ALGRADE

UNAUDITED ANNUAL REPORT AND ACCOUNTS
YEAR ENDED 31 MARCH 2025

Scottish Charity Number: SC000859

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ALGRADE

PROFESSIONAL ADVISORS
YEAR ENDED 31 MARCH 2025

Principal Address

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Edinburgh
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21 York Place
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EH13EN

Independent Examiner

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Forvis Mazars LLP
Apex2
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Edinburgh
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Bank of Scotland
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TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2025

The Charity's Trustees present their annual report together with the unaudited financial statements for the year ended 31 March 2025.

Constitution and organisation

Algrade was constituted as a charitable body on 10 July 1968 (as amended on 29 August 1995, revised and adopted on 25 September 1996 and further revised on 23 April 2014) and is recognised by **H M** Revenue and Customs as a Charity for the purposes of Section 505, Income and Corporation Taxes Act 1988. Algrade is registered with the Office of the Scottish Charity Regulator, Scottish Charity Number SC000859. The general management of the Charity is vested in the Trustees and the Executive Committee.

Objectives

The objectives of Algrade are to provide for the spiritual, physical and material welfare and education of the mentally handicapped and those with learning disabilities and to provide assistance to those associated with the mentally handicapped or those with learning disabilities in any way; and to benefit in any way such other charitable objects in any part of the world as the Trustees shall in their absolute discretion think fit to support or establish.

Principal policies to achieve objectives

The Charity provides housing for some of its former service users, and others with life-long disabilities, by way of leasing properties. Following a period of transition, all four properties are now leased directly to the individual service users.

Trustees

The Trustees during the year were:

[redacted]

Review of activities and financial performance

The principal activity of Algrade is to support people with learning disabilities. This continues to be achieved primarily through the leasing of the Trust's four properties directly to service users with special needs to enable them to live in a home environment.

The rental income remains stable. The properties continue to undergo routine maintenance and repairs. The major items of capital expenditure this year were the installation of a new kitchen in one property and the installation of wet floor shower rooms in two of the properties.

The surplus on the General Fund was £109,727 (2024: Surplus £30,349). No movement has arisen on the Christian Work Fund during the year. During the financial year under review, donations of £6,000 (2024: £38,500) were made to other charities.

Investment policy and performance

The Trustees have adopted a low risk investment strategy with a priority being given to protecting the capital of the Charity. Accordingly all liquid funds are invested in interest bearing accounts other than sums held within the current account, which is non-interest bearing. No investment has been made in equities. The Charity has invested in four properties as noted above which are held for housing people with learning disabilities.

Reserves policy

Unrestricted reserves have increased during the year to £1,588,469 (2024: £1,478,742). The reserves will allow future investment in the properties to benefit the existing service users and allow Grants to be made to appropriate beneficiaries in the wider community.

Trustees' responsibilities for the accounts

The Charities Accounts (Scotland) Regulations 2006 require the Trustees to keep proper accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity. In preparing the accounts the Trustees have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- followed the recommendations of OSCR and applicable accounting standards.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity. 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.

Risk management

The Trustees have assessed the major risks to which the Charity is exposed, and in particular to those related to the operations and finances of the charity, and are satisfied that a system is in place to mitigate exposure to the major risks.

The Trustees have taken appropriate professional advice from accountants in connection with a Cash Management Scheme but decided not to proceed with it.

It is anticipated that income levels will remain consistent. The properties are fully occupied at the time of preparing this report.

Trustees' indemnity policy

Trustee indemnity insurance of £2,019 was paid for the current year (2024: £2,019). There is a limit of indemnity of £1,000,000.

Trustees' induction

When new Trustees are appointed, a formal induction process is carried out by the Chair and the Secretary/Treasurer. This process covers such items as the past history of the Charity, the current position, major stakeholders and the financial position.

Key management personnel.

As the charity has no employees, there is no requirement for a procedure to set remuneration for key management personnel.

