



Company Registration No. SC194893
Charity Registration No. SC014096

The Earl Haig Fund Scotland
Trading as Poppyscotland

Annual Report and Financial Statements

For the year ended 30 September 2025

The Earl Haig Fund Scotland

Annual Report and Financial Statements 2025

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The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Chair's Statement

We are pleased to welcome you to our Annual Report for 2024/25. This provides an overview of Poppyscotland, highlighting key statistics from across the year and presenting a comprehensive round-up of what we have achieved, the challenges we have faced and the priorities that lie ahead.

Households across Scotland continue to face pressure from a challenging economic climate, affecting many families, including those in our Armed Forces community. At Poppyscotland, we have responded with a clear focus on practical support and careful use of funds, ensuring help reached those who needed it most despite a difficult fundraising environment.

In 2024/25 we completed the operational integration of Poppyscotland with the Royal British Legion (RBL) to make certain that beneficiaries in Scotland receive the same scale and breadth of support. We worked with the RBL in the development of the new strategy to 2035 – a response to the evolving needs of the Armed Forces community and a rapidly changing global landscape.

Our beneficiaries often reach us at points of real difficulty. They are resilient and proud, shaped by service and a strong sense of responsibility to their families. Yet sudden illness, injury, bereavement or financial shock can overwhelm even the most determined. Our role is to provide timely, practical support that helps restore stability.

Through our Welfare Services, we supported 663 households with direct welfare assistance. We awarded 1,400 grants, providing £947,000 in support. Household goods remained the most common need, with 595 grants to 344 households, totalling £342,423. Home repairs also played a vital role in keeping veterans safe at home, with £49,159 awarded across 25 grants.

Alongside grants, our Casework and Specialist Services supported 991 beneficiary households living in Scotland. This included 718 households through casework, expanded independent living advice, and specialist support for benefits, debt and money advice, war pensions, and Armed Forces Compensation Scheme cases.

Our new Benefits, Debt and Money Advice team was fully established in Scotland, with expert staff recruited to provide targeted advice and support, while we expanded the Admiral Nurse service, increasing support for families affected by dementia. Our nurses carried out more than 1,300 interventions, including home visits, phone calls and emails, with each one tailored to the family's specific needs.

Support for the Scottish Poppy Appeal remained strong, even in the face of a difficult economic climate, with income holding broadly steady. We continued to provide more opportunity for the public to donate with a 50 per cent increase in the availability of contactless units. Our volunteers across the country continue to be the lifeblood of the Appeal, and our team of Supermarket Organisers grew further, helping to further develop these important community connections.

Other fundraising remained stable despite the economic challenges, with several awards from trusts and foundations, as well as valuable support from our corporate partners. Our Legacy programme performed strongly and included the largest Gift in Will ever received by Poppyscotland.

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Chair's Statement (continued)

Our campaigning and policy work delivered clear progress. The Credit Their Service campaign secured changes to Scottish Welfare Fund guidance, protecting Guaranteed Income Payments for veterans and ensuring that Discretionary Housing Payment assessments now better reflect disability-related compensation. We engaged directly with Scottish Government Ministers on mental health pathways, GP recognition, and the Op VALOUR initiative, which aims to create a UK-wide network of veteran support centres, while advancing development of our Manifesto for the Scottish Parliament election in May 2026.

At Lady Haig's Poppy Factory, our team of 29 disabled veterans delivered a strong year. From April to June, a four-day week trial increased productivity and reduced overheads and will be repeated in the first half of 2026. Wreath orders continued to increase, including 30,000 supplied to the Royal British Legion, and work is already ongoing to meet expected future growth.

The Factory welcomed more than 2,300 visitors to the Learning and Heritage tour – a strong base to build on during the 2026 centenary year. The Learning team continues our important outreach work to engage with young people through Bud, our mobile museum, our annual schools' competition and the provision of free educational resources.

Our events programme delivered a full calendar. The Poppyscotland Sportive returned with strong numbers to mark its tenth successful event. Our concerts with the Band of the Royal Regiment of Scotland and the Band of HM Royal Marines Scotland were well attended and, working with the Royal British Legion Scotland, we marked the 80th anniversary of VE Day with 'Scotland's Salute', the official national commemorative event, attended by a packed audience including the First Minister, veterans and their families.

Despite continued economic and social pressures, Poppyscotland has delivered steady impact. This reflects the commitment of our staff, volunteers, donors, and partners. The months ahead will see further implementation of our strategy to 2035, with improvements to services and ongoing modernisation in how we operate. We remain focused on practical support, strong advocacy, and careful stewardship, so that we can continue to stand with Scotland's Armed Forces community when it matters most.

Signed by:

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Helen Owen - Chair
Date: 05 June 2026

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Trustees' Report (including a Strategic Report)

The Trustees present their annual report (including the Strategic Report and incorporating the directors' report) and the audited financial statements for the year ended 30 September 2025.

The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015 and revised 1 January 2019).

Aims and Objectives

The Earl Haig Fund Scotland ("the Charitable company") (operating as Poppyscotland) is a member of The Royal British Legion Group of charities supporting those in need who have served in the Armed Forces and their dependants in Scotland. The Charitable company raises funds and relies on the commitment of individual volunteers, groups of volunteers and other ex-Service organisations to meet these challenges.

Our aim is to provide support for current and former members of the Armed Forces as well as their families, by tackling issues linked to their time in the Armed Forces or with struggles adjusting from military to civilian life. This furthers our legal purpose which is set out in our objectives, and details how we will deliver on our aims.

The Charitable company's principal objectives are to relieve suffering, hardship and distress and to promote education:

- Among persons, who have at any time served with any branch of the Armed Forces of the Crown and allied nursing services and who are resident in Scotland or were born in Scotland or were domiciled in Scotland when they joined the forces of the Crown; and
- Among the spouses, widows, widowers, children and dependents of any of the aforementioned persons who are resident in Scotland or were domiciled in Scotland at the time of the death of the member of the Forces of the Crown or allied nursing services with whom they were connected.

Our long-term strategy to deliver our objectives is to:

- Develop welfare services, such that the beneficiary experience across the United Kingdom is equal as measured against those services available from The Royal British Legion;
- Develop sustainable levels of funding to provide that level of welfare provision, by increasing giving and extending fundraising opportunities as a result of the Charitable company's membership of The Royal British Legion Group;
- Develop Poppyscotland's infrastructure such that it is compliant with statutory requirements and fit for purpose in the delivery of both welfare and fundraising objectives; and
- Provide education activities, which contribute to public awareness, understanding and support for our welfare services.

Future Plans

We recognise that 2026 may bring ongoing economic and social pressures affecting the Armed Forces community. Demand for our welfare services is expected to continue rising. We will continue to work closely with the Royal British Legion, pooling resources, streamlining systems, and sharing processes to adapt and respond to the evolving needs of the Armed Forces community.

