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Charity registration number SC045779 (Scotland)

Company registration number SC504433 (Scotland)

ROYAL HIGH SCHOOL PRESERVATION TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

Docusign Envelope ID: 8A02341A-5C8F-83EF-8182-D49696306A07

ROYAL HIGH SCHOOL PRESERVATION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Richard Austin WS Rab Bennetts OBE Nicola Gordon Dame Carol Colburn Grigor DBE Dr Brian Lang CBE Colin Liddell MBE WS Hector Martin Carol Nimmo (Chair) Gillian Woolman
Chief executive and development director	Kate Smith
Charity number (Scotland)	SC045779
Company number	SC504433
Registered office	Colinton Suite Strathmore Offices 91 George Street Edinburgh EH2 3ES
Independent auditor	Sumer Auditco Limited 41 Charlotte Square Edinburgh EH2 4HQ
Bankers	Hampden & Co 9 Charlotte Square Edinburgh EH2 4DR Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB
Investment advisors	CCLA Investment Management Limited One Angel Lane London EC4R 3AB

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ROYAL HIGH SCHOOL PRESERVATION TRUST

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ROYAL HIGH SCHOOL PRESERVATION TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2026

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The Trustees' annual report also constitutes a Directors' Report for the purposes of company law.

What We Do: Strategic Objectives

The Trust was formed to conserve and preserve the former Royal High School buildings at Calton Hill in Edinburgh, built between 1825 and 1829 to the designs of architect Thomas Hamilton, and to identify and establish a suitable and sustainable use of those buildings, all in a setting which would complement the same.

The specific charitable purposes of the Trust are as follows:

1. Conservation of the Thomas Hamilton Buildings
2. Protection of the setting of the Thomas Hamilton Buildings
3. An economically sustainable use for the site
4. A culturally suitable use for the site
5. A suitable and sustainable public or charitable use for the site.

Strategic report

The description under the headings "How have we done: Achievements and performance", "Financial review" and "Plans for future periods" meet the company law requirements for the Trustees to present a strategic report.

How have we done: Achievements and performance

During 2025 our design team continued to work through detailed design of the building and surrounding grounds. The design development included input from RHSPT trustees and team combined with feedback from prospective partner organisations, tenants and performers into the technical capabilities and infrastructure of the main hall, performance rooms, rehearsal rooms and recording studio. The design evolved in response to operational planning and associated requirements for the bar, foyer, café and conference facilities. An accessibility audit was undertaken which informed amendments to design and the inclusion of a changing places toilet facility. At the end of May 2025, the design team reached a conclusion on Royal Institute of British Architects (RIBA) Stage 4.

During February 2025, Robertson Group started onsite to undertake an enabling works contract. The aim was to understand the condition and gain further information on the structure of the historic building.

The enabling works included asbestos survey, building condition survey, timber rot, water ingress, ground penetrating radar survey to determine the extent of steel reinforcement within existing concrete floor slabs, and internal structural investigations to allow the structural engineer to assess load bearing characteristics and proposed locations for wall openings.

Due to the extensive excavations necessary to create the planned lower ground floor the rock levels and composition were assessed. Through excavation it was discovered that the rock below the main hall was friable in nature, fragmenting into smaller pieces when being broken out. This finding led to a revision of the structural engineer and architectural designs at the end of RIBA Stage 4. The enabling works therefore provided significant benefit for the design and helped reduce risk of contract changes once we enter into the main construction contract.

In November 2025, RHSPT appointed Turner & Townsend as Project Manager for the construction phase of the project.

At the end of December, RHSPT signed a £47m main works construction contract with Robertson Group. The construction contract will progress works to restore the Royal High School to its former glory through the creation of a National Centre for Music. The redevelopment will create three performance spaces, rehearsal rooms, a recording studio, interpretation and learning spaces, café, events and conference spaces, and public landscaped gardens with stunning views across the city will provide an unparalleled cultural experience.

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During the initial months of the main works construction contract RHSPT has received monthly progress reports from Robertson Group, Project Manager (Turner & Townsend) and cost reports (Gardiner & Theobald) as well as all consultants who form the design team.

