

Charity registration number SC019969 (Scotland)

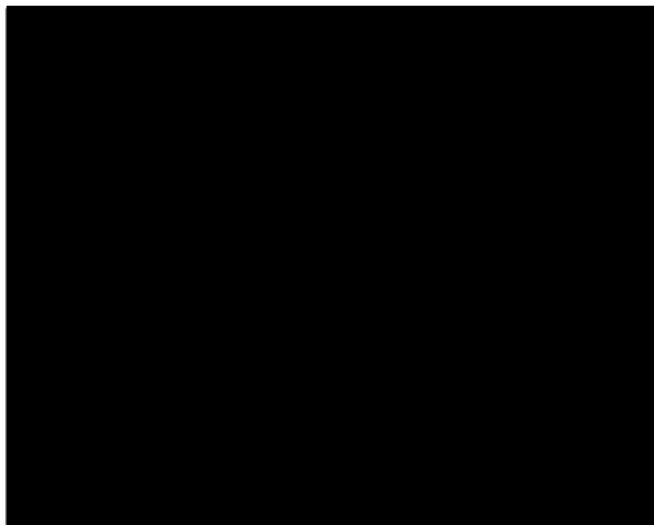
**ROSSIE SECURE ACCOMMODATION SERVICES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

ROSSIE SECURE ACCOMMODATION SERVICES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustee

Rossie Young People's Trust

Governors**Senior management team****Charity number (Scotland)**

SC019969

Principal address

Rossie
by Montrose
Angus
DD10 9TW

Auditor

Murray Taylor Audit Limited
10 Murray Lane
Montrose
Angus
DD10 8LF

Bankers

Virgin Money
7/8 High Street
Dundee
DD1 1SS

Solicitors

Thorntons Law LLP
Whitehall House
33 Yeaman Shore
Dundee
DD1 4BJ

ROSSIE SECURE ACCOMMODATION SERVICES

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ROSSIE SECURE ACCOMMODATION SERVICES

TRUSTEE REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The trustee presents its annual report and financial statements for the year ended 31 March 2025.

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 Trust Deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Vision

Create a Centre of Excellence that changes lives.

Mission

Our mission is to protect and improve the wellbeing of young people in our care, maximising their potential and resilience, enabling their transition back to their communities. This is achieved through the provision of individualised high quality care, education, health and therapeutic interventions. Services are delivered in a safe environment by a highly qualified competent workforce in partnership with families, carers and other key stakeholders.

Our Values

Our values are respect, integrity, delivery, accountability and collaboration. We understand, nurture and value diversity. We use our direct practice experience to influence public and government opinion and policy. We are open and honest in all our dealings, maintaining the highest level of truthfulness at all times. We deliver all our legal, regulatory and contractual obligations through innovative responsive services, while measuring and evidencing our impact. We hold ourselves and others to account. We achieve more and better together through listening, learning and collaborating with each other.

Strategies for achieving aims and objectives

The Charity has a Strategic Plan agreed by the Board. Performance in achieving strategic objectives supporting the Strategic Priorities set out in the Plan is regularly reported to the Board. Financial sustainability is a crucial priority, as without that the charity's future is not assured. The principal source of funding is from local authorities who refer young people and take up places offered. Scotland's public procurement agency decides what can be charged per bed per night. Rossie invoices local authorities for each young person's placement and there have been no material changes in this model. The Scottish Government also provides funding for a number of secure placements. The maximum capacity is currently 22 secure beds, 6 close support beds and 8 residential care beds.

We are a results driven organisation and our commitment to being an effective, efficient, economically viable and sustainable organisation ensures any surplus income generated is reinvested in the charity to improve and enhance our services.

Public benefit

The trustee has paid due regard to guidance issued by OSCR and the Charity Commission in deciding what activities the charity should undertake.

ROSSIE SECURE ACCOMMODATION SERVICES

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance

Significant activities and achievements against objectives

Rossie provides care, education, health and specialist interventions to young people aged 10 – 18 years. We are licensed by Scottish Ministers and regulated by the Care and Education inspectorates, and the Scottish Social Services Council (SSSC). Our board sets Rossie's strategic direction and we have recruited 5 new Governors over last two years with diverse and relevant expertise to develop and strengthen the organisation. We achieve our aims and objectives through the CEO, SLMT and a highly skilled and stable workforce. Strong governance is in place and progress and achievements against objectives are reported/appraised at Board Meetings.

