

Registered number: SC247050
Charity number: SC034817

THE R&A FOUNDATION
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

THE R&A FOUNDATION
(A Company Limited by Guarantee)

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THE R&A FOUNDATION
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2025

Directors	C J M Skinner M R G Darbon M N Donaldson R L Fleet A J Lothian J F Murray N J Peel
Secretary	J D Brink
Company registered number	SC247050
Charity registered number	SC034817
Registered office	Beach House Golf Place St Andrews Fife KY16 9JA
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Atria One 144 Morrison Street Edinburgh EH3 8EX
Bankers	HSBC Bank plc 95-99 Union Street Aberdeen AB11 6BD
Solicitors	Shepherd & Wedderburn 9 Haymarket Square Edinburgh EH3 8FY

THE R&A FOUNDATION
(A Company Limited by Guarantee)

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors, who are also the Trustees of The R&A Foundation ("The Foundation", "the Company" or "the charitable Company"), present their Strategic Report, their Directors' Report and audited financial statements for the year ended 31 December 2025. The Directors consider that the Strategic Report and the Directors' Report together provide the information required in a charitable Company's Trustees' Report.

OBJECTIVES AND ACTIVITIES

The Foundation's objects are set out in the Articles of Association and are summarised as follows:

To advance public participation in sport in the UK and internationally, and in particular the sport of golf by:

- providing facilities and equipment for playing and coaching the sport of golf to, and to ensure that the use of such facilities and equipment is available to and affordable by, any member of the public who wishes to participate;
- facilitating, funding and otherwise supporting organised golfing events and competitions;
- providing and funding training courses to ensure that there is a pool of adequately qualified instructors available to coach the sport of golf;
- providing facilities and equipment to introduce and coach the sport of golf to members of the community; and
- facilitating, funding and otherwise supporting projects promoting the health benefits of golf.

The provision of recreational facilities, or the organisation of recreational activities, in the UK and internationally with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended by:

- facilitating, funding and otherwise supporting golf and leisure facilities that deliver programmes and opportunities centered around golf, and to ensure that such recreational facilities and activities are accessible to the public.

To advance education in the UK and internationally by:

- providing, by way of grants, bursaries, scholarships or otherwise, financial assistance to enable any one or more persons to attend any school, college or university; and
- by acquiring and preserving records and artefacts relating directly or indirectly thereto in the history of golf.

To advance the arts, heritage and culture in the UK and internationally by:

- preserving and maintaining buildings of architectural, historical and/or environmental importance; and
- by acquiring and preserving records and artefacts in the history of golf relating directly or indirectly thereto.

To advance the promotion of equality and diversity in the UK and internationally by:

- facilitating, funding and otherwise supporting equality and diversity initiatives and projects related to golf.

To advance environmental protection and improvement in the UK and internationally by:

- facilitating, funding and otherwise supporting golf related projects that contribute to and promote environmental excellence and world class sustainability leadership in resource efficiency, conservation, and social value.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

OBJECTIVES AND ACTIVITIES (continued)

The advancement of health in the UK and internationally by:

- facilitating, funding and otherwise promoting research into the benefits to both mental and physical health of participation in golf.

The Foundation's main activity is to identify and assess the appropriateness of projects or grant / loan requests which will develop golf in line with the objects set out above.

The Foundation has developed a philanthropic programme to raise funds in support of the development of golf around the world in accordance with its charitable objectives.

ACHIEVEMENTS AND PERFORMANCE

During the year the level of grants awarded increased to £7,084,000 from £5,554,000 in the prior year. In 2025, The Foundation awarded philanthropic grants totaling £1,826,000 (£881,000 in 2024) from the income received from donors. This helped to enhance the support The Foundation has provided in delivering its golf development objectives.

The Foundation's philanthropic activities extend beyond the UK with funds being generated from donors around the world including the US, Canada, Singapore and Hong Kong.

FINANCIAL REVIEW AND PLANS FOR FUTURE PERIODS

The current year income consisted of donations of £7,450,000 from R&A Trust Company (No.1) Limited, philanthropic and endowment donations of £2,313,000, rental income of £287,000 and investment income of £391,000. This funding allowed The Foundation to meet its grant commitments for 2025.