Financial review

(a) Financial Review

Total income for the year was £36.30m (2025: £11.74m) of which £29.04m was donations received (2025: £10.34m). Expenditure on charitable activities was £0.57m (2025: £1.03m). During the year, the Trust spent £9.21m on amounts capitalised as leasehold improvements. Total funds at the end of the year were £55.08m (2025: £19.35m).

(b) Funding

The principal source of funding for the Trust is Dunard Fund. Throughout 2025 RHSPT continued to raise funds for the capital project. In July 2025 the National Lottery Heritage Fund approved the application submitted in February 2025 for funding of £4.9m. Other philanthropic support from individuals and grant making trusts was secured during the year. RHSPT is extremely grateful for the generosity of every one of our donors.

(c) Reserves policy

The Trustees seek to retain six-months of costs within reserves and are confident in their ability to resource this going forward. At 31 March 2026, the Trust held unrestricted reserves of £8,069,893 (2025: £647,130), which is £7,850,367 above the target level. The Trustees consider the funds held by the Trust are sufficient to meet its reasonably foreseeable needs. The investment approach of the directors and trustees is that these be held as cash on deposit to be available to meet those needs. In addition to unrestricted reserves, the Trust held restricted funds which have been received for specific purposes, these funds are not available for the general purposes of the Trust and can only be applied in accordance with the conditions attached to the funding. When assessing reserve levels, the Trustees focus on unrestricted funds, as restricted funds are committed to their intended purpose and are not available to meet the Trust's general operating costs.

(d) Investment policy.

RHSPT investment policy is to hold its investments in cash or near cash assets and spread cash deposits over a wide portfolio. RHSPT holds sufficient funds to cover the next month’s anticipated invoices in its bank account.

(e) Going concern.

The Trustees have assessed the Trust's financial position and future funding requirements and have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, being the period up to the targeted completion of construction. In making this assessment, the Trustees have considered the Trust's current cash balances, projected income and expenditure and the level of reserves available. The Trust has sufficient financial resources to meet its obligations as they fall due. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Our assessment of the risks facing the Trust

The Trustees have conducted a review of the major risks to which the charity is exposed, and a register of risks is maintained and updated on a regular basis by the Management team and reviewed by the Board of the Trust.

The key risks identified by the Trustees now relate to the delivery of the capital project, in particular the costs and physical construction of the project. The Trustees are confident that these risks can be managed and controlled through the combined skills and experience of the Trustees, the executive and the Trust's professional advisors.

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Our plans for future periods

The Trustees are delighted with the progress made in the last year and look forward to progressing the redevelopment of the former Royal High School into a National Centre for Music in the year ahead. To enable the Trust to do this it will;

- Oversee and manage the delivery of the construction contract including managing risks, quality and performance.
- Oversee and manage the project budget and project programme.
- Continue the fundraising campaign to secure the final proportion of required funding.
- Develop lease arrangements with the National Centre for Music (registered charity SC052564).

Structure, governance and management

The Royal High School Preservation Trust ("RHSPT" or "the Trust") is a Scottish company limited by guarantee registered under Company Number SC504433, and also registered as a Scottish Charity under Scottish Charity Number SC045779.

The RHSPT was incorporated on 27 April 2015. Under its Articles of Association, the charitable purposes of the Trust are "to conserve the history and heritage of the buildings comprising the Old Royal High School, Calton Hill, Edinburgh (which was built originally in 1825-1829) and to preserve these buildings for appropriate uses commensurate with their history, and both Category A-listed and UNESCO World Heritage status".

Sustainability

The Trustees recognise the importance of operating in a manner that is environmentally responsible, socially beneficial and supported by effective governance arrangements.

(a) Environmental

The Trust seeks to minimise the environmental impact of its operations where practical and proportionate to its activities. During the year, the Trustees continued to consider opportunities to reduce paper usage through increased digital communication and record keeping. The Trust also seeks to minimise unnecessary travel, making use of virtual meetings where appropriate, ensuring environmental considerations form part of operational decision-making and supplier selection where relevant.