In January 2025 Rossie Secure Accommodation services were awarded a grading of '6' for Leadership and Management making Rossie 'Sector Leaders' in the field. Statements from the Inspectorate included 'Courageous' and 'Innovative' to describe the culture of leadership across the organisation.

Staff deliver services within nationally set and agreed standards, frameworks and curricula. The Scottish Qualifications Authority (SQA) has awarded our Training Assessment Centre accreditation status to deliver vocational qualifications levels 3 and 4. Our services are delivered through highly qualified multi-disciplinary staff groups and we are strongly committed to investment in staff development and succession planning. We have a modern health suite to carry out initial screening and on-going medical/nursing management of physical and mental needs of young people. Visits by GPs, dental staff and opticians are scheduled as required. Our success is independently assessed by both the Independent Care and Education inspectorates. We also evaluate ourselves against our occupancy levels and repeat business from local authorities. We deliver the Curriculum for Excellence with young people attaining nationally recognised qualifications, which improve their future opportunities. We are a results driven organisation and our commitment to being an effective, efficient, economically viable and sustainable organisation ensures any and all income generated is reinvested back into the organisation to improve and enhance our services.

Given the age of our building the Board is making significant investment in improving the environment and upgrading the IT infrastructure / architecture. The upgrades include a new staff protection and communication system (ASCOM) which constantly records the precise location of each user, and enhances the safety of young people; the installation of new windows in our secure care service which will enable natural ventilation and a more trauma informed environment; the development of the skills academy will augment our curricular offer, and the repurposing of our secure garage will enhance and expand the trauma designed space for the very vulnerable and complex young people. Further investment in furniture and sensory rooms is planned.

We have worked very closely with the Scottish Government to prepare for all the changes in the Children (Care and Justice) (Scotland) Act 2024 which ends imprisonment of children in Scotland. This led to a 3-year contract to repurpose Annan House to ensure that there are no capacity issues in secure care as the Act takes effect. Annan is now an additional 4 bedded secure house. The cost of this was supported by the SG with a 3-year contract awarded. Rossie continue negotiations with the Scottish Government to further increase the national capacity through the repurposing of Esk House.

We are contributors to the redress scheme which is part of the national endeavour to right the harms of the past for care experienced people. In early 2025 the Chair and CEO gave evidence at the Scottish Child Abuse Inquiry.

ROSSIE SECURE ACCOMMODATION SERVICES

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

We are delivering the ambitions of The Promise – a strategic priority, with a particular focus on developing services to improve relationships between siblings. Rossie actively engaged in The Promise themes of building relationships with siblings via the Corra Foundation-supported Brothers/Sisters Project which made good progress with a new build facility due to be completed before the end of 2025. Progress was made on restraint reduction agenda with Rossie being recognised as sector leader in this area. We delivered the Curriculum for Excellence with young people attaining nationally recognised qualifications, to improve their future opportunities. The development of a Skills Academy, addressing among other matters the needs of young people aged 16 but under 18 who would previously have been placed in Polmont YOI will augment our curricular offer, and will be taken forward in 2025-26. As a result of improvements in Education, Rossie is no longer within the 'Inspection Cycle' and has been commended for developments.

Rossie is an excellent employer and has high staff retention rates. We are a significant local employer and our service contracts with trades of various kinds enable us to support business sustainability at local level. Our local profile and partnerships are very important to us, and we remain committed to developing and strengthening these with all key stakeholders.

There are significant changes taking place in the national policy landscape and legislative arena. Rossie is actively engaged in all developments and is well positioned to deliver on all required changes.

We remain strongly committed to achieving our Vision of being a "Centre of Excellence that Changes Lives".

Financial review

The Statement of Financial Activities shows that Rossie Secure Accommodation Service has generated a deficit of £80,573. The deficit from operational activities amounted to £452,281. While income remained fairly static, wage costs have increased significantly. The restricted surplus of £371,708 is monies received, for capital expenditure and renovation works, which will take place in the financial year to 31 March 2026. The Statement also shows a larger, accounting, surplus which is due to the actuarial gain on the revaluation of the defined pension scheme of £4,428,545, reflecting a return on assets which exceeded previous estimates. The nature of the regular actuarial valuation means that the surplus or deficit can vary substantially year on year depending on the assumptions used at the time of preparing this report.

