

Charity Registration No: SC044860 (Scotland)

**THE ROBERT HALDANE SMITH CHARITABLE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026**

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Lord Smith of Kelvin KT CH
Lady Smith
Irene Adams OBE

Charity Number (Scotland)

SC044860

Principal Address

Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh
EH3 9EE

Independent Examiner

Iain McFadden Associates
19 Rutland Square
Edinburgh
EH1 2BB

TRUSTEES' REPORT

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 Trust Deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 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)".

Objectives and activities

The Trustees shall hold the Trust Fund and the income of it for the benefit or furtherance of such charitable purposes or charitable institutions in such proportions and manner as the Trustees shall think fit.

As the Foundation is a grant giving charity, its main aim is simple - to distribute donations and grants to other charities and/or organisations undertaking charitable purposes to allow them to complete projects, provide services and further their own charitable activities. Although the Foundation has wide charitable purposes, the Trustees have a focus on which charitable purposes they wish to support, therefore, the short-term and longer term aims of the Foundation are the same: to continue to advance education and support children and young people by issuing grants and donations. The Foundation does not undertake any projects or provide any services of its own; it is solely a grant-giving charity.

In the current period, the Foundation's successful achievement of its aim is well evidenced: £131,820 (2025 - £56,780) was distributed in grants to 38 (2025 - 29) different beneficiaries to further the Foundation's charitable purposes. The income generated from the investment portfolio was £3,354 (2025 - £6,018).

The grant-giving activity of the Foundation continues to make a positive difference to its beneficiaries. By providing essential funds for core costs and project budgets, the grant recipients are able to utilise the donations and further their own charitable purposes, purposes aligned with those of the Foundation, whether that be the completion of a project, the purchasing of equipment or funding essential running costs. Reports and feedback are obtained from the grant recipients which evidence the benefit to their organisation and in some circumstances, the benefit to the wider community and society as a whole.

All Trustees are actively involved in the decision making process. Requests for funding are received and reviewed monthly by the Trustees and additional ad hoc requests are reviewed as they arise.

TRUSTEES' REPORT

Objectives and activities (Contd)

As the Foundation's objectives are broad, the Trustees have opted for a policy of making donations to charitable organisations operating in their preferred area(s) of benefit who they feel require most support, and who the Trustees believe can make significant form line impact as a result of that support. The Trustees have continued to focus on advancing education and supporting children and young people by making grants and donations, and the allocation of grants awarded in the year reflects these preferences.

The Trustees are satisfied with their current policy of making donations to those organisations they feel require most support and whose purposes fall within the spectrum of the Trust Deed.

Achievements and performance

The Trustees have continued to support a wide range of charitable causes in the year under review. Organisations to benefit were concentrated in the areas of advancing education and supporting children and young people, although other charitable purposes have been supported by the Trustees.

The main achievement of the Foundation is the high level of donations made to recipients which increase their financial resources to undertake their own charitable purposes, activities and services, which in turn provides wider public benefit. The Foundation measures its performance in light of the level of grants and donations it has made during the year and from the reports received from the grant-recipients on how the donation has been used by them to further their charitable purposes and the difference it has made to their organisation and beneficiaries.

Financial review

At the year end the Foundation had unrestricted funds of £314,668 (2025 - £427,547) of this £286,692 (2025 - £412,835) was held in investments.

Reserves Policy

Due to the structure of the Foundation and the nature of the grant-making activities it undertakes, the Trustees have resolved that it is only necessary to hold sufficient reserves by way of investments to generate future income. So far, the Foundation has only made one-off donations therefore it has no future commitments and maintaining high levels of cash reserves is not considered necessary. If the Foundation decides to make multi-year commitments, the Trustees will ensure it holds an appropriate level of cash reserves to honour these commitments. The Trustees are satisfied that the running costs of the Foundation can be met for the foreseeable future from funds held.

TRUSTEES' REPORT

Reserves Policy (Contd)

There are no restricted or designated funds; all funds are available for general purpose. It is the policy of the Trustees to distribute the income of the Foundation in the form of grants or donations. The Trustees have the power to draw upon the fund in furtherance of the Foundation's objectives whilst retaining sufficient funds to meet any commitments that they may undertake.