Sustainability continues to be driven through a “reuse first” approach, with the refurbishment of the existing listed building forming the core of the capital project strategy. The Stage 4 design confirms a fabric-first approach where improvements are feasible, supported by efficient building services and controls to reduce operational energy demand over the life of the building. The building services strategy is based on fossil-fuel-free heating (air source heat pumps) and improved monitoring and controls (BEMMS), with the intention of supporting efficient operation and enabling performance to be tracked and optimised once the building is in use. In parallel, the landscape strategy is designed to increase urban greening and biodiversity through planting and habitat measures, alongside inclusive access and durable, long-life materials.

(b) Social

The Trust's principal charitable purpose is to deliver cultural, community and public benefit. The Trustees are committed to ensuring that activities are conducted in a manner that promotes equality of opportunity and accessibility. The Trust aims to maintain a respectful and supportive environment for all individuals with whom it engages.

(c) Governance

The Trustees recognise that strong governance underpins the effective delivery of the Trust's charitable objectives. Responsibility for governance rests with the Board of Trustees, which meets regularly to oversee strategy, risk management, financial performance and regulatory compliance. The Trustees consider emerging environmental, social and governance matters as part of the Trust's risk management framework. Appropriate policies and procedures are maintained to support sound decision-making, financial stewardship and compliance with legal and regulatory requirements. The Trustees will continue to review their approach to sustainability and ESG matters to ensure that these remain aligned with the Trust's charitable objectives and stakeholder expectations.

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ROYAL HIGH SCHOOL PRESERVATION TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Richard Austin WS
Rab Bennetts OBE
Nicola Gordon
Dame Carol Colburn Grigor DBE
Dr Brian Lang CBE
Colin Liddell MBE WS
Hector Martin
Carol Nimmo (Chair)
Gillian Woolman

Trustees are appointed as required based on the skills and experience they can bring to the charity. No new Trustees were appointed during the reporting period. All Trustees follow a thorough induction programme, covering the aims of the organisation, the Code of Conduct and an introduction to the work of individual departments.

Registers of Interests and Gifts and Hospitality are maintained in accordance with best practice. A Trustee Register of Interests is maintained, and updated annually, which complies with the requirements of the Ethical Standards in Public Life (Scotland) Act 2002. Trustees are required to update the register within 28 days of a change in the interests they must register. Director and Officer Management Liability Insurance is in place with AXA Insurance UK plc.

The directors of the company are also the charity trustees for the purposes of charity law. Under the requirements of the Articles of Association the number of directors and trustees shall be no fewer than three nor more than twelve, or thirteen when Article 8.1.10 is invoked. The current directors and trustees are as noted above.

The Trust is chaired by Carol Nimmo and has three Committees: Project Committee, Finance and Risk Committee and Fundraising and Communications Committee. Each Committee meets no less than four times a year and has terms of reference which are approved on an annual basis.

The Trust is a company limited by guarantee and is also an independent Scottish charity, whose directors and trustees set the strategy and policy of the Trust, generally control, and supervise the activities of the Trust and, in particular, are responsible for monitoring its financial position and, where there are no employees or managers appointed, are responsible also for the day-to-day management of the Trust, and, where necessary, act as members of the Trust.

No Trustees are remunerated. Employee remuneration is reviewed by the Finance and Risk Committee on an annual basis with a recommendation to the Board as part of the annual budget process.

Auditor
In accordance with the company's articles, a resolution proposing that Sumer Auditco Limited be reappointed as auditor of the company will be put at a General Meeting.