The expenditure for the year amounted to £8,984,000. The main element of expenditure being grants awarded of £7,084,000, as detailed in note 4 to the financial statements.

Future plans for The Foundation include a focus on a further expansion of the philanthropic programme to invest in programmes that benefit individuals and communities through golf, both in the UK and internationally.

Financial risk management policy

The Foundation's principal financial instruments comprise cash, investments and loans. Other financial assets and liabilities, such as trade debtors and creditors and intra Group balances, arise directly from The Foundation's operating activities.

The main risks associated with The Foundation's financial assets and liabilities are set out below.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

Investment policy

The Foundation invests in quoted and unquoted investments which may fall in value as a result of market conditions. The Directors have engaged an investment manager to manage the investment portfolio under a full, discretionary mandate. The Directors have the power to invest in such investments as they deem suitable and have concluded that a well-diversified portfolio including cash holdings, bonds, equities and an investment in a UK property fund designed for charities, is appropriate for The Foundation. Performance is monitored on a regular basis. The Directors consider the investment portfolio to be of a long-term nature.

Interest rate risk

The Foundation invests surplus cash in interest yielding bank deposit accounts in order to maximise income and accessibility. Interest is earned at a variable rate and therefore interest income, interest charges and cash flows can be affected by movements in interest rates.

Credit risk

The Foundation has a policy to keep its cash and deposits with major regulated financial institutions.

Liquidity risk

The Foundation aims to mitigate liquidity risk by managing cash generated by its operations. Flexibility is maintained by retaining surplus cash in readily accessible bank deposit accounts and short-term deposit accounts.

Reserves policy and going concern

The Reserves Policy aims to hold adequate reserves to maintain the quality and continuity of The Foundation's development of the sport of golf in the long term, while balancing this against its obligations to disburse money donated. As of 31st December 2025 The Foundation holds £16,410,000 in unrestricted reserves and £715,000 in restricted reserves.

The Directors of The Foundation have reviewed the level of reserves at 31 December 2025 and are satisfied that taking into account projected future incoming resources, The Foundation will be in the position to make grants and loans over at least the next year at the level necessary to meet its objectives to support the sport of golf.

STRUCTURE, GOVERNANCE AND MANAGEMENT INCLUDING REFERENCE AND ADMINISTRATIVE DETAILS

Organisational structure

The R&A Foundation was incorporated on 2 April 2003 as a Company limited by guarantee and without share capital (No. SC247050). The Company is a registered Scottish charity (No. SC034817) and is governed by its Memorandum and Articles of Association. The single member of the charity is R&A Trust Company (No. 2) Limited registered in Scotland. The member liability is limited to £1.

The address of the principal and registered office of The Foundation and the names and addresses of advisers are shown on page 1.

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STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

Governance

The Foundation is governed by a Board of Directors. The Directors serving during the year were as follows, unless otherwise stated:

G Macgregor OBE	(resigned 18 September 2025)
M R G Darbon	
M N Donaldson	(appointed 18 September 2025)
R L Fleet	
A J Lothian	(appointed 5 March 2026)
J F Murray	
N J Peel	
C J M Skinner	(appointed 18 September 2025)

Directors are appointed by the members. The Directors shall elect one of their own number as Chairman of the meetings of the Board of Directors and may determine the period for which the Chairperson is to hold office.

The Board of Directors, which can have up to eight members, meets twice a year and has sub-committees which are empowered by the Directors to allocate the funds and resources of The Foundation for the purpose of fulfilling the objects of The Foundation. The Chairmen of these sub-committees report from time to time to the Directors on the work of those sub-committees.

A Corporate Governance Manual covers such matters as the purpose of The Foundation, the role and structure of the Board, primary responsibilities, delegated powers and conflict of interest. The Governance Manual is intended to help the Directors exercise a high standard of governance of The Foundation and recognises the duties that the Directors have as both charity Trustees and Company Directors. Existing best practice has been incorporated and adapted to The Foundation's particular circumstances and the manual is intended to guide present and future Directors of The Foundation in the proper discharge of their duties.

The Corporate Governance Manual provides guidance for new Directors in respect of their legal obligations under Charity and Company Law. The new Directors also receive past minutes and agenda papers of previous meetings.