Charity number

Algrade is a registered Scottish Charity. Scottish Charity Number: SC000859.

Approval

The report of the Trustees was approved by the Trustees on [redacted] and signed on their behalf by:

[redacted]

Trustee

Edinburgh

Date [redacted]

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ALGRADE

I report on the financial statements of Algrade for the year ended 31 March 2025 which are set out on pages 7 to 15.

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's Trustees consider that the audit requirement of the Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006;
- follow the procedures laid down in accounts as required under section 44(1)(c) of the 2005 Act; and
- state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the charity's Trustees as a body. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an independent examiner's report 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 Trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of Independent Examiner's statement

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006.

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 seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of Algrade in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; or
- the financial statements do not accord with those records: or
- the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in Regulation 8 of the 2006 Accounts Regulations, other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

[redacted] (Dec 22, 2025 10:15:13 GMT)

[redacted]

Partner
Forvis Mazars LLP

Date: 22/12/2025

Relevant Professional Body: Institute of Chartered Accountants in England and Wales
Apex 2, 97 Haymarket Terrace, Edinburgh, EH12 SHD.

INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Income		**83,722**	55,718
Donations and grants		**4,000**	(38,500)
Direct costs		**(46,188)**	(23,145)
Gross (deficit)/ surplus		**41,534**	(5,927)
Administrative expenses		**(27,029)**	(12,329)
Operating (deficit)/ surplus		**14,505**	(18,256)
Interest receivable and similar income	3	**722**	855
Gains on revaluation of investment assets	2	**94,500**	47,750
(Deficit) / surplus for the financial ear		**109,727**	30,349

A reconciliation of movements in funds is shown in the Statement of Financial Activities on page 8. This also reflects other movements in reserves.

All income is derived from continuing operations.

The notes on pages 11 to 15 form part of these financial statements

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income and endowments from:					
Investments - bank interest	3	**722**	–	**722**	855
Investments - rental income		**83,722**	–	**83,722**	55,718
Total		**84,444**	–	**84,444**	56,573
Expenditure on:					
Charitable activities	4	**69,217**	–	**69,217**	73,974
Total		**(69,217)**	–	**(69,217)**	(73,974)
Net (expenditure) / income		**15,227**	–	**15,227**	(17,401)
Other recognised gains:					
Gains on revaluation of investment assets	6	**94,500**	-	**94,500**	47,750
Net movement in funds		**109,727**	–	**109,727**	30,349
Balances brought forward at 1 April		**1,478,742**	**124,046**	**1,602,788**	1,572,439
Balances carried forward at 31 March	10	**1,588,469**	**124,046**	**1,712,515**	1,602,788

All 2024 transactions relate to unrestricted funds, and therefore no detailed comparative statement is required.

The notes on pages 11 to 15 form part of these financial statements

BALANCE SHEET
AT 31 MARCH 2025

		2025		2024	
	Note	£	£	£	£
Investment assets					
Investment property	6		**1,565,000**		**1,470,500**
Current assets					
Debtors	7	129		371	
Cash and cash equivalents		151,466		141,337	
		151,595		141,708	
Creditors: Amounts falling due within one �ear	8	(4,080)		(9,420)	
Net current assets			**147,515**		**132,288**
NET ASSETS			**1,712,515**		**1,602,788**
Funds					
Restricted funds	9		**124,046**		**124,046**
Unrestricted funds	10		**1,588,469**		**1,478,742**
TOTAL FUNDS	10		**1,712,515**		**1,602,788**

Approved by the Trustees

[redacted]

Trustee

[redacted]

Date: [redacted]