Approval of the Trustees' Annual Report (including Directors' and Strategic Report)
This report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Trustees' report (including Directors' and Strategic report) was approved by the Board of Trustees and signed on its behalf by:

Signed by:
Carol Nimmo
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Carol Nimmo (Chair)
Chair

25 August 2026

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ROYAL HIGH SCHOOL PRESERVATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

The Trustees, who are also the directors of Royal High School Preservation Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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ROYAL HIGH SCHOOL PRESERVATION TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ROYAL HIGH SCHOOL PRESERVATION TRUST

Opinion

We have audited the financial statements of Royal High School Preservation Trust (the 'charitable company') for the year ended 31 March 2026 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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' (who are also the directors of the company for company law purposes) 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

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Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the trustees' statement of responsibilities set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 200612 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

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We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charity and Trustee Investment (Scotland) Act 2005, the Construction (Design and Management) Regulations 2015 (CDM 2015) and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

Use of our report

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

Signed by:
Greg Stapley
370889B2142B482...

Greg Stapley (Senior Statutory Auditor)
For and on behalf of Sumer Auditco Limited
Chartered Accountants
Statutory Auditor
41 Charlotte Square
Edinburgh
EH2 4HQ
25 August 2026

Sumer Auditco Limited 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.

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ROYAL HIGH SCHOOL PRESERVATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Restricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Income and endowments from:					
Donations and legacies	**3**	59,563	36,037,870	36,097,433	11,445,732
Other trading activities	**4**	16,893	-	16,893	-
Income from investments	**5**	184,938	-	184,938	293,689
Total income		261,394	36,037,870	36,299,264	11,739,421
Expenditure:					
Expenditure on charitable activities	**6**	(585)	(571,910)	(572,495)	(1,031,754)
Total expenditure		585	571,910	572,495	1,031,754
Net income before taxation		260,809	35,465,960	35,726,769	10,707,667
Transfers between funds		7,161,954	(7,161,954)	-	-
Net movement in funds		7,422,763	28,304,006	35,726,769	10,707,667
Fund balances at 1 April 2025		647,130	18,707,484	19,354,614	8,646,947
Fund balances at 31 March 2026		8,069,893	47,011,490	55,081,383	19,354,614

All of the above results were derived from continuing activities.

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ROYAL HIGH SCHOOL PRESERVATION TRUST

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes		2026 £		2025 £
Fixed assets					
Tangible assets	**10**		18,486,525		9,277,930
Current assets					
Debtors falling due after one year	**11**	1,256,957		-	
Debtors falling due within one year	**11**	2,903,291		1,668,155	
Cash at bank and in hand		34,230,329		8,673,817	
		38,390,577		10,341,972	
Creditors					
Amounts falling due within one year	**12**	(1,795,719)		(265,288)	
Net current assets			36,594,858		10,076,684
Total net assets			55,081,383		19,354,614
Accumulated funds					
Restricted funds	**14**		47,011,490		18,707,484
Unrestricted funds	**15**		8,069,893		647,130
Total funds			55,081,383		19,354,614

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

The financial statements were approved by the Trustees on 25 August 2026 and are signed on their behalf by:

Signed by:
Carol Nimmo
FFF54EF33A124BB...
Carol Nimmo (Chair)
Chair

Company registration number SC504433 (Scotland)

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ROYAL HIGH SCHOOL PRESERVATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	2026		2025	
	£	£	£	£
Cash flows from operating activities				
Net movements in funds	35,726,769		10,707,667	
Income from investments	(184,938)		(293,689)	
Depreciation and impairment of tangible fixed assets	6,206		4,093	
(Increase)/decrease in debtors	(2,492,093)		585,714	
Increase in creditors	1,530,431		24,915	
Net cash inflow from operating activities		34,586,375		11,028,700
Investing activities				
Purchase of tangible fixed assets	(9,214,801)		(3,398,475)	
Investment income received	184,938		293,689	
Net cash used in investing activities		(9,029,863)		(3,104,786)
Increase in cash and cash equivalents in the year		25,556,512		7,923,914
Cash and cash equivalents at the beginning of year		8,673,817		749,903
Cash and cash equivalents at the end of year		34,230,329		8,673,817

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ROYAL HIGH SCHOOL PRESERVATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

Charity information

Royal High School Preservation Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Colinton Suite, Strathmore Offices, 91 George Street, Edinburgh, EH2 3ES.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees have prepared these accounts on the going concern basis, and further details are set out in the Trustees' Report. There are no material uncertainties that exist or material changes in the way the charity operated and the Trustees are of the opinion that the charity can continue to meet their obligations as they fall due.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Donations, legacies and similar income are recognised when the charity becomes entitled to the income. Grant income is recognised when the charity has entitlement to the grant, receipt is probable and the amount can be measured reliably. Where grants are subject to performance related conditions, income is recognised only to the extent that those conditions have been met, with any income received in advance being deferred. Investment income and other income is recognised when receivable.