There have been no significant events which resulted in adverse financial effect on the Foundation during the current period.

As the majority of the Foundation's assets are held in investments, any significant change to the market, will have a direct effect on the portfolio and the level of income it is able to generate. The Trustees will mitigate the effect of a significant drop in income levels to the Foundation's beneficiaries by continuing to issue donations from capital rather than income.

Investment Policy

There are no restrictions on the charity's power to invest.

The investment policy is set by the Trustees in consultation with appropriate investment advisors. The Trustees are mindful that any investment strategy must take into account the organisation's demand for funds, its income needs, the risk profile and the investment advisers' view of market prospects in the medium term.

Principal risks and uncertainties

The Trustees have reviewed and assessed the major risks to which the Foundation is exposed, in particular these related to the operations and finances of the Foundation, as part of their annual risk management assessment and are satisfied that systems are in place to mitigate their exposure to the key risks.

The Trustees have considered the principal risks and uncertainties facing the Foundation:

Funding:

During his lifespan, the settlor has been the sole source of funding for the Foundation. The Foundation does not undertake any fundraising or trading activities and its sole source of income is from the investment portfolio. If the level of donations issued during this current period is maintained, which is more than the level of income generated, the Foundation will continue to deplete its capital. The Trustees are aware of the current level of donations and charity assets remaining. If the level of donations continues to outweigh the level of income, the Trustees will undertake appropriate succession planning in relation to future activities, for example, a further donation from the settlor or undertake fundraising activities.

TRUSTEES' REPORT

Principal risks and uncertainties (Contd)

Beneficiaries:

In relation to donations issued to overseas, non charitable bodies carrying out charitable activities in line with the charitable purposes of the Foundation, the Trustees acknowledge the greater potential for regulatory and reputational risk in relation to these grants. As such, they ensure that, where necessary, additional due diligence and monitoring is undertaken. The Trustees will also normally seek grant reports from the overseas/non-charitable organisations detailing the way in which a grant has been spent, in line with the Foundation's charitable purposes and any conditions attached.

As the Trust Funds are held in an investment portfolio, a factor likely to affect the financial position and performance of the Foundation in the future, is changes to the market in the current investment environment. The Trustees have mitigated this by retaining investment managers to advise them and by having a diversified portfolio.

Structure, governance and management

The charity was established by a Charitable Trust Deed dated 15 April 2014 and registered in the Books of Council and Session on 16 May 2014, it received charitable status on 15 May 2014.

The Trustees who served during the period from 01 April 2025 to date were as follow:

Lord Smith of Kelvin KT CH
Lady Smith
Irene Adams OBE

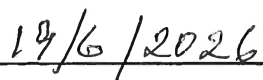
The power to appoint new Trustees is vested in the settlor during his lifetime, otherwise new Trustees shall be appointed by a simple majority of all the Trustees.

The Trustees are responsible for the maintenance and integrity of the charity and financial information. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

The Trustees' Report was approved by the board of Trustees.



Trustee



Date

INDEPENDENT EXAMINER'S REPORT

I report to the Charity Trustees on my examination of the financial statements of the charity for the year ended 31 March 2026, which are set out on pages 9 to 17.

Respective responsibilities of Trustees and examiner

The Charity's Trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Charity Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiners statement

In the course of my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations; have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding if the financial statements to be reached.

Use of our report

This report is made to the charity's board of Trustees, as a body, in accordance with the terms of engagement. My work has been undertaken to enable me to undertake an independent examination of the charity's financial statements on behalf of the charity's board of Trustees and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's board of Trustees as a body, for my work or for this report.