Management

The main responsibilities of the Directors are:

- i. determining and agreeing the strategic direction of The Foundation;
- ii. ensuring The Foundation is run lawfully in accordance with its Memorandum and Articles of Association and that all its activities fall within its charitable purposes;
- iii. agreeing a financial budget and monitoring performance and ensuring that The Foundation has adequate resources to undertake its charitable activities; and
- iv. making accurate and prompt annual returns to the Registrar of Companies and the office of the Scottish Charity Regulator (OSCR).

The day-to-day operations of The Foundation are delegated to the Executive team, being employees of R&A Group Services Limited.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

Principal risks and uncertainties

The Directors have a Risk Management Strategy which comprises:

- i. annual review of the risks the Charity may face;
- ii. establishment of systems and procedures to mitigate those risks identified and to minimise any potential impact on the Charity; and
- iii. a review of progress with regards to mitigation of identified risks at board meetings.

Section 172 Companies Act 2006

When performing their duty to promote the success of The Foundation under S172 of the Companies Act 2006 ('S172'), the Directors have considered the interests of stakeholders and the broader matters set out in section 172(1) (a) to (f). This includes considering the interests of stakeholders which will have an impact on the long-term success of The Foundation. This S172 statement explains how the Directors:

- have engaged with a number of stakeholders including employees, donors, grant recipients, suppliers, and the community;
- have had regard to employee interests and the need to foster The Foundation's business relationships with donors, grant recipients and suppliers; and
- took the above into consideration when taking decisions during the financial year.

The S172 statement focuses on matters of strategic importance to The Foundation and the level of information disclosed is consistent with the size and the complexity of the business.

General confirmation of Directors' duties

When making decisions, each Director ensures that he/she acts in the way he/she considers, in good faith, would most likely promote The Foundation's success for the benefit of its stakeholders as a whole.

References to "the Group" in this report refers to R&A Trust Company (No.1) Limited and its subsidiaries.

S172(1) (a) -The likely consequences of any decision in the long term

The Group's 5-year strategic plan, sets out how it intends to achieve the Group's purpose of making golf more accessible, appealing and inclusive and to ensure it is thriving in 50 years from now. The Group's Directors and the executive management of the Group oversee the delivery of this strategic plan. When considering the likely long-term consequences of their decisions the Directors of The Foundation are aligned with the Group's long-term strategic plans and take account of the interests of its stakeholders including donors, grant recipients, suppliers, employees, the community and the environment.

S172(1) (b) - The interests of the Group's employees

The Directors of The Foundation are aligned with the Group's broader strategies and goals in supporting its employees and protecting their interests, as outlined below.

The Group puts employee interests at the forefront of any decision making. The Group engages with its employees in providing support, guidance and regular communications. The Group conducts regular employee engagement surveys to allow employees the opportunity to provide feedback on the Group's progress in delivering its people strategy. The Group provides a programme of leadership and development training for the employees.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

General confirmation of Directors' duties (continued)

S172(1) (c) The need to foster the Foundation's business relationships with donors, grant recipients and suppliers

The Foundation is committed to establishing and maintaining strong business relations with its donors, grant recipients and supplier base across all parts of the organisation. The employees of the Group strive to treat those donors, grant recipients and suppliers honestly and fairly at all times.

S172(1) (d) -The impact of the Foundation's operations on the community and the environment

When considering the likely impact of The Foundation's operations on the community and the environment, the Directors of The Foundation are aligned with the Group's broader strategies and goals in supporting the community and the environment, as outlined below.

The Foundation supports a wide range of initiatives in line with its charity objectives in the UK and internationally. In 2025 this included support for the "Golf Memories" project which helped those living with dementia and memory loss. The Foundation also supported a pioneering health initiative that aimed to connect eligible primary care patients with appropriate golf facilities in their vicinity.

The Group's operations provide support to communities all over the world. The staging of golf championships delivers significant economic benefit to local communities around the championship venues, particularly in respect of The Open where the championship typically delivers over £150 million in economic benefit to the host region each year. The Group's role as joint governing body for the sport of golf provides support to golfing communities around the world. The Group's golf development activities also deliver financial support, much of which is provided by The Foundation, to communities around the world.

The Group operates a community golf facility in Glasgow with the local community at the heart of those operations.

