,241	61,207
Net assets at 31 December 2024	-	(48,488)	5,732,563	5,684,075
	=====	=====	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

19 Pension commitments

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £4,152 (2024 - £4,555). At the year end, there were outstanding contributions due to be paid of £887 (2024 - £928).

20 Contingent Liabilities

The Trust will have to repay the grant received from the Big Lottery Fund of £50,000 if the Trust disposes of the property, ceases to trade or does not use the property for the purpose intended, without prior permission from the Big Lottery Fund. The restriction is in place for 80 years from 2003.

21 Reconciliation of net income to net cash flow from operating activities

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
	(restated)			
Net income for the reporting period (as per the statement of financial activities)	(37,959)	619,619	1,520	647,034
Investment income	(1,766)	(3,378)	(1,766)	(3,378)
Depreciation	114,626	125,615	114,626	125,615
(Increase)/Decrease in debtors	87,567	21,687	85,379	24,570
Increase/(decrease) in creditors	(59,646)	70,551	(97,535)	40,845
(Gains)/losses on FV mvt investments	-	2,180	-	2,180
(Gain)/loss on disposal of investments	(5,294)	(2,983)	(5,294)	(2,983)
(Increase)/decrease in stock	(400)	(1,110)	-	-
Net cash provided by operating activities	97,128	832,181	96,930	833,883
	=====	=====	=====	=====

22 Related parties

The Trust has taken advantage of the exemption available in FRS102 Section 33.11 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary in the group.

The Trust is controlled by the Trustees and there were no transactions with the Trustees during the year other than those noted in note 9.

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2025	2024
	£	£
Aggregate compensation	123,062	107,872
	=====	=====

The Patrick Allan-Fraser of Hospitalfield Trust

Notes to the consolidated financial statements (continued)

23 Prior year adjustment

During the year, it was identified that the balance recognised in respect of the till system debtor had been overstated. The comparative figures have been restated to correct the debtor in line with the underlying records.

Reconciliation of changes in consolidated reserves

	£
Adjustments to prior year	
Restatement of till system debtor - 2023	(14,022)
Restatement of till system debtor - 2024	466
Reserves as previously reported	5,697,631
Reserves as adjusted	<u>5,684,075</u>

Reconciliation of changes in surplus for the previous financial period

	£
Adjustments to prior year	
Restatement of till system debtor	466
Surplus as previously reported	619,153
Surplus as adjusted	<u>619,619</u>

P0120_Hospitalfield Trust_Consolidated Accounts_YE2025

Final Audit Report

2026-09-23

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