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Trustees' Report (including a Strategic Report)

Group Structure

The Earl Haig Fund Scotland (operating as Poppyscotland) is the subsidiary of The Royal British Legion ("TRBL"). The Earl Haig Fund Scotland is a registered Scottish charitable company limited by guarantee and is governed by its Memorandum and Articles of Association. The charitable company continues to operate for the benefit of the ex-Service community in Scotland, including fundraising and the provision of welfare services.

Governance

The Poppyscotland Board has six Trustees appointed by The Royal British Legion. This consists of the Chair, a Trustee of the Royal British Legion, two members of the Executive Board of The Royal British Legion and one member of the Board of Trustees of the Royal British Legion. Two of the remaining Board members as well as Poppyscotland's President are residents of Scotland. Administrative information including a list of Trustees who served in the period and up to the date of signing can be found on page 9.

Appointment of Trustees

As set out in the Articles of Association, the Board of Trustees shall comprise a minimum of three members appointed by The Royal British Legion, who may in this respect appoint a member of the Board at any time by written notice to the Charitable company. A member of the Board shall hold office for three years from the date of appointment, when the appointment will terminate unless re-appointed by TRBL in accordance with article 26 of the Articles of Association. The appointed trustee is eligible for reappointment for a second and any number of subsequent terms.

Trustees' induction and training

Training for Trustees is provided through TRBL or by local providers on induction onto the Board and regularly updated when training needs are identified by the Board, TRBL or Senior Management Team. Trustees receive no remuneration but are reimbursed for the cost of attending meetings and other official functions.

Risk Management

The Board of Trustees has responsibility for the oversight of risk management at Poppyscotland. It applies a system through which major risks are identified, assessed, effectively addressed and monitored. A Risk Register is maintained and kept under regular review by the Charitable company's Director and Senior Management Team. During the current financial year, the major risks to which the Charitable company are exposed were reviewed and the key risks and controls identified as follows:

a. Risk: Failure to collect sufficient funds through fund raising

Mitigating response: the Fundraising team have a number of initiatives in place to maximise income generation. In addition, Poppyscotland has a letter of financial support from its parent charity The Royal British Legion should it be required. The RBL Board has also agreed to award a Grant to cover the budgeted operating deficit of the charitable company for 24/25 and future years.

b. Risk: Breakdown of poppy machine resulting in non-production of poppies

Mitigating response: The poppy machine is currently operating below full capacity, allowing it to produce surplus output and build up a spare stock level. A number of spare parts are also kept onsite to allow speedy rectification of the more minor issues that could arise.

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Trustees' Report (including a Strategic Report)

Management and Decision Making

Responsibility for the day to day operations of Poppyscotland is delegated to the Director, and is led by the RBL's Senior Management Team and staff from both charities. Management undertakes the operational activities of Poppyscotland within a clearly defined decision-making and reporting structure. The manager of the Lady Haig Poppy Factory is part of the Senior Management Team of Poppyscotland. Operational integration with the RBL is achieved through the Senior Management Team's line management.

Public Benefit

The Trustees have considered the requirements of the public benefit guidance published under FRS 102 and the Charities and Trustee Investment (Scotland) Act 2005. They are satisfied that the level of welfare support provided to the beneficiaries of The Earl Haig Fund Scotland as well as the support provided to other charitable organisations satisfied the public benefit requirements as laid out in relevant legislation.

Grant Making Policy

Grants are made to individuals in need following an assessment of the beneficiary's financial situation. These grants, in the form of cash, goods or services, are relatively small in value but large in volume. The Charitable company's policy is to direct beneficiaries to expert, personalised advice and support rather than reliance on direct financial assistance to aid supporting longer-term self-reliance and resilience amongst the beneficiaries. This is underpinned by a practice of not to leave needs unmet or fail to address immediate financial crisis. In such circumstances Poppyscotland works collaboratively with third parties and agencies in bringing financial and more general support for individuals in need.

Investment Policy

The investment objective is to achieve a total return targeting a minimum of RPI over the medium to longer term.

The portfolio is managed by Sarasin and Partners LLP and invested in two pooled funds with an ethical bias.

Reserves Policy

Poppyscotland is part of The Royal British Legion Group, its policy is to not seek to hold reserves as this leads to a duplication of reserves at a group level. The two organisations continue to integrate and align on an operational basis. The Royal British Legion's mission is to support the Armed Forces community throughout the UK. It is therefore committed for the long term to ensuring that veterans in Scotland receive the support they need, as they do elsewhere in the UK. It achieves this through its relationship with Poppyscotland. The Royal British Legion will agree with Poppyscotland as part of the budget setting and financial forecast process across The Royal British Legion Group, budgets for services in Scotland. As part of this, The Royal British Legion will ensure that Poppyscotland has the necessary financial resources to deliver the planned services in Scotland, which also ensures that Poppyscotland has sufficient resources to pay its liabilities as they fall due. This is in the form of both an annual grant to cover the budgeted operating deficit, and a letter of support provided by The Royal British Legion.

Remuneration Policy

The aim of the remuneration policy is to offer remuneration that is fair and appropriate. Poppyscotland expects to pay at a level comparable to that in the public sector and the Charity sector.

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Trustees' Report (including a Strategic Report)

Strategic Report

Achievements, Performance and Financial Review

During the 2024/25 financial year the charitable company generated income of £6,656k (2023/2024: £4,947k) which comprised of unrestricted income amounting to £6,259k (2023/2024: £4,680k) and restricted income of £397k (2023/2024: £267k).

A significant amount of our unrestricted income is generated through donations to the Scottish Poppy Appeal. In 2024/25 this raised £2,280k (2023/2024: £2,247k) which equated to 36% (2023/2024: 49%) of our total unrestricted income.

Other unrestricted income raised from fundraising streams including events, regular giving, raffles, trusts and legacies amounted to £1,843 (2023/2024: £1,552k), an increase of £291k overall. Within this, legacy income increased by £469k. Although the other streams declined, the growth in legacy income more than offset these reductions, resulting in an overall increase. Interest income and income from the investment portfolio generated £107k (2023/2024: £138k).

The Lady Haig's Poppy Factory activity continues to support Poppyscotland activities with the production and distribution of poppies, wreaths and other Remembrance items. The total number of poppies distributed on behalf of the Scottish Poppy Appeal in the 12 months to 30 September 2025 was 1,898,600 (12 months to 30 September 2024 1,938,000). The public sale of wreaths continues to be popular, particularly the Factory's bespoke wreath offering, with sales coming to £463k (2023/2024: £437k). This and the sale of wreaths to The Royal British Legion of £274k (2023/24: £206k) contributed to the Charity Company's unrestricted income total of £737k (2023/2024: £643k).