At 31 March 2025, the level of unrestricted reserves was £30,418,440 (2024- £26,442,176). See page 9 of the accounts to see the split of the unrestricted reserves. Within this total is the pension reserve of £15,295,719 which given the volatility of world markets may return to liability in the near future.

Reserves policy

The charity has considered the reserves required and have taken into account their current and future liabilities. The policy on cash reserves is to try and maintain approximately 4 months of cash reserves.

Principal funding sources

The principal sources of funds for Rossie Secure Accommodation Services is that the charity invoices local authorities for each young person's placement and there have been no material changes in this policy.

Investment policy

The charity owns a number of rental cottages, situated on the land owned by the charity, which it rents out to third party individuals. The investment policy is to ensure that the cottages are always fully occupied and generating a market value rent.

ROSSIE SECURE ACCOMMODATION SERVICES

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Major risks

The trustee has a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Rossie has a Risk Register which is reviewed twice a year or more frequently as required. The Board considers the major risks which the charity faces and believes that the current pricing and cost structure which are in place, combined with oversight of the controls over key financial systems, enable Rossie to respond to any adverse conditions. In reviewing the Risk Register the board assures itself that systems are in place to mitigate significant financial, operational and business risks.

Structure, governance and management

Rossie Secure Accommodation Services is constituted by the Trust Deed.

The members of the trustee who served during the year and up to the date of signature of the financial statements were:

Rossie Young People's Trust

Recruitment and appointment of trustees

Appointment of trustees is governed by the Trust Deed.

Organisational structure

Stewardship of the charity is the responsibility of the Board of Governors as elected by the Directors of Rossie Young Peoples' Trust. The Governors hold 8 main Board meetings per annum, and 8 meetings of each of two sub-Committees to oversee the running and financial affairs of the charity. There is also a less formal reflective Board meeting in October with a bespoke agenda. The day to day running of the charity is carried out by the CEO and the senior leadership and management team who report directly to the Board.

The Board sets Rossie's strategic direction, monitors performance, and holds the CEO and senior managers to account. Its composition has changed considerably in the past two years, with the appointment of new Governors with diverse and relevant expertise to develop and strengthen the organisation. New Governors receive induction and development opportunities can be accessed if required. Performance against objectives is regularly reported/appraised at Board and sub-Committee meetings.

Induction and training of trustees

Where Governors require training for their particular post, such training is provided by the current board of Governors.

Relationship with related parties

Rossie Young People's Trust is the main trustee of Rossie Secure Accommodation Services. The directors of Rossie Young People's Trust are the individuals identified above as the Governors of Rossie Secure Accommodation.

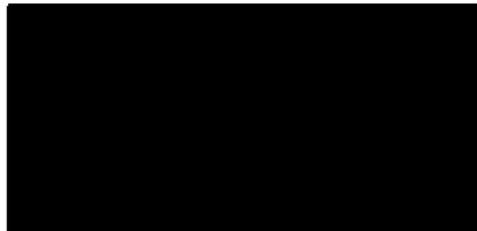
ROSSIE SECURE ACCOMMODATION SERVICES

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Disclosure of information to auditor

The trustee has confirmed that there is no information of which the the trustee is aware which is relevant to the audit, but of which the auditor is unaware. The trustee has further confirmed that the trustee has taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.



ustee.

10 September 2025

ROSSIE SECURE ACCOMMODATION SERVICES

STATEMENT OF TRUSTEE RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustee is responsible for preparing the Trustee Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustee 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 of the charity for that year.

In preparing these financial statements, the trustee is 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 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 trustee is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the trust deed. It is 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.

ROSSIE SECURE ACCOMMODATION SERVICES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEE OF ROSSIE SECURE ACCOMMODATION SERVICES

Opinion

We have audited the financial statements of Rossie Secure Accommodation Services (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and 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 31 March 2025 and of its incoming resources and application of resources, 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 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee 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 trustee 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 trustee is 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 requires us to report to you if, in our opinion:

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

ROSSIE SECURE ACCOMMODATION SERVICES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF ROSSIE SECURE ACCOMMODATION SERVICES

Responsibilities of trustee

As explained more fully in the statement of trustee responsibilities, the trustee is 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 trustee determines 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 trustee is 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 trustee either intends to cease operations, or has 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 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 charity and the industry in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management, and the recognition of income and the misstatement of revenue. Our audit procedures to respond to these risks included:

- Enquiries of management about their own identification and assessment of the risks of irregularities.
- Testing of the appropriateness and correct authorisation of journal entries and any other significant transactions outside the ordinary course of business including those entered into with related parties.
- Review of significant estimates to ensure there is no indication of management bias.
- Testing of the completeness and correct allocation of revenue in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities 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.