1.5 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Leasehold property under construction is accounted for at cost, based on the value of direct costs incurred in the period. They are not depreciated until the accounting period in which they are brought into use.

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1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33.33% straight line
Cycling equipment	50% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash at bank and monies held in short-term deposits.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity’s contractual obligations expire or are discharged or cancelled.

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1 Accounting policies **(Continued)**

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments.

The company entered into an agreement with City of Edinburgh Council in 2023 for the long-lease of the former Royal High School, Calton Hill, Edinburgh. The lease comprises an initial lease premium, referred to as a grassum, of £1.5 million and an annual peppercorn rent of £1. The directors consider the lease transfers substantially all the risks and rewards of ownership and consequently have capitalised the lease premium within leasehold property. Once construction is complete, the premium will be amortised over the lesser period of the useful life of the asset or the lease term.

The total remaining rent payable under the terms of the lease, adjusted for net present value, is not material and therefore no lease obligation is recognised and instead, the annual rent of £1 is expensed.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

The Trustees consider that the main areas requiring estimation and/or judgement relate to the valuation of assets under development and the recognition of grants awarded. Details of the approaches taken are contained within relevant accounting policies and the notes to the accounts.

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3 Income from donations and legacies

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Total 2025 £
Donations and legacies	59,563	31,976,865	32,036,428	10,342,140
Grants	-	4,061,005	4,061,005	1,103,592
	59,563	36,037,870	36,097,433	11,445,732
Donations and legacies				
Dunard Fund	-	31,966,865	31,966,865	-
CAF America	-	-	-	10,000,000
The Adams Family	-	10,000	10,000	-
Other	59,563	-	59,563	342,140
	59,563	31,976,865	32,036,428	10,342,140
Grants				
National Lottery Heritage Fund	-	254,048	254,048	403,592
Garfield Weston Foundation	-	-	-	500,000
Swire Charitable Trust	-	-	-	200,000
Nancie Massey Charitable Trust	-	200,000	200,000	-
Clore Duffield Foundation	-	250,000	250,000	-
The Wolfson Foundation	-	500,000	500,000	-
Julia Rausing Trust	-	2,856,957	2,856,957	-
	-	4,061,005	4,061,005	1,103,592

4 Income from other trading activities

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Staff and rent recharge	16,893	-

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5 Income from investments

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Total 2025 £
Bank Interest	184,938	-	184,938	293,689

6 Expenditure on charitable activities

	Total 2026 £	Total 2025 £
Direct costs		
Staff costs	257,373	397,607
Depreciation and impairment	6,206	4,093
Professional fees	171,150	282,594
Publicity and communication	32,078	93,953
Office costs	13,072	19,259
Recoverable VAT	-	(20,613)
Sundry	12,672	12,094
Fundraising costs	18,185	67,632
Rent & rates	51,759	162,385
	562,495	1,019,004
Share of support and governance costs (see Note 7)		
Governance	10,000	12,750
	572,495	1,031,754
Analysis by fund		
Unrestricted funds	585	-
Restricted funds	571,910	1,031,754
	572,495	1,031,754

The Trust registered for VAT in June 2024. VAT recoverable in the previous year is reflected in the credit in the table above.

7 Support costs allocated to activities

	2026 £	2025 £
Governance costs	10,000	12,750
Total	10,000	12,750

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7 Support costs allocated to activities **(Continued)**

Governance costs comprise:	2026 £	2025 £
Audit fees	10,000	9,300
Legal and professional	-	3,450
	10,000	12,750

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2025: Nil). £7.50 was paid for a Trustee to attend an event (2025: Nil).