Unrestricted expenditure amounted to £5,897 (2023/2024: £6,431k) highlighting a decrease in overall spend. Unrestricted expenditure on charitable activities decreased by £341k to £3,530 (2023/2024: £3,871k) due to reduced funding for external organisations and individuals. Expenditure on raising funds has reduced by £193k to £2,367k (2023/24: £2,560k) as we have worked hard to control costs across the board to ensure financial sustainability going forward. We remain fully committed to providing the widest range of services for those in the Armed Forces community, and to generating the necessary income to fund these services.

Restricted income and expenditure for the year amounted to £397k (2023/2024: £267k) and £493k (2023/2024: £454k) respectively and following transfers between funds (nil this year) the Charitable Company has total restricted funds of £3,761k (2023/2024: £3,857k). Further details can be found in note 24 of the annual accounts.

The Charitable Company's pension deficit increased from £1,702k to £1,722k. This was due to the actual investment return achieved on the assets being lower than that required to match the expected change in the defined benefit obligation over the year and expenses over the year being higher than the contributions paid to cover these.

Going Concern

Poppyscotland is a subsidiary of The Royal British Legion and whilst the Charitable company is dependent on the commitment and generosity of the Scottish public to provide funds through the annual Poppy Appeal and a range of other year-round fundraising activities, the value of investments held by the Group continue to provide financial security to the charitable company as well. Poppyscotland's ultimate parent entity The Royal British Legion has further provided a written letter of support and will ensure that Poppyscotland has sufficient financial resources to deliver all planned services in Scotland and will meet any agreed deficit in funding if required.

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Trustees' Report (including a Strategic Report)

Going Concern (continued)

We have forecast our income, expenditure, cash and reserves for the financial years ending 30 September 2026 and 2027, using our latest estimates for 2025 and prudent assumptions for income and expenditure in 2026. Key assumptions include that the Poppy Appeal income will not be significantly impacted by cost-of-living rises and geo-political uncertainties, and income will be maintained at 2025 levels.

The Trustees are therefore confident that the Charitable company will continue to function as a going concern for at least one year from the date of signing the accounts and for the foreseeable future.

Auditor

Deloitte LLP are the auditor of the Charitable company and are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report, incorporating the Trustees' report and including the Strategic Report, was approved by the Board of Trustees at their meeting on 04 June 2026 and signed on its behalf by:

Signed by:



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Helen Owen - Chair

Date: 05 June 2026

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Trustees' Report (including a Strategic Report)

Statement of Trustees' Responsibilities

The Trustees (who are also directors of The Earl Haig Fund Scotland for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law 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 Charitable company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company 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 judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Earl Haig Fund Scotland (A Charitable Company Limited by

REFERENCE AND ADMINISTRATION INFORMATION

Director

Antony Baines

Registered address and Principal Office

New Haig House
Logie Green Road
Edinburgh
EH7 4HR

Charity Registration Number

SC014096

Registered Company Number

SC194893 (Scotland)

President

Rear Admiral (rtd) Mark Beverstock

Trustees

Helen Owen (Chair)
Colonel Allan Lapsley
Antony Baines
Colonel Patrick O'Meara
Colonel (Rtd) Paul Harris (resigned 18 May 2025)
Major (Rtd) Jim Sibbald (appointed 18 May 2025)
Chris Tingle

Legal Adviser

Gillespie Macandrew LLP
5 Atholl Crescent, Edinburgh, EH3 8EJ

Auditor

Deloitte LLP
1 New Street Square, London, EC4A 3HQ

Bankers

The Royal Bank of Scotland
36 St Andrew Square
Edinburgh, EH2 2YB

Lloyds Bank
PO Box 1000
Andover, BX1 1LT

Investment Advisers

Sarasin and Partners LLP, Juxon House
100 St Paul's Churchyard
London, EC4M 8BU

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Independent auditor's report to the members and the trustees of the Earl Haig Fund Scotland

Report on the audit of the Financial Statements

Opinion

In our opinion the financial statements of the Earl Haig Fund Scotland (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

We have audited the financial statements which comprise:

- the charitable company statement of financial activities (incorporating an income and expenditure account);
- the charitable company balance sheet;
- the cash flow statement; and
- the related notes 1 to 29.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to Going Concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The Earl Haig Fund Scotland (A Charitable Company Limited by

Independent auditor's report to the members and the trustees of the Earl Haig Fund Scotland

Conclusions relating to Going Concern (continued)

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information within the Trustees' report. 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) 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 company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Independent auditor's report to the members and the trustees of the Earl Haig Fund Scotland

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the trustees about their own identification and assessment of the risks of irregularities, including those that are specific to the charitable company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included Scottish Charity Regulator (OSCR) regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

- revenue recognition, which is related to the completeness of grant income, which can be incomplete due to added complications present in determining fulfilment of recognition criteria: our audit procedures to address this risk included, but were not limited to, substantive tests on grant income, on a sample basis, to verify that it was complete and has been correctly recognised in the financial statements.

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Independent auditor's report to the members and the trustees of the Earl Haig Fund Scotland

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

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

The Earl Haig Fund Scotland (A Charitable Company Limited by Guarantee)

Independent auditor's report to the members and the trustees of the Earl Haig Fund Scotland

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Nicola Wright

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Nicola Wright, ACA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Newcastle upon Tyne, United Kingdom

05 June 2026

Deloitte LLP is eligible for appointment as auditor for the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Earl Haig Fund Scotland

Charitable company statement of financial activities (incorporating the income and expenditure account)

For the year ended 30 September 2025

		2025	2025	2025	As restated 2024	As restated 2024	As restated 2024
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Income from:							
Donations and legacies	3	3,950	44	3,994	3,644	56	3,700
Income from charitable activities	4	1,794	350	2,144	733	211	944
Other trading activities	5	141	-	141	155	-	155
Investment income	6	107	-	107	138	-	138
Other incoming resources		267	3	270	10	-	10
Total Income		6,259	397	6,656	4,680	267	4,947
Expenditure on:							
Raising funds	7	2,367	67	2,434	2,560	6	2,566
Charitable activities	8	3,530	426	3,956	3,871	448	4,319
Total Expenditure		5,897	493	6,390	6,431	454	6,885
Unrealised gain on revaluation of investments	18	423	-	423	180	-	180
Realised losses on investments	18	(415)	-	(415)	-	-	-
Net income/(expenditure) for the year		370	(96)	274	(1,571)	(187)	(1,758)
Transfers between funds	24	-	-	-	-	-	-
Other recognised gains/(losses)							
Actuarial gains on pension scheme	14	237	-	237	62	-	62
Net movement in funds		607	(96)	511	(1,509)	(187)	(1,696)
Reconciliation of funds:							
Total funds brought forward		1,350	3,857	5,207	2,859	4,044	6,903
Total funds carried forward		1,957	3,761	5,718	1,350	3,857	5,207

There are no other recognised gains or losses other than those listed above and the net income for the year.

All income and expenditure derives from continuing operations.

The notes on pages 18 to 36 form part of the financial statements.