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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.

ROSSIE SECURE ACCOMMODATION SERVICES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF ROSSIE SECURE ACCOMMODATION SERVICES



Chartered Certified Accountants
10 Murray Lane
Montrose
Angus
DD10 8LF
10 September 2025

Murray Taylor Audit 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.

ROSSIE SECURE ACCOMMODATION SERVICES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
Donations and legacies	3	-	377,900	377,900	-	129,000	129,000
Charitable activities	4	11,954,075	-	11,954,075	12,460,078	-	12,460,078
Other trading activities	5	11,601	-	11,601	37,930	-	37,930
Investments	6	201,483	-	201,483	247,312	-	247,312
Other income	7	16,250	-	16,250	-	-	-
Total income		12,183,409	377,900	12,561,309	12,745,320	129,000	12,874,320
Expenditure on:							
Charitable activities	8	12,635,690	6,192	12,641,882	12,095,111	3,750	12,098,861
Total expenditure		12,635,690	6,192	12,641,882	12,095,111	3,750	12,098,861
Net income/(expenditure)		(452,281)	371,708	(80,573)	650,209	125,250	775,459
Other recognised gains and losses:							
Actuarial gains on defined benefit pension schemes		4,428,545	-	4,428,545	3,204,367	-	3,204,367
Net movement in funds	10	3,976,264	371,708	4,347,972	3,854,576	125,250	3,979,826
Reconciliation of funds:							
Fund balances at 1 April 2024		26,442,176	125,250	26,567,426	22,587,600	-	22,587,600
Fund balances at 31 March 2025		30,418,440	496,958	30,915,398	26,442,176	125,250	26,567,426

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

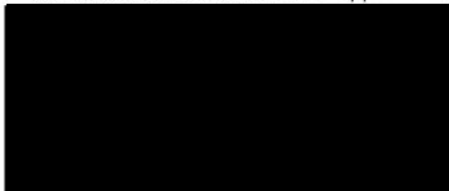
ROSSIE SECURE ACCOMMODATION SERVICES

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
Fixed assets			
Property, plant and equipment	15	11,827,759	12,187,750
Investment property	16	1,445,000	1,445,000
		<u>13,272,759</u>	<u>13,632,750</u>
Current assets			
Inventories	18	63,982	97,551
Trade and other receivables	19	1,084,872	1,312,498
Investments	20	100	100
Cash at bank and in hand		2,965,643	2,959,165
		<u>4,114,597</u>	<u>4,369,314</u>
Current liabilities	22	<u>(1,235,294)</u>	<u>(1,206,109)</u>
Net current assets		<u>2,879,303</u>	<u>3,163,205</u>
Total assets less current liabilities		<u>16,152,062</u>	<u>16,795,955</u>
Non-current liabilities	23	<u>(532,383)</u>	<u>(1,095,703)</u>
Net assets excluding pension surplus		<u>15,619,679</u>	<u>15,700,252</u>
Defined benefit pension surplus	24	15,295,719	10,867,174
Net assets		<u><u>30,915,398</u></u>	<u><u>26,567,426</u></u>
The funds of the charity			
Restricted income funds	25	496,958	125,250
Unrestricted funds	26	15,122,721	15,575,002
Pension reserve		15,295,719	10,867,174
		<u><u>30,915,398</u></u>	<u><u>26,567,426</u></u>

The financial statements were approved by the trustee on 10 September 2025



ROSSIE SECURE ACCOMMODATION SERVICES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	30		797,248		1,450,562
Investing activities					
Purchase of property, plant and equipment		(479,664)		(549,478)	
Proceeds from disposal of property, plant and equipment		16,250		-	
Investment income received		201,483		247,312	
Net cash used in investing activities			(261,931)		(302,166)
Financing activities					
Repayment of borrowings		(35,000)		100,000	
Repayment of bank loans		(493,839)		(465,222)	
Net cash used in financing activities			(528,839)		(365,222)
Net increase in cash and cash equivalents			6,478		783,174
Cash and cash equivalents at beginning of year			2,959,165		2,175,991
Cash and cash equivalents at end of year			2,965,643		2,959,165

