THE ROYAL HIGHLAND SOCIETY DEVELOPMENT TRUST

Scottish Charity Number SC024206

REPORT AND FINANCIAL STATEMENTS

FOR
THE YEAR ENDED

30 NOVEMBER 2025

ROYAL HIGHLAND CENTRE
INGLISTON, NEWBRIDGE
EDINBURGH
EH28 8NB

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number
SC024206

Address
Ingliston House
Royal Highland Centre
Ingliston
Edinburgh

Advisers
Bank
The Royal Bank of Scotland
RBS Gogarburn
175 Glasgow Road
Edinburgh
EH12 1HQ

Auditor
Azets Audit Services
Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Solicitors
Shepherd & Wedderburn LLP
9 Haymarket Square
Edinburgh
EH3 8FY

Insurance Brokers
December 2024 to September 2025:
Marsh Brokers Ltd
Orchard Brae House
30 Queensferry Road
Edinburgh
EH4 4QG

From September 2025:
Howden
One Creechurch Place
One Creechurch Lane
London
EC3A 5AF

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Fund was established under Deed of Trust registered in the Books of Council and Session in 1995, supplemented by a supplementary deed of trust dated 2009.

Trustees and Officers

During the year ended 30 November 2025 the Trustees were :

J J Logan
D Bridgeford
S Lawrie
A Paterson (appointed May 2025)

The Manager of the Trust was:
N R Wood, RHASS Finance Director

The Secretary of the Trust was:
MC Livingstone, RHASS Secretary

Appointment of New Trustees

The Trustees of the Royal Highland Society Development Trust (RHSDT) are responsible for electing trustees to fill any vacancies, with such trustees not to be appointed without the consent of RHASS. The financial statements of the Trust are consolidated into the RHASS financial statements on the basis of indirect control through appointment of Trustees.

Objectives, Aims and Activities

The Trust's principal objects are to promote agriculture throughout Scotland, to encourage good animal husbandry and rural employment through the provision of grants or financial assistance to the Royal Highland and Agricultural Society of Scotland (RHASS) and to assist with the development and maintenance of equipment as well as the improvement of the land and buildings belonging to RHASS.

Award Making Policy

Under the Deed of Trust, The Royal Highland Society Development Trust can only give grants or financial assistance to RHASS. These grants can only be used by RHASS for the development, maintenance, equipment or improvement of the land and buildings belonging to RHASS at Ingliston or for any other purpose or purposes of RHASS. These awards are made at the discretion of the Board of Trustees, who are appointed by RHASS Council of Trustees.

Risks

The Trustees confirm that the major risks to which the Charity is exposed have been reviewed and systems established to mitigate those risks.

Reserves

The Trust holds unrestricted reserves of £14,899 (2023 - £14,663), sufficient for the anticipated future level of spend in providing financial support for the development of RHASS land and property, for at least two years. The RHASS development plan will ensure the security of future revenues, assisting RHASS in meeting its charitable objectives.

Review of Financial Position

The Trust's work is entirely reliant on income and investment returns from its investment portfolio and funds held in its banks. The Trust's investment portfolio had a fair market value as at 30 November 2025 of £nil (30 November 2024: £nil). Cash held as part of the investment portfolio for reinvestment at 30 November 2025 was £185 (30 November 2024: £253). Other cash was held with RBS totaled £14,714 (30 November 2024: £14,549).

The investment portfolio generated interest income of £4 during the year (2023: £7). No further income was generated through bank interest in 2025 (2024: £204). The trust made payments to its stockbroker of £72 for LEI levy (2024: £72). The Trust awarded grants during the year of £Nil (2024: £Nil).

At 30 November 2025 the Trust had net assets of £479,899, made up of £185 investment cash, £465,000 legacy income and £14,714 cash in bank.

The Directors believe that, whilst recognising the uncertainty economically, that the financial outlook through to at least 12 months from the approval of these financial statements is manageable and accordingly, these financial statements are prepared on a going concern basis.

Investment Policy

The trustees pursue a policy where the appropriate proportion of its funds will be invested in a manner where the capital is not at risk. No funds should be invested in products that have longer than five year maturity and return a yield in line with market norms for the type of product. They can be invested for both interest and capital growth.