The Group considers sustainability to be a key priority for golf, and an important element of the sport's contribution to wider society. The Group also provides best practice guidelines on all aspects of golf course management, to help grow golf throughout the world in a commercially and environmentally sustainable way.

S172(1) (e) - The desirability of the Foundation maintaining a reputation for high standards of business conduct

The Group has established a number of policies and programmes in seeking to maintain a reputation for high standards of business conduct, as set out below, and The Foundation strives to follow those policies and programmes at all times.

Employment Policies

The Group has a number of policies governing conduct in the workplace including diversity, equal opportunities, dignity at work, disciplinary matters, whistleblowing and compliance with the Bribery Act. The Group expects all employees acting on behalf of The Foundation to be familiar with and comply with those policies.

THE R&A FOUNDATION
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STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

General confirmation of Directors' duties (continued)

S172(1) (e) - The desirability of the Foundation maintaining a reputation for high standards of business conduct (continued)

Training Programme

The Group provides a training programme for employees to support them in the workplace to ensure the highest standards of business conduct. Those training modules include equality & diversity, modern slavery, mental health, anti-bribery, anti-money laundering and compliance with General Data Protection Regulation ("GDPR").

Human Rights

The Group recognises the important role our business plays in respecting human rights and works with partners and stakeholders to address human rights challenges. The Group is committed to operating the business responsibly and strives to maintain high ethical principles and to respect human rights. The Group has established a modern slavery statement (available at www.randa.org).

S172(1) (f) - The need to act fairly as between members of the Foundation

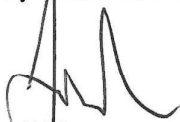
As there is one single member of the charity, R&A Trust Company (No. 2) Limited, the Directors have no material concerns related to the need to act fairly between The Foundation's members.

Principal decisions

Principal decisions have been defined as those decisions that are of a strategic nature and that are significant to any of The Foundation's stakeholders. Principal decisions made by the directors of the Company during the year are summarised below and involved engagement with the relevant stakeholders:

- Golf development strategies – The Foundation is engaged in the Group's strategic plan and in particular in supporting the golf development strategies underpinning that plan; and
- Philanthropy – The Foundation is engaged in the Group's plans for a philanthropic programme, with an aim of generating additional income for The Foundation to increase its financial resources to support the development of the sport.

By order of the Board



J.F. Murray
Date: 5 May 2026

THE R&A FOUNDATION
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Company has granted an indemnity to its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in Section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the Directors' report. Directors' and Officers' liability insurance is maintained by the Company for all Directors and officers of the Company.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also Directors of The R&A Foundation for the purposes of Company law) are responsible for preparing the Trustees' Annual Report (including the Strategic and Directors' Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under Company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable Company's transactions and 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.

The trustees are responsible for the maintenance and integrity of 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.

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, the company's financial position and the company's financial risk management policies are set out in the Strategic report.

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to assurance the Directors have received from R&A Trust Company (No.1) Limited ('the group'), that the Group will support the company as necessary, and has the ability to do so, until the end of the period considered by the Directors in their going concern assessment, being the period from the date of approval of the Annual report and Financial Statements to 31 December 2027.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

GOING CONCERN (continued)

The Directors believe that the group is well placed to manage its business risks successfully. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current financial reserves. As part of a regular budgeting process, the Directors have prepared a detailed trading budget and cash flow forecast for the going concern review period through to 31 December 2027.

The Directors have chosen the period to 31 December 2027 to assess going concern because this is the end date of the period used for the going concern assessment of the group upon whose continued financial support the company relies.

The R&A Group has substantial liquid reserves at 31 March 2026, cash of £30.4 million and investments of £156.3 million of which approximately 64% have daily liquidity. The Directors believe that the group is well placed to continue to manage its business risks successfully.