The Earl Haig Fund Scotland

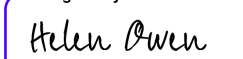
Charitable Company Balance Sheet

As at 30 September 2025

	Note	As restated	
		2025 £'000	2024 £'000
Fixed assets			
Tangible assets	15	3,722	4,153
Intangible assets	16	7	32
Investment in subsidiary	17	-	1
Investments	18	2,670	2,587
Total fixed assets		6,399	6,773
Current assets			
Stock	19	218	262
Debtors: amounts falling due within one year	20	189	398
Cash at bank and in hand		1,265	565
Total current assets		1,672	1,225
Liabilities:			
Creditors: amounts falling due within one year	21	(631)	(1,089)
Provisions for liabilities	22	-	-
Net current assets		1,041	136
Total assets less current liabilities		7,440	6,909
Defined benefit pension scheme liability	14	(1,722)	(1,702)
TOTAL NET ASSETS		5,718	5,207
Funds			
Unrestricted funds	23	1,957	1,350
Restricted funds	24	3,761	3,857
Total funds		5,718	5,207

The financial statements on pages 15 to 17 were approved by the Board of Trustees at their meeting on 04 June 2026, authorised for issue and signed on their behalf by:

Signed by:


9EF5199CBC3043A...
 Helen Owen - Chair

Date: 05 June 2026

Registered Company no: SC194893

The notes on pages 18 to 36 form part of the financial statements.

The Earl Haig Fund Scotland

Cash Flow Statement

Year ended 30 September 2025

	Notes	2025 £'000	2024 £'000
Cash inflows/(outflows) from operating activities	A	155	(862)
Cash flows from investing activities			
Dividends and interest from investments		-	113
Proceeds from sale of investments		-	900
Proceeds from disposal of fixed assets		545	-
Net cash provided by investing activities		<u>545</u>	<u>1,013</u>
Change in cash and cash equivalents in the reporting period		700	151
Cash and cash equivalents at the beginning of the year		565	414
Cash and cash equivalents at the end of the year		<u><u>1,265</u></u>	<u><u>565</u></u>

There are no cash equivalents therefore cash and cash equivalents comprise cash at bank.

A. Reconciliation of net expenditure / income to net cash outflows / inflows from operating activities

	2025 £'000	2024 £'000
Reconciliation of net income to net cash flow from operating activities		
Net income/(expenditure) for the reporting period	274	(1,758)
Adjustments for:		
Depreciation and amortisation charges	172	183
(Gain)/Loss on disposal of fixed assets	(260)	-
(Gain)/Loss on investments	(8)	(118)
Dividends and interest from investments	(75)	(113)
(Increase)/decrease in stocks	44	55
Decrease/(increase) in debtors	209	240
(Increase)/decrease in creditors	(458)	700
Decrease in provisions	-	(90)
Adjustment for pension funding	257	39
Total net cash flow at 30 September	<u><u>155</u></u>	<u><u>(862)</u></u>

The Earl Haig Fund Scotland

Notes to the financial statements

Year ended 30 September 2025

1 Company Information

The Earl Haig Fund Scotland is a Charitable company limited by guarantee incorporated and domiciled in Scotland with registered company number SC194893 and charity number SC014096. The registered office is New Haig House, Logie Green Road, Edinburgh, EH7 4HR. The Earl Haig Fund Scotland is a public benefit entity.

In the event of the Charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The financial statements have been presented in Pound Sterling as this is the functional and presentational currency of the Charitable company.

2 Accounting Policies

Accounting Convention

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments and 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) (SORP 2015, revised 1 January 2019), and the Companies Act 2006.

Assets and liabilities are recognised at historical cost or transactional value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

Poppyscotland is a subsidiary of The Royal British Legion and whilst the Charitable company is dependent on the commitment and generosity of the Scottish public to provide funds through the annual Poppy Appeal and a range of other year-round fundraising activities, the value of investments held by the Group continue to provide financial security to the charitable company also. Poppyscotland's ultimate parent entity The Royal British Legion has further provided a written letter of support and will ensure that Poppyscotland has sufficient financial resources to deliver all planned services in Scotland and will meet any agreed deficit in funding if required.

We have forecast our income, expenditure, cash and reserves for the financial years ending 30 September 2026 and 2027, using our latest estimates for 2025 and prudent assumptions for income and expenditure in 2026. Key assumptions include that the Poppy Appeal income will not be significantly impacted by cost-of-living rises and geo-political uncertainties, and income will be maintained at 2025 levels.

The Trustees are therefore confident that the Charitable company will continue to function as a going concern for at least one year from the date of signing the accounts and for the foreseeable future.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

2 Accounting policies (continued)

Group Financial Statements

The Lady Haig Poppy Factory (LHPF), a wholly owned dormant subsidiary undertaking, was struck off at Companies House at the request of the Trustees as of 30 September 2025. As a result, the Charitable Company no longer has any subsidiary undertakings and these financial statements (and the previous years) have been prepared as single-entity financial statements. The Charitable company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption in relation to presentation of a cash flow statement in respect of its separate financial statements, which are presented alongside the consolidated financial statements.

Fund Accounting

General funds are unrestricted funds, which are available for use at the discretion of the Charitable company in furtherance of the general objectives of the Charitable company, which have not been designated for other purposes.

Designated funds comprise unrestricted funds, which have been set aside for a specific purpose. The aim and use of each designated fund are set out in the notes to the financial statements.

Restricted funds comprise amounts donated for specific purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

The pension reserve reflects the excess of pension liabilities as calculated during the actuarial valuation exercise provided under FRS 102 as at 30 September 2025 (30 September 2024).

The revaluation reserve reflects the movement in investments as at 30 September 2025.

Income

Income is recognised in the year in which the Charitable company is entitled to receipt of that income and when the amount can be measured with reasonable accuracy. In accordance with this policy: Legacies are included as follows, Pecuniary legacies are recognised when the legacy has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received. Residual legacies are recognised on receipt of Estate Accounts. Legacies subject to a life interest held by another party are not recognised. Grants are included when the conditions for recognition as set out in the funding contract have been complied with. Donations are accounted for in the year of receipt. Poppy Appeal donations are accounted for when banked. Fundraising raffle income is recognised when the raffle has taken place. Income received in advance for future raffles is deferred until the raffle takes place.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

2 Accounting policies (continued)

Income (continued)

Donated facilities are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the Charitable company has control over the item. Fair value is determined on the basis of the value of the gift to the Charitable company based on the open market rental income applicable to the premises donated. A corresponding amount is recognised in expenditure.

A significant amount of donations received by the Charitable company is due to the unstinting work of the many volunteers involved in ensuring the success of the annual Poppy Appeal and the diverse other fundraising activities undertaken on behalf of the Charitable company. No income benefit is recorded in the financial statements to recognise the volunteer assistance hours provided due to it not being possible to reliably measure or quantify the value of this time.