The following instruments are permitted:
- Deposit accounts
- Government bonds
- Equity based instruments

The majority of directly invested funds will be denominated in GBP, in order to reduce the effects of exchange rate fluctuations. At any time, no more than 10% of directly held investments should be held in foreign currency denominated holdings.

The investment objective adopted by the Trustees is to deliver a long term total return, net of investment manager costs of between 3.00% and 3.50% per annum.

Achievements and Future Plans

In Janaury 2026, the Trust was in receipt of a Legacy donation of £465,000 for the furthermont of the RHASS charity works. This payment represents an interim value, and its use is at the descrition of the RHSDT Trustee's.

The Trustees continue to consider the future plans of the Trust going forward and will take forward plans once these have been agreed and approved. At the time of approving these financial statements, the Trustees have not approved any changes to the plans of the Trust going forward.

Dennis Bridgeford   Dennis Bridgeford
Chair
Date: 19/05/2026

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable 2015 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL HIGHLAND SOCIETY DEVELOPMENT TRUST

Opinion

We have audited the financial statements of The Royal Highland Society Development Trust (the 'charity') for the year ended 30 November 2025 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 November 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC's) Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act 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 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 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 is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

The 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 and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the trustees, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, environmental, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the charity's legal advisors.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested adjusting entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Use of our report

This report is made solely to the charity’s trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity’s trustees, as a body, those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity’s trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services .

Azets Audit Services
Statutory Auditor
Chartered Accountants
Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Date: 20 May 2026

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of Financial Activities (incorporating Income and expenditure account)
for the year ended 30 November 2025

	Note	2025 £ Unrestricted	2025 £ Restricted	2025 £ Total	2024 £ Total
Income from:					
Income from investments					
Interest receivable	3	169		169	211
Donations	4	1,840	465,000	466,840	1,750
		2,009	**465,000**	**467,009**	1,961
Expenditure on:					
Charitable Activities					
Investment management costs	5	72	-	72	72
Audit Fee	6	1,840	-	1,840	1,750
Total expenditure		**1,912**	**-**	**1,912**	1,822
Net income on operating activities		**97**	**465,000**	**465,097**	139
Realised gains / (losses) on investments		-	-	-	-
Net income and net movement on funds		**97**	**465,000**	**465,097**	139
Reconciliation of funds					
Funds brought forward		14,802	-	14,802	14,663
Total funds carried forward		**14,899**	**465,000**	**479,899**	14,802

Balance Sheet as at 30 November 2025

	Note	2025	2024 £
Fixed Assets			
Investments	7	185	253
Current Assets			
Debtors		465,000	
Cash at Bank		14,714	14,549
Total current assets		**479,714**	14,549
Net assets		**479,899**	14,802
Represented by funds of the charity:	8		
Unrestricted funds		14,899	14,802
Restricted Funds		465,000	-
Total charity funds		**479,899**	14,802

The financial statements were approved by the board of trustees 19th May 2026
Signed on behalf of the board of trustees:

Dennis Bridgeford
Chairman Dennis Bridgeford

Notes to the financial statements at 30 November 2025

1 - Accounting Policies

(a) Basis of preparation and assessment of going concern

The Financial Statements have been prepared under the historical cost convention with exception of the investments which are included at fair value, their market value.The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities SORP (FRS102), the Charities and Trustee Investment (Scotland) Act and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trust constitutes a public benefit entity as defined by FRS102.

At 30 November 2025 the Trust had net assets of £479,899, made up of £185 investment cash, £465,000 legacy income and £14,714 cash in bank.

The Trust now has no material non-discretionary expenditure. The Trustees believe that, whilst recognising the uncertainty economically, that the financial outlook through to at least 12 months from the approval of these financial statements is manageable and accordingly, these financial statements are prepared on a going concern basis.

(b) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

(c) Income recognition

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment manager of the dividend yield of the investment portfolio.

(d) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair values as at the balance sheet date using the closing market prices as valued by the Trust's appointed investment managers. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(e) Gains and losses on investments

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are recognised in the Statement of Financial Activities.

(f) Expenditure recognition

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

(g) Grants

Under the Deed of Trust, the charity can only give grants or financial assistance to the Royal Highland and Agricultural Society of Scotland (RHASS) unless such grant or financial assistance shall have been offered to RHASS and declined by RHASS. These grants can only be used by RHASS for the development, maintenance, equipment or improvement of the land and buildings belonging to the Society or for any other purpose or purposes of RHASS. These awards are made at the discretion of the Board of Trustees.