9 Employees

	2026 Number	2025 Number
The average monthly number of employees during the year was:	4	5

Employment costs	2026 £	2025 £
Wages and salaries	218,380	354,617
Social security costs	21,748	33,604
Other pension costs	17,245	8,086
Termination costs	-	1,300
	257,373	397,607

Key management personnel remuneration for the year amounted to £131,576 (2025 : £213,119).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2026	2025
£80,000 - £90,000	-	1
£100,000 - £110,000	-	1
£110,001 - £120,000	1	-

Pension contributions paid on behalf of these employees amounted to £9,900 (2025: £3,521).

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10 Tangible fixed assets

	Leasehold property in course of construction	Computers	Cycling equipment	Total
	£	£	£	£
Cost				
At 1 April 2025	9,268,154	13,869	-	9,282,023
Additions	9,206,884	3,212	4,705	9,214,801
At 31 March 2026	18,475,038	17,081	4,705	18,496,824
Depreciation and impairment				
At 1 April 2025	-	4,093	-	4,093
Depreciation charged in the year	-	5,422	784	6,206
At 31 March 2026	-	9,515	784	10,299
Carrying amount				
At 31 March 2026	18,475,038	7,566	3,921	18,486,525
At 31 March 2025	9,268,154	9,776	-	9,277,930

Standard securities are held by The National Lottery Heritage Fund over the leasehold property in course of construction.

11 Debtors

Amounts falling due within one year:	2026 £	2025 £
Trade debtors	3,991	-
Other debtors	386,407	234,349
Prepayments and accrued income	2,512,893	1,433,806
	2,903,291	1,668,155

Amounts falling due after more than one year:	2026 £	2025 £
Accrued income	1,256,957	-
Total debtors	4,160,248	1,668,155

Confirmed grants receivable at 31 March 2026 of £6,130,667 (2025 : £1,003,592) are included within prepayments and accrued income figures above.

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12 Creditors: amounts falling due within one year

	2026	2025
	£	£
Other taxation and social security	5,993	10,376
Trade creditors	21,687	159,113
Other creditors	231,721	18,186
Accruals and deferred income	1,536,318	77,613
	1,795,719	265,288

13 Retirement benefit schemes

Defined contribution schemes	2026 £	2025 £
Charge to profit or loss in respect of defined contribution schemes	17,245	8,086

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

14 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used. Numerous grants have been received towards the construction and development costs of specific areas of the project. The name of the fund identifies the area of the project to which the funding relates.

	At 1 April 2025	Incoming resources	Resources expended	Transfers	At 31 March 2026
	£	£	£	£	£
Capital Project	18,657,484	32,720,913	(571,910)	(7,156,954)	43,649,533
Gardens	25,000	2,856,957	-	(5,000)	2,876,957
Rehearsal Room	25,000	-	-	-	25,000
West Pavilion Courtyard	-	200,000	-	-	200,000
East Pavilion	-	250,000	-	-	250,000
Recording Studio	-	10,000	-	-	10,000
	18,707,484	36,037,870	(571,910)	(7,161,954)	47,011,490

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14 Restricted funds **(Continued)**

Previous year:	At 1 April 2024	Incoming resources	Resources credited	Transfers	At 31 March 2025
	£	£	£	£	£
Capital Project	8,585,646	11,103,592	(1,031,754)	-	18,657,484
Gardens	-	25,000	-	-	25,000
Rehearsal Room	-	25,000	-	-	25,000
	8,585,646	11,153,592	(1,031,754)	-	18,707,484

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 April 2025	Incoming resources	Resources expended	Transfers	At 31 March 2026
	£	£	£	£	£
General funds	647,130	261,394	(585)	7,161,954	8,069,893

Previous year:	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	61,301	585,829	-	-	647,130

16 Analysis of net assets between funds

	Unrestricted funds 2026	Restricted funds 2026	Total 2026
	£	£	£
At 31 March 2026:			
Tangible assets	7,161,954	11,324,571	18,486,525
Net current assets	907,939	35,686,919	36,594,858
	8,069,893	47,011,490	55,081,383