Income from investments and bank interest is recognised and accrued in the period in which it is receivable.

No political donations were received in the year (2024:Nil).

Expenditure

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

a) Expenditure on raising funds includes the cost incurred in generating or promoting the need for fundraising

income to support the activities of the Charitable company and includes an appropriate allocation of support costs;

b) Expenditure on charitable activities includes grants given to relieve need amongst members of the Armed Forces Community and their dependants and other charitable organisations working to relieve distress amongst members of the Armed Forces Community. Grants payable are recognised in the Statement of Financial Activities when awarded and the recipient has a valid expectation of receipt, thus creating a constructive or legal obligation;

c) The direct costs incurred of delivering the welfare offering of the Charitable company; and

d) An appropriate allocation of support costs incurred by those functions which support the work of the Charitable company but do not directly undertake charitable activities. Support costs include back office costs such as PR and marketing, finance, personnel, payroll, governance and overheads.

Cost Allocation

Governance and indirect general support and overhead costs as scheduled in note 10 of the financial statements have been allocated across the core functions on the basis of staff numbers within the respective functions of expenditure.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

2 Accounting policies (continued)

Tangible Fixed Assets and Depreciation

Tangible assets are recognised at cost net of depreciation and any provision for impairment. Capital purchases equal to or greater than £50,000 are capitalised. Depreciation is provided on such tangible assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows;

Freehold land and Buildings	50 Years - No depreciation for Freehold Land (see note 15)
Leased Property	Period of Lease
IT Equipment	5 Years
Bud Truck (Motor Vehicles)	4 Years
Refurbished property	50 Years
Plant and machinery	10 Years

Tangible and intangible fixed assets that are under construction are classified as Assets Under Construction and are transferred into the appropriate category on completion, when depreciation then commences.

Intangible Fixed Assets and Amortisation

Software, databases and licences where capitalised are included at cost, which includes the cost of internal development where applicable net of amortisation and any provision for impairment. Amortisation is provided over 5 years from the month of first use and is included in unrestricted Expenditure on Raising Funds in the Statement of Financial Activities.

Investments

Fixed asset investments are stated at market value based on quoted market prices. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities. Income from listed investments is accrued when due for payment. Interest on deposits is accrued on a daily basis.

Stock

Stock is valued at the lower of cost and net realisable value and includes direct costs of labour and materials plus an allocation of general overheads. Poppies produced for distribution during the Poppy Appeal are expensed immediately.

Poppyscotland recognises that The Lady Haig Poppy Factory activity is a *supported business* with at least 50% of the workforce registered as disabled resulting in additional costs being incurred in order to provide a caring and appropriate environment for the workforce. Accordingly, a standard cost of product manufactured for Poppyscotland is allocated to "expenditure on raising funds" with the balance relating to the costs of providing a supportive working environment being allocated to "grants to other organisations", within "expenditure on charitable activities", and expensed in the financial period during which stock is purchased.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

2 Accounting policies (continued)

Financial Instruments

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument. The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transactional price (including transaction costs) and subsequently measured at their settlement value.

Trade and other debtors are recognised as the settlement amount due after any discount offered and net of any bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash comprises cash at hand and in bank and short-term deposits. Short-term deposits are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Staff Pension Schemes

There is one pension scheme which is accounted for in accordance with FRS 102 section 28, the Poppyscotland section of the Royal British Legion Staff Pension Fund (formerly the: Earl Haig Defined Benefit Scheme). Assets and liabilities of the scheme were transferred to the parent charity's pension fund in January 2025. For the defined benefit scheme, valuations are undertaken by an independent actuary. The current service costs of the Earl Haig Defined Benefit Scheme are charged to employee costs over an anticipated period of employment. Net pension finance income or costs are included immediately on other income or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the face of the Statement of Financial Activities. The Charitable company's share of the scheme deficit is included as a liability in the balance sheet.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

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

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

As disclosed in note 14, the charitable company has a defined benefit scheme. Year-end recognition of the liabilities under this scheme and the valuation of assets held to fund these liabilities require a number of significant assumptions and complex judgements to be made, relating to levels of scheme membership, changes in retirement ages, mortality rates, key financial market indicators such as inflation and expectations on future salary growth and asset returns.

These assumptions are made by the charitable company in conjunction with the schemes' actuaries engaged to provide expert advice about the assumptions to be applied.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

2 Accounting policies (continued)

Restatement of comparatives within the Statement of Financial Activities and Balance Sheet

Due to a historical error relating to pension benefits in the StanPlan F Defined Benefit Pension Scheme, the comparative figures for the defined benefit pension liability and the unrestricted reserves have been increased and decreased respectively by £302,000 as at 30 September 2023. This is reflected on the Statement of Financial Activities and the Balance Sheet. For further details see note 14.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

3 Donations and Legacies

	2025	2024
	£'000	£'000
Donations	829	1,037
Legacies	885	416
Poppy Appeal	2,280	2,247
Total	<u>3,994</u>	<u>3,700</u>

4 Income from charitable activities

	2025	2024
	£'000	£'000
Grant Income		
Almonisation	216	175
Grants for Armed Services Advice Project (ASAP)	-	34
Other grant income	189	92
Lady Haig Poppy Factory Sales	737	643
Lady Haig grants from RBL	1,002	-
Total	<u>2,144</u>	<u>944</u>

5 Other trading activities

	2025	2024
	£'000	£'000
Fundraising events income	29	52
Fundraising raffles	112	96
Income from commercial activities	-	7
Total	<u>141</u>	<u>155</u>

6 Investment Income

	2025	2024
	£'000	£'000
Dividends and interest on listed investments	75	113
Bank deposit interest	32	25
Investment management fee rebate	-	-
Total	<u>107</u>	<u>138</u>

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

7 Expenditure on Raising Funds

	2025	2024
	£'000	£'000
Donations costs	1,113	1,245
Legacies costs	-	10
Poppy Appeal costs	255	265
Fundraising events costs	45	63
Fundraising raffles costs	61	107
Commercial activities	70	42
Support costs allocated (note 10)	890	834
Total	2,434	2,566

8 Expenditure on Charitable Activities

	2025	2024
	£'000	£'000
Poppy manufacturing: Direct costs	1,010	1,009
Poppy manufacturing: Support costs	380	404
Welfare: Grants to Individuals	947	836
Welfare: Grants to Individuals support costs	35	59
Welfare: Grants to Organisations (see note 9)	222	684
Welfare: Services direct costs	601	638
Support costs allocated (note 10)	761	689
Total	3,956	4,319

9 Grants to organisations

	2025	2024
	£'000	£'000
ASAP - Citizens Advice Scotland	29	486
Employment Services	-	9
The Lady Haig Poppy Factory	13	-
TRBL Scotland	138	130
The Royal British Legion (ultimate parent)	25	15
Other organisations	17	44
Total	222	684

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

10 Allocation of Support costs

	2025	2025	2025
	£'000	£'000	£'000
	Staff Costs	General Overheads	Total
Raising funds	403	487	890
Charitable activities: Poppyscotland	322	300	622
Charitable activities: support to other organisations	64	75	139
	789	862	1,651
	2024	2024	2024
	£'000	£'000	£'000
	Staff Costs	General Overheads	Total
Raising funds	440	394	834
Charitable activities: Poppyscotland	352	224	576
Charitable activities: support to other organisations	63	50	113
	855	668	1,523

Governance costs of £67,228 (2024: £49,407) have been included in general overheads, split equally across the costs of raising funds and charitable activities and allocated accordingly.