As a result of the group going concern assessment described above and the confirmation received that the group will support the company as necessary and has the ability to do so, to 31 December 2027, the Directors have a reasonable expectation that the company has adequate financial resources to continue to operate for at the period of the assessment to 31 December 2027. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

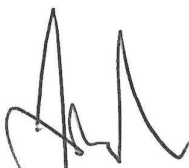
AUDIT AND INDEPENDENT AUDITORS

In accordance with Section 418, Directors' Reports shall include a statement, in the case of each director in office at the date the Directors' Report is approved, that:

- so far as the trustee is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

PricewaterhouseCoopers LLP will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

Approved by order of the members of the board of Directors and signed on their behalf by:



J F Murray

Date: 5 May 2026

Independent auditors' report to the members and trustees of The R&A Foundation

Report on the audit of the financial statements

Opinion

In our opinion, The R&A Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2025; the statement of financial activities (incorporating income and expenditure account), the statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the

Independent auditors' report to the members and trustees of The R&A Foundation (continued)

financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Directors' Report, including the Strategic Report, 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 have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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.

Auditors' responsibilities for the audit of the financial statements

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

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

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

Based on our understanding of the charitable company/industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the manipulation of financial results through journal entries. Audit procedures performed included:

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Independent auditors' report to the members and trustees of The R&A Foundation (continued)

- enquiries of management around known or suspected instances of non-compliance with laws and regulations, claims and litigation, and instances of fraud;
- understanding of management's controls designed to prevent and detect irregularities;
- review of the General Committee meeting minutes and other Board minutes;
- challenging management on key areas of estimation and judgement; and
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations impacting revenue.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of The Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Matters on which we are required to report by exception

Under the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to prepare financial statements in accordance with the small companies' regime. We have no exceptions to report arising from this responsibility.



David Sutherland (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
5 May 2026

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2025

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
			2025		2024
	Note		£000		£000
Income from:					
Donations and legacies:					
Charitable donation from R&A Trust Company (No.1) Limited		7,450	-	7,450	5,419
Philanthropic charitable donations		1,258	392	1,650	1,642
Endowment charitable donations		-	663	663	125
Other trading activities		287	-	287	280
Investment income – Unrestricted	3	391	-	391	498
Investment income – Restricted	3	-	-	-	9
Total income		9,386	1,055	10,441	7,973
Expenditure on:					
Charitable activities	5	(8,631)	(353)	(8,984)	(7,244)
Total expenditure		(8,631)	(353)	(8,984)	(7,244)
Net gains on investments	9,13	421	-	421	289
Net movement in funds		1,176	702	1,878	1,018
Reconciliation of funds:					
Total funds brought forward		15,234	13	15,247	14,229
Total funds carried forward		16,410	715	17,125	15,247

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 17 to 29 form part of these financial statements.

THE R&A FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: SC247050

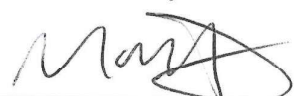
BALANCE SHEET
AS AT 31 DECEMBER 2025

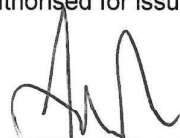
	Note	2025 £000	2024 £000
Fixed assets			
Heritage assets	8	2,200	2,161
Investments	9	4,940	3,821
		<u>7,140</u>	<u>5,982</u>
Current assets			
Debtors	10	2,267	1,086
Cash and cash equivalents	11,15	11,628	10,932
		<u>13,895</u>	<u>12,018</u>
Creditors: amounts falling due within one year	12	(3,910)	(2,753)
		<u>9,985</u>	<u>9,265</u>
Net current assets		<u>9,985</u>	<u>9,265</u>
Total assets less current liabilities		<u>17,125</u>	<u>15,247</u>
Charity funds			
Restricted funds	13	715	13
Unrestricted general funds	13	16,410	15,234
Total funds		<u>17,125</u>	<u>15,247</u>

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

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

The financial statements on pages 14 to 29 were approved and authorised for issue by the Directors and signed on their behalf by:


M R G Darbon


J F Murray

Date: 5 May 2026

The notes on pages 17 to 29 form part of these financial statements.

THE R&A FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Net cash provided by operating activities	14	1,003	403
Cash flows from investing activities			
Dividends received		7	8
Proceeds from sale of investments		743	811
Payments to acquire investments		(1,441)	(990)
Interest received		384	499
Net cash (used in)/ provided by investing activities		(307)	328
Change in cash and cash equivalents in the year		696	731
Cash and cash equivalents at the beginning of the year		10,932	10,201
Cash and cash equivalents at the end of the year	15	11,628	10,932

The notes on pages 17 to 29 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1. General information

The R&A Foundation is a Company limited by guarantee and incorporated in Scotland. The address of its registered office is Beach House, Golf Place, St Andrews, Fife, KY16 9JA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The R&A Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Company's business activities, together with the factors likely to affect its future development, the Company's financial position and the Company's financial risk management policies are set out in the Strategic Report.