ROSSIE SECURE ACCOMMODATION SERVICES

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

1 Accounting policies

Charity information

Rossie Secure Accommodation Services is an unincorporated charity, registered in Scotland, constituted under a trust deed.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustee has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustee continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustee 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from Government grants are shown in full in the Statement of Financial Activities. Income received toward capital expenditure is allocated to a restricted reserve. That reserve will then be reduced each in line with the depreciation charge on the respective fixed asset. Income received towards operating expenses will be allocated to the fund when the expenditure is incurred.

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of the resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs. All resources are inclusive of irrecoverable VAT.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. The charity has only one charitable activity.

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meeting and reimbursed expenses.

Government grants are recognised as income in the year they are received.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Freehold land and buildings	4% on cost
Fixtures and fittings	25% on cost
Motor vehicles	33.3% on cost

Freehold land is not depreciated.

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.

Individual fixed assets costing £500 or more are initially recorded.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of non-current 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).

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.9 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 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 trade and other receivables 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 trade and other payables 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 payables 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 payables 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.

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.12 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.

1.13 Retirement benefits

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.14 Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustee is 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.

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

3 Income from donations and legacies

	Restricted funds 2025 £	Restricted funds 2024 £
Grants	377,900	129,000
Grants		
Scottish Government grants	211,900	45,000
Corra Foundation	166,000	84,000
	377,900	129,000

Government grants

The income from the Scottish Government is to be used for the accommodation upgrades as detailed in note 25.

The income from the Corra Foundation income has been received toward building a new Welcome Room.

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Children care	11,954,075	12,460,078

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	11,601	37,930

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income	133,677	146,699
Interest receivable	67,806	100,613
	<u>201,483</u>	<u>247,312</u>

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	16,250	-
	<u>16,250</u>	<u>-</u>

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

8 Charitable activities

	Child Care	Housing	Total 2025	Child Care	Housing	Total 2024
	2025	2025		2024	2024	
	£	£	£	£	£	£
Staff costs	9,271,734	-	9,271,734	8,486,631	-	8,486,631
Depreciation	839,656	-	839,656	1,122,116	-	1,122,116
Rates	11,204	-	11,204	7,405	-	7,405
Heat and light	505,412	-	505,412	519,081	-	519,081
Insurance	210,125	-	210,125	226,230	-	226,230
Repairs and maintenance	592,400	-	592,400	515,790	-	515,790
Service contracts	383,747	-	383,747	302,577	-	302,577
Ground upkeep	3,534	-	3,534	2,761	-	2,761
Household expenses	54,702	-	54,702	62,174	-	62,174
Provisions	153,945	-	153,945	161,382	-	161,382
Clothing costs	20,876	-	20,876	17,894	-	17,894
Recreation and awards	88,202	-	88,202	79,931	-	79,931
Classroom costs	64,992	-	64,992	41,698	-	41,698
Medical costs	11,281	-	11,281	11,460	-	11,460
Cleaning materials	17,881	-	17,881	18,293	-	18,293
Motor expenses	65,171	-	65,171	59,022	-	59,022
Child, staff and Governor travel	31,891	-	31,891	21,890	-	21,890
Publicity	12,628	-	12,628	7,847	-	7,353
Research and development	4,057	-	4,057	5,065	-	8,757
Housing costs	-	122,791	122,791	-	53,117	91,873
Telephone	22,428	-	22,428	24,049	-	25,912
Computer costs	4,322	-	4,322	9,531	-	19,211
Printing and stationery	6,092	-	6,092	7,589	-	6,079
Postage	2,247	-	2,247	2,975	-	2,910
Subscriptions	4,173	-	4,173	4,121	-	4,010
Bank charges	1,444	-	1,444	1,364	-	2,504
Bank loan interest	60,132	-	60,132	88,748	-	92,913
	12,444,276	122,791	12,567,067	11,807,624	53,117	11,860,741
Share of governance costs (see note 9)	74,815	-	74,815	238,120	-	238,120
	12,519,091	122,791	12,641,882	12,045,744	53,117	12,098,861
Analysis by fund						
Unrestricted funds - general	12,512,899	122,791	12,635,690	12,041,994	53,117	12,095,111
Restricted funds	6,192	-	6,192	3,750	-	3,750
	12,519,091	122,791	12,641,882	12,045,744	53,117	12,098,861