11 Net Income for the year

This is stated after charging:

	2025	2024
	£'000	£'000
Fee payable to the auditor	34	33
Depreciation, amortisation and impairment charges	172	183
Rentals under operating leases	24	23

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

12 Taxation

The Earl Haig Fund Scotland is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of each charitable company's primary objectives, if these profits and surpluses are applied solely for charitable purposes. Accordingly, no tax expense has been recognised in these financial statements.

13 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

The average monthly number of employees was:

	2025	2024
	No.	No.
Raising funds	24	23
Charitable activities	43	43
Support and Governance	11	18
Total	78	84

The aggregate remuneration comprised:

	2025	2024
	£'000	£'000
Salaries & Wages	2,205	2,468
Employer's NI Contributions	253	245
Employer's Pension Contributions	317	362
Total	2,775	3,075

Costs incurred on agency staff were £16k (2024: £42k). These are not included in the note above.

The number of employees whose emoluments excluding pension contributions but including benefits in kind were in excess of £60,000 was:

	2025	2024
	No.	No.
£60,000 - £70,000	1	2

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

13 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel (continued)

Due to changes in the staff structure at Poppyscotland the function of Key Management Personnel was absorbed by the parent The Royal British Legion during the financial year. The associated costs were recharged to Poppyscotland. The recharges for the year were £28k (2024:£360k).

The total value of redundancy payments made during the year was £NIL (2024: £21k).

Trustees' Remuneration

No trustee received remuneration during the year. Expenses of £3,173 were reimbursed to 6 trustees during the current year for travel and subsistence whilst on business (2024: £2,900, 6 trustees).

14 Staff pension funds

The Earl Haig Fund Scotland pension arrangements comprise the following schemes:

The Earl Haig Fund Scotland - Stakeholder Scheme (Standard Life)

This is a defined contribution pension scheme, which was made available to permanent employees following the closure of the defined benefit to new members in July 2002. The standard contribution rates have been set at 6% and 12% by the employee and employer respectively. Employer contributions amounted to £235,065 (2024: £275,311).

The Earl Haig Fund Scotland - Stakeholder Scheme (Standard Life)

This is a defined contribution pension scheme, which was made available to the factory workforce. The standard contribution rates have been set at 6% and 12% by the employee and employer. Employer contributions amounted to £82,128 (2024: £86,257).

Poppyscotland section of the Royal British Legion Staff Pension Fund (Formerly Earl Haig Defined Benefit Scheme)

This is a defined benefit pension scheme, which all permanent employees were eligible to join until the scheme was closed to new members in July 2002. The annual contributions paid into the Scheme are determined following discussions with the Scheme's actuaries and are intended to spread the cost of pensions over the anticipated service life of the employees participating in the Scheme. Employee contributions to this plan ceased on 31 March 2018. The assets and liabilities of which transferred into the Poppyscotland Section of the Royal British Legion Staff Pension Fund on 18th January, 2025.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

14 Staff pension funds (continued)

Poppyscotland section of the Royal British Legion Staff Pension Fund (Formerly Earl Haig Defined Benefit Scheme)

The scheme Trustees are required to carry out an actuarial valuation every 3 years. The last full actuarial valuation was performed by the Scheme Actuary for the Trustees as at 31 March 2022. This valuation revealed a funding shortfall of £1,795,000. To eliminate this funding shortfall, EHFS have agreed to make contributions of £124,000 pa, increasing at 3% each 1 July, in equal monthly instalments from October 2023 until 31 July 2035. The first annual increase was applied from July 2024. EHFS have also agreed to pay monthly contributions of £4,167 in respect of expenses and PPF levies. During the accounting year beginning 1 October 2025, EHFS expects to pay £127,000 to the scheme in respect of deficit reduction contributions and £50,000 in respect of expenses.

The Fund Trustees have commissioned a full actuarial valuation of the Poppyscotland section of the Fund as at 31 March 2025 which is currently ongoing. Consequently, the contributions payable over the accounting year will reflect the Schedule of Contributions finalised as part of the ongoing valuation and may be subject to change.

Poppyscotland is aware of the 2023 ruling in the Virgin Media vs NTL Pension Trustee case and subsequent court of appeal ruling published in July 2024. These ruled that certain amendments made to the NTL Pension Plan were invalid because they were not accompanied by the correct actuarial confirmation. Poppyscotland understands that the Trustees of Stanplan F have received legal advice that this may have an impact on Stanplan F. There remains significant uncertainty as to whether the judgments will result in additional liabilities for UK pension schemes and it is possible that the Department of Work & Pensions will introduce legislation to allow changes to be certified retrospectively. A detailed review of historic documentation will be needed to determine whether any changes made by a UK pension scheme were valid (assuming retrospective certification does not become an option), and such a review will take some time to complete. As a result, Poppyscotland cannot be certain of the potential implications (if any) and therefore a sufficiently reliable estimate of any effect on the obligation cannot be made.

As part of a benefit rectification exercise carried out in conjunction with the bulk transfer of assets and liabilities from the StanPlan F Fund to the Poppyscotland section of the RBL fund, it was discovered that the incorrect accrual rate had been applied to members with service between 1 October 2002 and 8 December 2023. It was further discovered that the incorrect Normal Retirement Age for post 17 May 1990 service was being adopted. This led to the rectification of benefits for three pensioners and one dependant with a total value of £302,000 causing an increase in the defined benefit pension liability from £1,400,000 to £1,702,000 and a reduction in unrestricted reserves for this amount.