2.2 Going concern

The company's business activities, together with the factors likely to affect its future development, the company's financial position and the company's financial risk management policies are set out in the Strategic report.

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to assurance the Directors have received from R&A Trust Company (No.1) Limited ('the group'), that the Group will support the company as necessary, and has the ability to do so, until the end of the period considered by the Directors in their going concern assessment, being the period from the date of approval of the Annual report and Financial Statements to 31 December 2027.

The Directors believe that the group is well placed to manage its business risks successfully. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current financial reserves. As part of a regular budgeting process, the Directors have prepared a detailed trading budget and cash flow forecast for the going concern review period through to 31 December 2027.

The Directors have chosen the period to 31 December 2027 to assess going concern because this is the end date of the period used for the going concern assessment of the group upon whose continued financial support the company relies.

THE R&A FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

Going concern (continued)

In assessing the basis of preparation of the financial statements, the Directors have undertaken an assessment of the group's cash forecast, considering financial forecasts and scenario analysis to test the adequacy of the group's liquidity. This assessment included downside scenarios which specifically model the potential impact if the staging of The Open had to be curtailed for any reason. The Directors have also given consideration to the following factors:

- the majority of the group's business is based around the staging of The Open. The group's insurance policy for this championship, affords a large degree of insulation against any potential loss of net revenue arising from any cancellation, curtailment or postponement of the event, excluding the impact of communicable diseases;
- if government restrictions were re-introduced to control the effects of communicable diseases, contingency plans are in place for The Open to be staged behind closed doors, with no spectators, which would allow the group to mitigate to a large extent any potential loss of net revenue arising from that curtailment; and
- taking account of the liquidity of the group's investments, the group would have sufficient cash and reserves even under the worst-case scenario of The Open being cancelled, before further mitigations have been identified to preserve cash if required to provide additional comfort regarding liquidity.

The R&A Group has substantial liquid reserves at 31 March 2026, cash of £30.4 million and investments of £156.3 million of which approximately 64% have daily liquidity. The Directors believe that the group is well placed to continue to manage its business risks successfully.

As a result of the group going concern assessment described above and the confirmation received that the group will support the company as necessary and has the ability to do so, to 31 December 2027, the Directors have a reasonable expectation that the company has adequate financial resources to continue to operate for at the period of the assessment to 31 December 2027. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.3 Critical accounting judgements and estimation uncertainty

In the application of the Company's accounting policies the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make 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.

Critical accounting judgements

The Directors consider there to be no critical accounting judgements recognised in preparing the financial statements.

Key sources of estimation

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period, which may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Investments

The Company's investments are designated upon initial recognition at fair value through profit and loss and are measured at subsequent reporting dates at fair value. For listed investments, fair value is deemed to be the bid market value. Unlisted investments are valued at fair value by the Directors following the advice of the investment managers. The investment managers' unlisted investment policy applies methodologies consistent with the International Private Equity and Venture Capital Valuation guidelines ('IPEV'). Investments in subsidiaries are carried at cost less provision for permanent diminution in value. The movement in the value of investments, whether realised or unrealised, is shown in the Statement of Financial Activities for that period.

2.4 Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income represents gifts and donations, rental income and investment income. Gifts and donations are recognised as revenue in the year that it is received. Rental income and investment income are recognised when they are measurable, the organisation has legal title and there is a reasonable certainty of receipt.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a committed but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated impairment losses.

Where heritage assets have been donated, the initial valuation at fair value has been treated at deemed cost. After recognition, in this situation, the assets are measured at deemed cost less any accumulated impairment losses.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is provided on the following basis:

Charity heritage assets	- Not depreciated
-------------------------	-------------------

The heritage assets relate to a golf library collection of books and publications which are collectibles. The Directors do not expect these to diminish in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.8 Leased assets

Rentals in respect of all operating leases are included in resources expended as incurred.