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Support costs allocated to activities

	Total 2025 £	Total 2024 £
Governance	74,815	238,120

	2025 £	2024 £
Governance costs comprise:		
Audit fees	8,880	8,040
Accountancy	1,800	-
Legal and professional	64,135	95,080
Scottish Government Redress Scheme	-	135,000
	74,815	238,120

10 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	8,880	8,040
- for other financial services	1,800	-
Depreciation of owned property, plant and equipment	839,656	1,122,116
Profit on disposal of property, plant and equipment	(16,250)	-

11 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2025 £	2024 £
For audit services		
Audit of the financial statements of the charity	8,880	8,040
For other services		
All other non-audit services	1,800	-

12 Trustee

None of the Governors of Rossie Secure Accommodation Service or the trustee (or any persons connected with them) received any remuneration during the year, but 4 governors were reimbursed a total of £1,856 travelling expenses (2024- 3 were reimbursed £1,997).

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Office, administration and teachers	206	223

Employment costs

	2025 £	2024 £
Wages and salaries	7,514,904	6,838,273
Social security costs	697,207	632,228
Other pension costs	983,959	953,243
	9,196,070	8,423,744

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

	2025 Number	2024 Number
£60,001 - £70,000	7	6
£70,001 - £80,000	3	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	92,400	85,600

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Property, plant and equipment

	Freehold land and buildings £	Assets under construction £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 April 2024	13,043,969	-	3,176,688	157,609	16,378,266
Additions	123,014	136,640	172,667	47,343	479,664
Disposals	-	-	-	(32,848)	(32,848)
At 31 March 2025	13,166,983	136,640	3,349,355	172,104	16,825,082
Depreciation and impairment					
At 1 April 2024	1,524,600	-	2,530,373	135,542	4,190,515
Depreciation charged in the year	514,088	-	297,091	28,477	839,656
Eliminated in respect of disposals	-	-	-	(32,848)	(32,848)
At 31 March 2025	2,038,688	-	2,827,464	131,171	4,997,323
Carrying amount					
At 31 March 2025	11,128,295	136,640	521,891	40,933	11,827,759
At 31 March 2024	11,519,369	-	646,314	22,067	12,187,750

Land and buildings with a carrying amount of £11,128,295 were revalued on 15 September 2020 by CBRE Limited, Chartered surveyors, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 March 2025, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £7,835,506 (2024 - £8,389,860).

Freehold land and buildings with a carrying amount of £11,128,295 (2024 - £11,519,369) have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

16 Investment property

	2025 £
Fair value	
At 1 April 2024 and 31 March 2025	1,445,000

Investment property comprises of residential properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out on 15 September 2020 by CBRE Limited, Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Financial instruments

	2025 £	2024 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	100	100

18 Inventories

	2025 £	2024 £
Stocks	63,982	97,551

19 Trade and other receivables

	2025 £	2024 £
Amounts falling due within one year:		
Trade receivables	954,105	1,217,555
Prepayments and accrued income	130,767	94,943
	1,084,872	1,312,498

20 Current asset investments

	2025 £	2024 £
Unlisted investments	100	100

21 Borrowings

	2025 £	2024 £
Bank loans	750,099	1,243,938
Other loans	345,000	380,000
	1,095,099	1,623,938
Payable within one year	562,716	528,235
Payable after one year	532,383	1,095,703
Amounts included above which fall due after five years:		
Payable by instalments	145,000	185,000

The long-term bank loan is secured by a standard security over Rossie Estate, Montrose.

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

21 Borrowings

(Continued)

The bank loan is repayable by equal instalments over the life of the loan. The loan is due to expire in August 2026. The interest rate applied on the loan is fixed at 5.94%

22 Current liabilities

	Notes	2025 £	2024 £
Bank loans	21	522,716	493,235
Other borrowings		40,000	35,000
Other taxation and social security		165,570	155,564
Trade payables		206,869	269,663
Accruals and deferred income		300,139	252,647
		<u>1,235,294</u>	<u>1,206,109</u>

23 Non-current liabilities

	Notes	2025 £	2024 £
Bank loans	21	227,383	750,703
Other borrowings		305,000	345,000
		<u>532,383</u>	<u>1,095,703</u>

24 Retirement benefit schemes

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

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24 Retirement benefit schemes

(Continued)

Defined benefit schemes

The LGPS is a defined benefit Statutory scheme administered in accordance with the Local Government Pension Scheme (Scotland) Regulations 2018 and currently provides benefits based on career average revalued earnings.