Due to this historical error the comparative figures for the defined benefit pension liability and the unrestricted reserves have been increased and decreased respectively by £302,000 as at 30 September 2023. This is reflected on the Statement of Financial Activities and the Balance Sheet.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

14 Staff pension funds (continued)

Amounts recognised in the Statement of Financial Activities	As restated	
	2025 £'000	2024 £'000
<u>Analysis of amounts charged against net income:</u>		
Administration expenses	358	197
Net interest cost	76	75
Total cost recognised	434	272
Actuarial (gain)/ loss on liabilities	(237)	(62)
Total decrease/(increase) in net funds recognised at 30 September	197	210
<u>Reconciliation to the Balance Sheet at 30 September</u>		
Market value of assets	2,420	2,930
Present value of liabilities	(4,142)	(4,632)
Deficit in the fund	(1,722)	(1,702)
<u>Analysis of changes in the value of fund liabilities over the year</u>		
Value of liabilities at 1 October	4,632	4,607
Service cost		
Interest cost	213	228
Member contribution	-	-
Benefits paid	(317)	(317)
Actuarial (gains)/losses	(386)	114
Value of liabilities at 30 September	4,142	4,632
<u>Reconciliation to the Balance Sheet at 30 September</u>		
Opening value of assets	2,930	2,944
Administration expenses	(358)	(197)
Interest Income	137	153
Returns on assets excluding interest income	(149)	176
Employer contributions	177	171
Member contributions	-	-
Benefits paid	(317)	(317)
Closing market value of assets	2,420	2,930

The amounts shown in the table above for the value of assets are quoted at bid-price.

The cumulative amount of actuarial gains/(losses) recognised (since 2011) is a cumulative gain of £1,028,000 (2024: cumulative gain of £642,000).

Poppyscotland section of the Royal British Legion Staff Pension Fund (Formerly Earl Haig Defined Benefit Scheme) are managed by First Actuarial LLP.

Details of the allocation of assets held as at 30 September 2025 and 2024 are shown below.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

14 Staff pension funds (continued)

<u>Asset Class</u>	2025	2024
	£'000	£'000
Equities	574	669
Bonds	257	308
Cash	257	178
Annuities	127	178
Other Assets	1,205	1,597
Total Assets	2,420	2,930

	12 months	12 months
	to September	to September
	2025	2024
Financial Assumptions	Pa%	Pa%
Discount Rate	5.8	5.1
Retail Price Index (RPI) inflation	3.25	3.4
Consumer Price Index (CPI) inflation	2.95	3.05
Salary Increases	-	-
Pension increases:		
CPI capped at 3% pa	N/A	2.4
CPI capped at 2.5% pa	2.1	2.1
CPI capped at 5% pa with a 3% pa minimum increase	3.5	3.6
Revaluation of deferred pensions in excess of GMP		
05-09	2.95	3.05
Post 09	2.5	2.5

<u>Life expectancies</u>			
Life expectancy for an individual aged 60 in 2020	Males	25.7	24.3
	Females	28.3	27.2
Life expectancy at age 60 for an individual aged 40 in 2020	Males	27.3	25.9
	Females	29.8	28.7

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

15 Tangible Fixed Assets

	Freehold Land and Building £'000	Refurbished property £'000	IT equipment £'000	Bud Truck (Motor vehicles) £'000	Plant & machinery £'000	Total £'000
Cost						
At 1 October 2024	864	3,497	65	479	652	5,557
Additions	-	-	-	-	-	-
Disposals	(532)	-	-	-	-	(532)
At 30 September 2025	332	3,497	65	479	652	5,025
Depreciation						
At 1 October 2024	541	216	65	479	103	1,404
Charge for year	13	69	-	-	65	147
Elimination on disposal	(248)	-	-	-	-	(248)
At 30 September 2025	306	285	65	479	168	1,303
Net Book Value						
At 30 September 2024	323	3,281	-	-	549	4,153
At 30 September 2025	26	3,212	-	-	484	3,722

Included in Freehold Land and Building is an amount of £26,000 (2024: £26,000) in respect of land which has not been depreciated.

16 Intangible Fixed Assets

	Manifesto Website £'000	Total £'000
Cost		
At 1 October 2024	126	126
Additions	-	-
At 30 September 2025	126	126
Amortisation		
At 1 October 2024	94	94
Charge for year	25	25
At 30 September 2025	119	119
Net Book Value		
At 30 September 2024	32	32
At 30 September 2025	7	7

17 Investment in Subsidiary

	2025 £'000	2024 £'000
1,000 Ordinary shares of £1 at cost	-	1

The investment represented 100% of the share capital of The Lady Haig Poppy Factory Limited a Scottish registered charitable company (company number SC194777, charity number SCO16682, registered office New Haig House, Logie Green Road, Edinburgh, EH7 4HQ), whose principal activity is the employment of disabled ex-service personnel to manufacture poppies and wreaths. Control was exercised via ownership of 100% of the share capital.

On 30 September 2023 LHPF activities transferred to EHFS becoming a dormant subsidiary undertaking. At the request of the Trustees, as of 30 September 2025 the dormant subsidiary was struck off at Companies House bringing EHFS investments in subsidiaries to £NIL.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

18 Investments

	2025	2024
	£'000	£'000
Market value of listed securities at 1 October	2,587	3,307
Additions net of rebate	75	-
Disposal proceeds	-	(900)
Investment gain/(loss)	8	180
Market value of listed securities at 30 September	2,670	2,587
Investment categories:		
Bonds	222	1,654
Equities	1,967	633
Other	481	300
Market value of listed securities at 30 September	2,670	2,587
Cost at 30 September of listed securities	2,649	2,989
Revaluation Reserve	21	(402)
Market value of listed securities at 30 September	2,670	2,587
Total Investments	2,670	2,587

19 Stock

	2025	2024
	£'000	£'000
Finished goods	139	185
Work in progress	79	77
Total stock	218	262

20 Debtors due within one year

	2025	2024
	£'000	£'000
Trade Debtors	25	48
Accrued income	116	116
Prepayments	19	21
Other Debtors	29	213
Total debtors	189	398

21 Creditors: Amounts falling due within one year

	2025	2024
	£'000	£'000
Trade Creditors	104	136
Amounts owed to subsidiary undertaking	-	-
Amounts owed to group undertakings	205	685
Accruals	236	196
Deferred Income (see below)	-	-
Other Creditors	86	71
Total creditors	631	1,088

22 Provisions for liabilities

	2025	2024
	£'000	£'000
Opening balance at 1 October	-	90
Provisions released in year	-	(90)
Closing balance at 30 September	-	-

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

23 Unrestricted Funds

	As restated					
	Balance 01/10/2024	Income	Expense	Other Gains/ (Losses)	Transfer between Funds	Balance 30/09/2025
	£'000	£'000	£'000	£'000	£'000	£'000
Sandilands memorial trust	152	16	(13)	18	-	173
Capital Fund (Cameronian)	176	-	-	-	(176)	-
Capital Reserve	170	-	(16)	-	(108)	46
Designated funds	498	16	(29)	18	(284)	219
Revaluation reserve	1,234	-	-	405	-	1,639
General fund	1,320	6,243	(5,434)	(415)	107	1,821
General funds	2,554	6,243	(5,434)	(10)	107	3,460
Pension reserve	(1,702)	-	(434)	237	177	(1,722)
Total Unrestricted funds	1,350	6,259	(5,897)	245	-	1,957

	As restated					
	Balance 01/10/2023	Income	Expense	Other Gains/ (Losses)	Transfer between Funds	Balance 30/09/2024
	£'000	£'000	£'000	£'000	£'000	£'000
Sandilands memorial trust	160	10	(24)	6	-	152
Capital Fund (Cameronian)	176	-	-	-	-	176
Capital Reserve	340	-	(16)	-	(154)	170
Designated funds	676	10	(40)	6	(154)	498
Revaluation reserve	1,060	-	-	174	-	1,234
General fund	2,786	4,670	(6,119)	-	(17)	1,320
General funds	3,846	4,670	(6,119)	174	(17)	2,554
Pension reserve	(1,663)	-	(272)	62	171	(1,702)
Total Unrestricted funds	2,859	4,680	(6,431)	242	-	1,350

Designated funds

The Sandilands Memorial Trust

Following the winding up of the Trust in 2013, the Trustees of The Sandilands Memorial Trust transferred all assets to The Earl Haig Fund Scotland with the expectation that capital and income arising from the transferred assets be applied for the support of ex-Royal Artillery personnel and their dependants.