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16 Analysis of net assets between funds **(Continued)**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	-	9,277,930	9,277,930
Net current assets	647,130	9,429,554	10,076,684
	647,130	18,707,484	19,354,614

17 Operating lease commitments

Lessee

At 31 March 2026 the charity had total commitments under non-cancellable operating leases as follows:

	2026 £	2025 £
Within one year	7,222	7,328

The office premises are leased under a rolling 12-month agreement, subject to a three-month termination clause. The total annual lease commitment in respect of this lease is £28,800 (2025: £28,800). The table above denotes the non-cancellable element of this agreement as at the balance sheet date.

Also included in the table above is £22 (2025: £23) representing the discounted present value of a 125-year lease with City of Edinburgh Council for the Thomas Hamilton buildings, with rent payable at £1 per annum.

18 Capital commitments

As at 31 March 2026, the company had contracted for construction costs and related professional services of £44,695,785 (2025: £5,284,286).

19 Related party transactions

During the year, £31,966,865 was awarded and received from Dunard Fund (2025: £nil). There are common trustees in both charities. At 31 March 2026: £10,000,000 (2025: £41,966,365) remained pledged by Dunard Fund and is detailed in note 21.

During the year, an additional grant of £6,500,000 was approved by Dunard Fund but not received by the year end (2025: £nil). At 31 March 2026: £6,500,000 (2025: £nil) remained outstanding and is detailed in note 21.

During the year, £16,893 (2025: £nil) was recharged as detailed in note 4 to National Centre for Music. At 31 March 2026: £3,991 (2025: £nil) was due to Royal High School Preservation Trust.

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20 Contingent asset

During 2021 grants totalling £55,000,000 to Royal High School Preservation Trust were formally approved by the Trustees of Dunard Fund. £45,000,000 for capital development works and £10,000,000 for permanent endowment fund for future building maintenance.

At the year end, £nil (2025: £31,966,865) and £10,000,000 (2025: £10,000,000) are still pledged to Royal High School Preservation Trust.

During 2025 an additional grant totalling £6,500,000 to Royal High School Preservation Trust was formally approved by the Trustees of Dunard Fund for the contingency construction costs. At the year end, £6,500,000 is still pledged to RHSPT.

The Trust received confirmation in June 2025 that Stage 2 of its application to the National Lottery Heritage Fund had been approved. Stage 2 amounts to £4.5m, bringing the total grant award to £5m. An initial drawdown was made in March 2026, with the remaining £4.2m to be drawn down upon completion of the actions and conditions specified within the grant agreement. Grant income will be recognised within restricted funds when received.

The Trust received confirmation in January 2026 of a grant of £1,750,000 from an independent charitable foundation; payments will commence in the financial year to 31 March 2027.

The Trust received a grant of £500,000 from the Clore Duffield Foundation; a drawdown of £250,000 was made in December 2025 and the final £250,000 drawdown will be made when the specific project per the funding proposal and approved plan is complete.

The Trust received confirmation in February 2026 of a grant of £3,000,000 from the City of Edinburgh Council as part of the Councils capital borrowing programme, payments will commence in the financial year to 31 March 2028.

The contingent assets noted above are stated at undiscounted values.

The Trustees have considered the income recognition requirements within SORP FRS 102 and whilst the pledges are measurable and probable, the Trustees are of the view that the charity is not entitled to the full funds at 31 March 2026, or at the date of accounts approval.

21 Analysis of changes in net funds

	At 1 April 2025	Cash flows	At 31 March 2026
	£	£	£
Cash at bank and in hand	8,673,817	25,556,512	34,230,329

22 Ultimate controlling party

In the previous year the ultimate controlling party was Dunard Fund, a charity registered in Scotland with charity registration number SC046889 and company registration number SC546564, which had the power to elect a majority of trustees of the Trust.

On 1 December 2025, the trust adopted revised Articles of Association under which control is exercised collectively by the Trustees. The Articles do not establish any single ultimate controlling party.