The administering authority for the fund is Dundee City Council. The Pension Fund Committee oversees the management of the Fund whilst the day to day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisors.

As administering authority to the fund, Dundee City Council, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Investment Strategy Statement. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2026 and will set contributions for the period 1 April 2025 to 31 March 2028. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

On the Employer's withdrawal from the Fund, a cessation valuation will be carried out in accordance with Regulation 61 of the LGPS (Scotland) Regulations 2018 which determine the termination contribution due by the employer, on a set of assumptions deemed appropriate by the Fund Actuary.

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

1. Investment risk. The Fund holds investment in asset classes, such as equities, which have a volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
2. Interest rate risk. The Fund's liabilities are assessed using market yields on a high quality corporate bonds to discount future liability cashflows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way;
3. Inflation risk. all of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
4. Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

In addition, as many employers participate in the Tayside Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the Employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers.

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24 Retirement benefit schemes

(Continued)

Key assumptions

	2025	2024
	%	%
Discount rate	5.85	4.9
Expected rate of increase of pensions in payment	2.9	2.9
Expected rate of salary increases	3.9	3.9

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2025	2024
	Years	Years
Retiring today		
- Males	18.8	18.9
- Females	21.7	21.6
Retiring in 20 years		
- Males	20.2	20.2
- Females	23.2	23.1

Amounts recognised in the income statement

Costs/(income):

	2025	2024
	£	£
Current service cost	944,957	927,388
Net interest on defined benefit liability/(asset)	(552,915)	(387,912)
Unfunded employer payments	(1,905)	(2,795)
Other costs and income	11,942	9,875
Total costs	403,215	547,446

Amounts recognised in other comprehensive income

Costs/(income):

	2025	2024
	£	£
Actual return on scheme assets	(1,898,802)	(1,359,112)
Less: calculated interest element	1,898,802	1,640,597
Return on scheme assets excluding interest income	-	281,485
Actuarial changes related to obligations	(4,561,447)	(950,639)
Experience gain/(loss) on defined benefit obligation	(68,449)	829,453
Total costs/(income)	(4,629,896)	160,299

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

24 Retirement benefit schemes

(Continued)

The amounts included in the statement of financial position arising from the charity's obligations in respect of defined benefit plans are as follows:

	2025 £	2024 £
Liabilities/(assets):		
Present value of defined benefit obligations	24,774,928	27,811,851
Fair value of plan assets	(40,070,647)	(38,679,025)
Surplus in scheme	(15,295,719)	(10,867,174)

	2025 £
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 April 2024	27,811,855
Current service cost	944,957
Benefits paid	(1,017,359)
Contributions from scheme members	320,253
Actuarial gains and losses	(4,561,447)
Interest cost	1,345,887
Exchange differences	(68,449)
Other	(769)
At 31 March 2025	24,774,928

The defined benefit obligations arise from plans which are wholly or partly funded.

	2025 £
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 April 2024	38,679,025
Interest income	1,898,802
Plan introductions, changes, curtailments and settlements	(641,057)
Benefits paid	(1,018,128)
Contributions by the employer	843,694
Contributions by scheme members	320,253
Other	(11,942)
At 31 March 2025	40,070,647

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24 Retirement benefit schemes

(Continued)

	2025 £	2024 £
<i>Fair value of plan assets</i>		
Equity instruments	26,613,509	27,892,647
Property	6,080,154	3,428,566
Gilts	2,555,797	2,440,474
Other bonds	2,638,602	2,541,235
Cash	2,171,983	2,366,718
Alternatives	10,602	9,385
	<u>40,070,647</u>	<u>38,679,025</u>

25 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.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
Security upgrades	11,250	-	(3,750)	7,500
Corra Foundation	84,000	166,000	-	250,000
Environmental Adaptations for Neurodivergent Children	30,000	-	-	30,000
Accommodation upgrades	-	125,000	(2,442)	122,558
Annan House upgrades	-	86,900	-	86,900
	<u>125,250</u>	<u>377,900</u>	<u>(6,192)</u>	<u>496,958</u>

Previous year:

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Security upgrades	-	15,000	(3,750)	11,250
Corra Foundation	-	84,000	-	84,000
Environmental Adaptations for Neurodivergent Children	-	30,000	-	30,000
	<u>-</u>	<u>129,000</u>	<u>(3,750)</u>	<u>125,250</u>

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

25 Restricted funds

(Continued)

Security upgrade fund - This fund is was provided to upgrade the CCTV system. The fund will reduce in line with the depreciation charge applied to the security system.