(h) Taxation

The Trust has charitable status and is exempt from taxation. Donations and legacies to the Trust attract taxation relief for the donor. The Trust is not registered for Value Added Tax and accordingly any such unrecoverable tax is included in the expenditure concerned.

(i) Cash

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

Notes to the financial statements at 30 November 2025

(j) Financial assets and financial liabilities

Financial instruments are recognised in the statement of financial activities when the Charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price and subsequently accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at the market rate of interest for similar debt instrument.

Financial instruments are classified as basic in accordance with Chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest rate method, other than listed investments which are recognised initially at cost and subsequently at fair value, which is normally mid-market value. Where the fair value cannot be reliably measured, they are recognised at cost less impairment. Gains and losses on listed investments are recorded through net income.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

(k) FRS 102 exemption

The Trust has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' not to prepare a cash flow statement.

(l) Judgements in applying accounting policies and key sources of estimation uncertainties

Management considers there to be no material judgements or estimates required in the presentation of these financial statements.

2 - Related party transactions and Trustees' remuneration and expenses

(a) Administration

The Trust is administered by the Royal Highland and Agricultural Society of Scotland (RHASS). RHASS is a registered charity (SC004561) and has the same registered office address as RHSDT. Its charitable objects are the advancement of: education; citizenship and community development; heritage, culture and science; environmental protection and improvement; and animal welfare. Its purpose is to support and encourage the best of agriculture, to communicate and bring to life its value as well as to develop a greater appreciation of the impact of agriculture on everyday life. It prepares consolidated accounts which incorporate the accounts of RHSDT, which are available from its registered office.

As at 30 November 2025 the Trust had three Trustees in common with the Royal Highland and Agricultural Society of Scotland.

There were no related party transactions other than the payment of the audit fee by RHASS (note 6).

(b) Key management personnel remuneration

The trustees consider the board of trustees (including the chief executive of RHASS), the manager of the trust and the secretary as compromising the key management personnel in charge of directing and controlling the trust and running and operating the trust on a day to day basis.

The Trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2024: nil). During the year no reimbursements were made to Trustees for expenses (2024: nil).

No remuneration is made to the chief executive of RHASS, manager of the trust and secretary by the trust. Their salaries and related costs are paid by the Royal Highland and Agricultural Society of Scotland in its entirety. It was not possible to accurately estimate the proportion of their remuneration which has been incurred whilst managing the affairs of the Trust, accordingly no amount has been recognised within these financial statements.

(c) Related party disclosures

No payments to the related party, RHASS were made during the year.

(d) Trustee expenses

The trustees give of their time freely and make no claim for expenses through the Trust.

Notes to the financial statements at 30 November 2025 (continued)

3 - Investment Income

Investment income is derived from investment funds which the Trust is entitled to receive during the period of the accounts.

	2025 £	2024 £
Dividends	-	-
Bank Interest	169	211
	169	211

4 - Donation Income

	2025 £	2024 £
Donation in Kind - Audit	1,840	1,750
Legact Income	465,000	-
	466,840	1,750

The trust received part of a legacy award in Janaury 2026, with the valuation of the award known at year-end.

5 - Investment management costs

	2025 £	2024 £
Portfolio management fees	**72**	72

6 - Audit Fee

The auditors remuneration constituted of an audit fee of £1,840 (2024: £1,750). This cost was borne by the Royal Highland and Agricultural Society of Scotland and is treated as donation in kind.

7 - Investments

Investments are included at fair value, their market value, and are held primarily to provide an investment return for the Trust.

Currently investments are held as cash pending reinvestment.

	2025 £	2024 £
Investments		
Market value at 1 December 2024	-	-
Gains/(losses)	-	
Disposals at current value	-	-
Market value at 30 November 2025 excluding portfolio cash	-	-
Portfolio cash held pending reinvestment	185	253
Market value at 30 November 2025 including portfolio cash	**185**	253

8 - Analysis of charitable funds

a) The unrestricted funds of £14,899 (2024: £14,802) are available to be spent for any of the purposes of the charity.

b) the restricted fund of £465,000 can only be distrbuted to RHASS, for the advancement of the RHASS charity and in memory of the deceased member.