2.9 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 the 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 presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash at bank and short-term deposits. Short-term deposits are available with two day's notice and have no fixed maturity date.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE R&A FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

3. Investment income

	Restricted funds 2025 £000	Unrestricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Dividends	-	7	7	8
Interest received	-	384	384	499
	-			
		391	391	507

4. Analysis of Grants

	Opening 2025 £000	Awarded 2025 £000	Disbursed 2025 £000	Closing 2025 £000	Awarded 2024 £000
Create Compelling Propositions	-	-	-	-	-
Develop & Align Facilities and Formats	-	132	132	-	186
Engage with All Golfers	-	957	957	-	986
Global Development Alliance	-	46	46	-	51
Professional Golf	-	1,218	1,218	-	1,164
National Body Development Grants	-	2,414	2,414	-	1,913
Sustainability	220	345	417	148	214
Transform Womens and Girls Golf	-	146	146	-	159
Philanthropic grants	-	1,826	1,826	-	881
	220	7,084	7,156	148	5,554

	Opening 2024 £000	Awarded 2024 £000	Disbursed 2024 £000	Closing 2024 £000	Awarded 2023 £000
Create Compelling Propositions	-	-	-	-	5
Develop & Align Facilities and Formats	118	186	304	-	118
Engage with All Golfers	-	986	986	-	866
Global Development Alliance	-	51	51	-	10
Professional Golf	-	1,164	1,164	-	965
National Body Development Grants	75	1,913	1,988	-	2,000
Sustainability	220	214	214	220	179
Transform Womens and Girls Golf	-	159	159	-	235
Philanthropic grants	-	881	881	-	-
	413	5,554	5,747	220	4,378

THE R&A FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

5. Analysis of expenditure on charitable activities

	Unrestricted Funds	Restricted Funds	Total
	2025	2025	2025
	£000	£000	£000
Grants awarded	5,258	-	5,258
Philanthropic Grants Awarded	1,473	353	1,826
	6,731	353	7,084
Other operating costs	1,900	-	1,900
	8,631	353	8,984

	Unrestricted Funds	Restricted Funds	Total
	2024	2024	2024
	£000	£000	£000
Grants awarded	4,673	-	4,673
Philanthropic Grants Awarded	711	170	881
	5,384	170	5,554
Other operating costs	1,690	-	1,690
	7,074	170	7,244

Other costs comprise support costs of £1,882,000 (2024: £1,670,000) and governance costs of £18,000 (2024: £20,000).

The Company leases a property from The Royal and Ancient Golf Club of St Andrews, which is sub-let to a third party, with rent being paid and charged at market rates. The operating lease charge for this property is £287,000 (2024: £273,000).

THE R&A FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

6. Auditors' remuneration

	2025	2024
	£000	£000
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	12	12

7. Staff costs

The Company has no employees. A management charge of £1,590,000 (2024: £1,393,000) in respect of administration costs has been made by R&A Group Services Limited. The compensation paid to key management personnel in respect of services provided to the Company during the year is £163,000 (2024: £166,000) being an apportionment of the total compensation costs incurred in respect of those personnel.

Certain Directors of the Company receive remuneration covering their services as Directors and/or executives across a number of companies including The R&A Foundation. An allocation is made amongst these companies reflecting the services provided to each Company. The allocated amounts in respect of the Company are as follows:-

Aggregate remuneration in respect of qualifying services	£33,000	(2024: £38,000)
Aggregate contributions to defined contribution pension schemes	£Nil	(2024: £Nil)

8. Heritage assets

The R&A Foundation received by way of a donation, a golf library collection comprising around 30,000 volumes including books and publications. There were additions to the library during 2025 of £39,000 (2024: £Nil) The library collection is considered to comprise tangible assets of historical and artistic importance and is held and maintained principally for its contribution to knowledge and culture.

The library collection was donated to The R&A Foundation and is valued at deemed cost, being the cost to the donor of acquiring the library collection and adjusted for any impairment in value at each year end.

A bibliography is maintained to record the items held in the library collection and to record any acquisitions or disposals during the year.

Assets recognised at cost

	Deemed cost 2025 £000
Carrying value at 1 January 2025	2,161
Additions	39
Carrying value at 31 December 2025	2,200

THE R&A FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

9. Investments

	Cash	Quoted	Total
	£000	Investments	£000
Cost or valuation		£000	
At 1 January 2025	510	3,311	3,821
Additions	392	1,049	1,441
Disposals	(133)	(608)	(741)
Fair value adjustment	-	419	419
At 31 December 2025	769	4,171	4,940

During the year the Company disposed of investments of £608,000. On disposal the Company realised a gain of £2,000.