INDEPENDENT EXAMINER'S REPORT

Iain McFadden

Iain McFadden

19 June 2026

Date

STATEMENT OF FINANCIAL ACTIVITIES

		2026		2025	
	Notes	£	£	£	£
<u>Income</u>					
Investments	3	3,354		6,018	
Received from Lord & Lady Smith		<u>2,700</u>		<u>5,460</u>	
Total Income			6,054		11,478
<u>Expenditure</u>					
Raising Funds	4	1,068		1,365	
Charitable Activities	5	<u>147,762</u>		<u>76,120</u>	
Total Expenditure			148,831		77,485
Net gains/(losses) on investments	10		<u>29,298</u>		<u>3,880</u>
Net income/(expenditure) being net movement in funds			(113,479)		(62,126)
<u>Reconciliation of Funds</u>					
Fund balances at 1 April 2024			<u>427,547</u>		<u>489,673</u>
Fund balances as at 31 March 2025			<u><u>314,068</u></u>		<u><u>427,547</u></u>

All income and expenditure for the current and comparative year are in respect of unrestricted funds.

BALANCE SHEET

		2026		2025	
	Notes	£	£	£	£
Fixed Assets					
Investments	11		286,692		412,835
Current Assets					
Cash at bank and in hand		33,677		17,412	
Creditors: amounts falling due within one year	13	<u>(6,300)</u>		<u>(2,700)</u>	
Net Current Assets/ (Liabilities)			<u>27,377</u>		<u>14,712</u>
Total Assets less current liabilities			<u><u>314,068</u></u>		<u><u>427,547</u></u>
Income Funds					
Unrestricted Funds			<u>314,068</u>		<u>427,547</u>
			<u><u>314,068</u></u>		<u><u>427,547</u></u>

The financial statements were approved by the Trustees on 19/6/2026.....

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Trustee

NOTES TO THE FINANCIAL STATEMENTS

1) Accounting Policies

Charity Information

The Robert Haldane Smith Charitable Foundation is a charity registered in Scotland. The registered office is Turcan Connell, Princes Exchange, 1 Earl Grey Street, Edinburgh, EH3 9EE.

1.1) Accounting Convention

The financial statements have been prepared in accordance with the charity's Trust Deed, FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") section 1A applicable to small entities, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and "Accounting and Reporting by Charities: Statement or 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 modified for fair value as appropriate. The principal accounting policies adopted are set out below.

1.2) Going Concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least the next 12 months and they have not identified any material uncertainties with regards to the ability of the charity to continue in operation. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

1.3) Charitable Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charity's objectives.

1.4) Income

Income is recognised when the charity is 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.

Investment income is recognised on a cash basis; there is no material difference between the basis and the accruals method. Bank interest is included gross of income and tax. Dividend income does not include tax credits.

NOTES TO THE FINANCIAL STATEMENTS (Contd)

1) Accounting Policies (Contd)

1.5) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings and aggregate all costs related to the category and include irrecoverable VAT.

Charitable donations are payments made to third parties in furtherance of the charitable objectives of the charity. Charitable donations are recognised when Trustees have made an offer of a donation. Donations awarded in the year which are payable in future years are accrued in the financial statements.

Raising funds comprises the costs associated with the investment portfolio.

Governance costs comprise of those costs directly attributable to the governance of the charity. This includes independent examination and legal fees.

1.6) Fixed Asset investments are initially measured at transaction price excluding transaction costs

Fixed Asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Fair value is based on the current market value of listed investments. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7) Cash and Cash Equivalents

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

1.8) 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.

Basic financial assets

Basic financial assets, which include bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors are recognised at transaction price.

NOTES TO THE FINANCIAL STATEMENTS (Contd)

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 there are no estimates and underlying assumptions which have significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3) Investments

	2026	2025
	£	£
Dividends Received	2,957	5,767
Bank Interest	396	251
	3,354	6,018

NOTES TO THE FINANCIAL STATEMENTS (Cond)

4) Raising Funds

	2026	2025
	£	£
Investment Management Fees	<u>1,068</u>	<u>1,365</u>
	<u>1,068</u>	<u>1,365</u>

5) Charitable Activities

	2026	2025
	£	£
Grant fund of activities (See note 6)	131,820	56,780
Governance costs (See note 7)	<u>15,942</u>	<u>19,340</u>
	<u>147,762</u>	<u>76,120</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd)