Capital Fund (Cameronian)

This fund represents the value of the property at 9 Holyrood Crescent in Glasgow which was gifted to The Earl Haig Fund Scotland by the Cameronian Regimental Association. With the property sold during the financial year, the balance of the designated fund was transferred out to the General Fund.

Capital Reserve

The Capital Reserve represents the depreciated value of assets held by Poppyscotland, excluding those held separately, ie the Cameronian fund (above) and within restricted funds the Refurbished property value and Sewtec asset.

General funds

Revaluation reserve

This fund holds unrealised gains on investments.

General fund

The general fund represents the funds of the charitable company for its general purpose and which are not designated for any specific purpose.

Fund Transfers

The main balances comprise transferring employer contributions into the pension reserve from general funds and aligning the capital reserve balance with the net book value of fixed assets.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

24 Restricted Funds

	Balance 01/10/2024	Income	Expense	Other Gains/ (Losses)	Transfer between Funds	Balance 30/09/2025
	£'000	£'000	£'000	£'000	£'000	£'000
Bud Poppyscotland truck - History & Heritage	13	-	(13)	-	-	-
Bud Poppyscotland truck - other restricted	-	55	(55)	-	-	-
Welfare	-	24	(24)	-	-	-
LHP Learning	-	52	-	-	-	52
Factory Refurbishment	3,281	-	(69)	-	-	3,212
Poppy Garden Project	8	-	-	-	-	8
Admiral Nurse Scotland	-	50	(25)	-	-	25
Almonisation	-	216	(216)	-	-	-
LHPF Welfare Fund	29	-	(29)	-	-	-
Sewtec equipment	526	-	(62)	-	-	464
Total Restricted Funds	3,857	397	(493)	-	-	3,761

	Balance 01/10/2023	Income	Expense	Other Gains/ (Losses)	Transfer between Funds	Balance 30/09/2024
	£'000	£'000	£'000	£'000	£'000	£'000
Bud Poppyscotland truck - History & Heritage	38	28	(53)	-	-	13
Bud Poppyscotland truck - other restricted	5	-	(5)	-	-	-
ASAP	-	34	(34)	-	-	-
Welfare	-	19	(19)	-	-	-
NHS Highland	5	-	(5)	-	-	-
Factory Refurbishment	3,357	-	(76)	-	-	3,281
Poppy Garden Project	10	-	(2)	-	-	8
Admiral Nurse Scotland	15	-	(15)	-	-	-
Almonisation	-	174	(174)	-	-	-
LHPF Welfare Fund	26	12	(9)	-	-	29
Sewtec equipment	588	-	(62)	-	-	526
Total Restricted Funds	4,044	267	(454)	-	-	3,857

Bud Poppyscotland truck - History & Heritage

Funds received for the development and delivery of Bud, our vehicle for exploration and learning, and for History & Heritage to renovate part of the Factory into a museum. The balance at 30th September 2024 had been committed to be spent in the following financial year.

Welfare

Funds received to provide grants to individuals.

LHP Learning

Funds received to maximise the remembrance gallery space at the Lady Haid Poppy Factory to increase awareness.

Factory Refurbishment

The Earl Haig Fund received a Factory Refurbishment grant from its subsidiary, The Lady Haig Poppy Factory for expenditure in relation to the factory asset held by The Earl Haig Fund Scotland.

Poppy Garden Project

Donation received to undertake garden works including refurbishing the flag pole, funding for flower beds and fencing, and benches.

LHPF Welfare Fund

Operated by The Lady Haig Poppy Factory to subsidise catering and leisure facilities for the benefit of the Factory's disabled ex-service workforce.

Sewtec equipment

Sewtec is a fund for which a grant has been received from The Royal British Legion to fund the purchase of new plant and equipment.

Admiral Nurse Scotland

Funds received for the delivery of an Admiral Nurse project in Scotland.

Almonisation

Funds received from partner charities towards grants to individuals paid out by Earl Haig Fund Scotland.

The Earl Haig Fund Scotland

Notes to the financial statements (continued)

Year ended 30 September 2025

25 Analysis of net assets between funds

				As restated		
	2025 Unrestricted Funds £'000	2025 Restricted Funds £'000	2025 Total Funds £'000	2024 Unrestricted Funds £'000	2024 Restricted Funds £'000	2024 Total Funds £'000
Fund balances are represented by:						
Tangible Fixed Assets	46	3,676	3,722	323	3,830	4,153
Intangible Fixed Assets	7	-	7	32	-	32
Investments	2,670	-	2,670	2,587	-	2,587
Current Assets	1,587	85	1,672	1,198	27	1,225
Current Liabilities	(631)	-	(631)	(1,088)	-	(1,088)
Provisions for Liabilities	-	-	-	-	-	-
Pension Liabilities	(1,722)	-	(1,722)	(1,702)	-	(1,702)
	<u>1,957</u>	<u>3,761</u>	<u>5,718</u>	<u>1,350</u>	<u>3,857</u>	<u>5,207</u>

26 Financial Commitments

There were no operating or capital lease commitments held in either 2024 or 2025. Existing operating leases can currently be cancelled by giving one months notice.

27 Related Parties

Advantage has been taken of the exemptions available under FRS 102 to not disclose balances and transactions between The Earl Haig Fund Scotland and The Royal British Legion, and The Earl Haig Fund Scotland and The Lady Haig Poppy Factory. There are no other related parties in the year (2024: Nil).

28 Parent Undertaking and Ultimate Controlling Party

The immediate and ultimate parent is The Royal British Legion, a charity registered in England and Wales (charity number 219279). The financial statements of The Earl Haig Fund Scotland are consolidated into the financial statements of The Royal British Legion. The parent undertaking of the smallest and largest group which includes the charitable company, and for which group accounts are prepared, is The Royal British Legion. The consolidated financial statements can be obtained from The Royal British Legion at 199 Borough High Street, London, SE1 1AA.

29 Post Balance Sheet Events

No post balance sheet events to disclose for the reporting period.