Included in cash investments are endowment investments from philanthropic donations totaling £991,000 (2024: £312,000).

10. Debtors

	2025	2024
	£000	£000
Amounts falling due within one year		
Other debtors	959	30
Prepayments and accrued income	1,308	1,056
	2,267	1,086

11. Short term deposits

	2025	2024
	£000	£000
Bank deposit accounts	4,918	10,635

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

12. Creditors: Amounts falling due within one year

	2025 £000	2024 £000
Trade creditors	142	119
Other creditors	1,131	609
Accruals and deferred income	2,637	2,025
	<u>3,910</u>	<u>2,753</u>

13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2025 £000	Income £000	Expenditure £000	Gains £000	Balance at 31 December 2025 £000
Unrestricted funds					
General Funds - all funds	15,234	9,386	(8,631)	421	16,410
Restricted funds					
Restricted funds	13	1,055	(353)	-	715
Total of funds	<u>15,247</u>	<u>10,441</u>	<u>(8,984)</u>	<u>421</u>	<u>17,125</u>

Statement of funds - prior year

	Balance at 1 January 2024 £000	Income £000	Expenditure £000	Gains £000	Balance at 31 December 2024 £000
Unrestricted funds					
General Funds - all funds	14,225	7,794	(7,074)	289	15,234
Restricted funds					
Restricted funds	4	179	(170)	-	13
Total of funds	<u>14,229</u>	<u>7,973</u>	<u>(7,244)</u>	<u>289</u>	<u>15,247</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

14. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £000	2024 £000
Net (expenditure) / income for the year (as per Statement of Financial Activities)	1,878	1,018
Adjustments for:		
Net gain on investments	(421)	(289)
Increase in debtors	(1,181)	(548)
Decrease in grant accruals	(72)	(75)
Increase in creditors excluding grant accruals	830	28
Increase in deferred restricted donations	399	776
Investment income	(391)	(507)
Purchase of Heritage Asset	(39)	-
Net cash provided by operating activities	1,003	403

15. Analysis of cash and cash equivalents

	2025 £000	2024 £000
Cash in hand	6,710	297
Short term deposits	4,918	10,635
Total cash and cash equivalents	11,628	10,932

16. Analysis of changes in cash

	At 1 January 2025 £000	Cash Flows £000	At 31 December 2025 £000
Cash at bank and in hand	297	6,413	6,710
Short term deposits	10,635	(5,717)	4,918
Cash and cash equivalents	10,932	696	11,628

THE R&A FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

17. Operating leases

The Company leases a property from The Royal and Ancient Golf Club of St Andrews, on a rolling annual basis, which is sub-let to a third party. The Company therefore has receivables under non-cancellable operating leases of property as a lessee and lessor as follows:

	Receivable as Lessor	
	2025	2024
	£000	£000
Not later than one year	287	287
Later than one year and not later than five years	1,147	1,147
Later than five years	358	645

18. Related party transactions

Transactions and balances with sister entities under common control not within the scope of the exemption outlined below:

	2025	2024
	£'000	£'000
The Royal and Ancient Golf Club of St Andrews		
Expenditure	287	273
Creditors	57	-
R&A Group Services		
Expenditure	1,218	1,393
Debtors	9	2
Creditors	384	298
R&A Championships		
Income	960	1,084
Expenditure	938	535
Donations	-	-
Debtors	950	20
Creditors	690	311
R&A Golf and Leisure		
Expenditure	176	101
Creditors	-	-
R&A World Golf Museum		
Donation	150	150

The Company has taken advantage of the exemption in FRS 102 not to disclose transactions with its parent undertaking and fellow wholly owned subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

19. Legal status of charity

The Company is limited by guarantee of the members to a maximum amount of £1 each and does not have a share capital.

20. Ultimate controlling party

The directors consider that the parent undertaking is the R&A Trust Company (No.2) Limited, a company registered in Scotland. The ultimate controlling parent company and ultimate controlling party is The Royal and Ancient Golf Club of St Andrews.