Corra Foundation - This fund was provided to fund the construction of a Brothers and Sisters project for the Young persons.

Environmental Adaptations for Neurodivergent - This fund was award to allow Rossie Secure Accommodation Service to adapt its facilities better for its young persons.

Accommodation upgrades - This grant was received to upgrade the windows and doors within the secure accommodation. The expenditure shown is the cost of the assets being depreciated in line with the accounting policy

Annan House upgrade - This fund is to provide finance to upgrade Annan House. This expenditure will be included within fixed assets and depreciated in line with the accounting policy.

26 Unrestricted funds

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustee for specific purposes:

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
Housing	427,976	113,059	(122,791)	-	-	418,244
Funds committed to essential capital upgrades	1,665,000	-	-	-	-	1,665,000
General funds	9,139,125	12,070,350	(12,512,899)	-	-	8,696,576
	11,232,101	12,183,409	(12,635,690)	-	-	10,779,820
Revaluation reserve	4,342,901	-	-	-	-	4,342,901
Pension fund	10,867,174	-	-	-	4,428,545	15,295,719
	26,442,176	12,183,409	(12,635,690)	-	4,428,545	30,418,440

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

26 Unrestricted funds

(Continued)

Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £
Housing	334,394	146,699	(53,117)	-	-	427,976
Funds committed to essential capital upgrades	-	-	-	1,665,000	-	1,665,000
General funds	10,247,498	12,598,621	(12,041,994)	(1,665,000)	-	9,139,125
	10,581,892	12,745,320	(12,095,111)	-	-	11,232,101
Revaluation reserve	4,342,901	-	-	-	-	4,342,901
Pension fund	7,662,807	-	-	-	3,204,367	10,867,174
	22,587,600	12,745,320	(12,095,111)	-	3,204,367	26,442,176

The housing fund represents the surplus generated from the investment properties. Any surplus generated in any year is set aside in the designated fund to cover any potential future losses and future upgrade work on the properties.

The Funds committed to essential capital projects are monies required for necessary upgrades to the secure facility.

27 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2025 are represented by:						
Property, plant and equipment	11,615,822	211,937	11,827,759	12,167,303	20,447	12,187,750
Investment properties	1,445,000	-	1,445,000	1,445,000	-	1,445,000
Current assets/(liabilities)	2,594,282	285,021	2,879,303	3,058,402	104,803	3,163,205
Long term liabilities	(532,383)	-	(532,383)	(1,095,703)	-	(1,095,703)
Provisions and pensions	15,295,719	-	15,295,719	10,867,174	-	10,867,174
	30,418,440	496,958	30,915,398	26,442,176	125,250	26,567,426

28 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

ROSSIE SECURE ACCOMMODATION SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

29 Analysis of changes in net funds

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	2,959,165	6,478	2,965,643
Loans falling due within one year	(528,235)	(34,481)	(562,716)
Loans falling due after more than one year	(1,095,703)	563,320	(532,383)
	<u>1,335,227</u>	<u>535,317</u>	<u>1,870,544</u>

30 Cash generated from operations

	2025 £	2024 £
(Deficit)/surplus for the year	(80,573)	775,459
Adjustments for:		
Investment income recognised in statement of financial activities	(201,483)	(247,312)
Gain on disposal of property, plant and equipment	(16,250)	-
Depreciation and impairment of property, plant and equipment	839,656	1,122,116
Difference between pension charge and cash contributions	2,473	6,230
Movements in working capital:		
Decrease/(increase) in inventories	33,572	(21,101)
Decrease/(increase) in trade and other receivables	227,626	(320,849)
(Decrease)/increase in trade and other payables	(7,773)	136,019
Cash generated from operations	<u>797,248</u>	<u>1,450,562</u>

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