6) Grants payable

	2026	2025
	£	£
Maggie Keswick Jencks Cancer Centre Trust	50,000	10,000
Sightsavers	2,000	2,000
Happy Days Children's Charity	1,200	1,000
Sunrise Partnership	-	2,000
NSPCC	2,000	1,600
Lodging House Mission	1,500	1,500
One Parent Families Scotland	1,000	-
Kindred Advocacy	1,000	-
Edinburgh Young Carers	1,000	-
Children Today Charitable Trust	-	1,000
Moir Anderson Foundation	1,000	1,000
Helm Training	-	2,000
Dunedin School	-	2,000
Families First St Andrews	1,500	2,000
Callander Youth Project	2,000	-
Equi-Power	2,000	2,000
The Butterfly Trust	-	1,000
The Pleasance Theatre Group	1,000	1,000
Live Music Now Scotland	5,000	-
Groendal Primary	2,662	-
CrossReach	1,000	-
Branch Out	-	1,000
The Cumnock Trust	17,000	2,000
Peebles RFC Laureat Society	6,000	6,000
Art in Healthcare	-	2,000
St Andrews Children's Society	-	1,000
Sunshine Wishes Children's Society	-	1,000
Gareloch RDA	-	1,500
Friends of Ashton	-	2,000
Action Medical Research	2,000	-
Kirkcaldy District Scout Council	1,500	-
British Heart Foundation	-	2,000
Crew 2000	-	750
Care for Carers	1,000	-
Rowan Alba	1,500	-
Strange Town	1,000	-
The Edinburgh Remakery	3,500	-
Super Power Agency	2,000	-
Scottish Spina Bifida Association	1,000	1,000
Action Against Hunger	1,000	-
Centrestage Communities Ltd	2,500	-
Kidney Kids Scotland	1,000	-
Midlothian Young Peoples Advice	1,000	-
Scottish Arts Trust SCIO	5,000	-

NOTES TO THE FINANCIAL STATEMENTS (Contd)

6) Grants payable (Contd)

	2026 £	2025 £
Handicapped Children's Action Group	1,958	1,930
Edinburgh City Mission SCIO	1,000	1,000
The House at Glasgow Children	1,000	2,000
Lord Wansworth College	-	1,500
Variety, the Children's Charity	500	-
Theodora Children's Charity	1,000	-
Hearts and Minds Ltd	1,500	-
Fet-Lor Youth Club	2,000	-
	<u>131,820</u>	<u>56,780</u>

7) Support Costs

	Support Costs £	Governance Costs £	2026 £	2025 £
Legal and Professional Fees		14,700	14,700	19,320
Registration Dues		-	-	20
Bank Charges		42	42	-
Independent Examination Fees		1,200	1,200	-
	<u>-</u>	<u>15,942</u>	<u>15,942</u>	<u>19,340</u>

8) Trustees

None of the Trustees (or an persons connected with them) received any remuneration or benefits or were reimbursed expenses during the year (2024 - £nil)

9) Employees

There were no employees during the year.

10) Net gains/(losses) on investments

	2026 £	2025 £
Revaluation of Investments (See note 11)	22,134	2,764
Gain/(loss) on sale of investments (See note 11)	<u>7,165</u>	<u>1,116</u>
	<u>29,298</u>	<u>3,880</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd)

11) Fixed asset investments

	2026 £
Cost at 1 April 2025	412,835
Purchases	-
Sales	(155,442)
Gain/ (loss) on Revaluation of investments	22,134
Gain/ (loss) on sale of investments	7,165
	<u>286,692</u>
Valuation as at 31 March 2026	<u>286,692</u>
 Carrying amount	
At 31 March 2026	<u>286,692</u>
At 31 March 2025	<u>412,835</u>

12) Financial instruments

	2026 £	2025 £
Carrying amount of financial assets		
Equity instruments measured at fair value	<u>286,692</u>	<u>412,835</u>

13) Creditors: amounts falling due within one year

	2026 £	2025 £
Turcan Connell	3,000.00	-
Iain McFadden Associates	600.00	-
Thorntons Law LLP	<u>2,700.00</u>	<u>2,700.00</u>
	<u>6,300.00</u>	<u>2,700.00</u>