The notes on pages 11 to 15 form part of these financial statements

STATEMENT OF CASH FLOWS
AT 31 MARCH 2025

	2025 £	2024 £
Cash flows from operating activities:		
Net movement in funds	109,727	30,349
Adjustments for:		
Gains on revaluation of investment assets	(94,500)	(47,750)
Decrease in debtors	242	614
Decrease increase in creditors	(5,340)	(7,360)
Interest received	(722)	(855)
Net cash flows generated from/ (used in) operating activities	**9,407**	**(25,002)**
Cash flows from investing activities:		
Interest received	722	855
Net cash flows generated from investing activities	**722**	**855**
Net (decrease)/ increase in cash during the reporting period	**10,129**	**(24,147)**
Cash and cash equivalents at 1 April 2024	141,337	165,484
Net cash flow per above	10,129	(24,147)
Cash and cash equivalents at 31 March 2025	**151,466**	**141,337**

1. ACCOUNTING POLICIES

General information

Algrade is a trust and a charity registered in Scotland. The principal address is c/o Campbell Smith, LLP, 21 York Place, Edinburgh, EH1 3EN. The following accounting policies have been used consistently in dealing with items which are considered material to the Charity's affairs.

Basis of preparation

The financial statements have been prepared on the going concern basis and under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102).

Investment assets

All investment property is shown at its fair value. The surplus or deficit arising from a periodic revaluation is transferred to/from unrestricted funds. This is in accordance with FRS102 which does not require depreciation of investment property. Investment property is held for its investment potential and not for use by the charity and so its fair value is of prime importance.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Financial instruments

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

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Income

Voluntary income including donations, legacies and trust receipts that are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability unless conditions exist which must be met before the Charity has unconditional entitlement.

Investment income (interest) is recognised on a receivable basis.

Investment income (rent) comprises rental income from properties. Rental income is included in the year in which it is receivable.

Restricted income is any income which is for purposes as designated by the granter or donor and can only be applied to those purposes.

Expenditure

Expenditure is recognised when a liability is incurred. Where they are not directly attributable to a function, costs are allocated on the basis of time spent on each activity.

Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities and events that raise funds.

Charitable activities include expenditure on grants to assist people with learning disabilities and also include expenditure on the upkeep of properties held for charitable purposes.

Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Taxation

Algrade has been recognised by HM Revenue and Customs as a Charity for the purposes of Section 505, Income & Corporation Taxes Act 1988. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied to charitable purposes. The Charity receives no similar exemption in respect of Value Added Tax. All expenses are classified under activity headings that aggregate all costs related to the category. The Charity is not registered for VAT and thus irrecoverable VAT is charged against the category of expenses for which it was incurred.

Judgements in applying accounting policies and key sources of estimation uncertainty

No significant judgements have had to be made by management in preparing these financial statements and they consider there to be no material items of estimation uncertainty, other than the valuation of investment properties. The Trustees have valued the properties based on a professional valuation, carried out by chartered surveyors Shepherd on 19 March 2025.

2. GENERAL FUND: SURPLUS FOR THE FINANCIAL YEAR

The surplus for the financial year is stated after charging the following:	2025 £	2024 £
Gains on revaluation of investment assets	**94,500**	**47,750**

Trustees are not remunerated, and the charity has no employees.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

Interest receivable and similar income represents interest receivable on bank deposits and is shown as investment income in the Statement of Financial Activities.

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Donations and grants	(4,000)		(4,000)	38,500
Property repairs and insurance	46,188		46,188	23,145
Support costs	20,224		20,224	6,350
Governance costs (note 5)	6,099		6,099	5,979
HMO Licences	706		706	
	69,217		69,217	73,974

Support costs relate to legal, management and professional fees.

5. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Independent examiner	4,080	-	4,080	3,960
Trustees' indemnity insurance	2,019	-	2,019	2,019
	6,099	-	6,099	5,979

6. INVESTMENT PROPERTY

The movement on these assets during the year was as follows:

	Total
	£
Valuation	
At 1 April 2024	1,470,500
Additions	
Gains on revaluation	94,500
At 31 March 2025	1,565,000
Fair values	
At 1 April 2024	**1,470,500**
At 31 March 2025	**1,565,000**

The Trustees believe that the fair value of the investment property equates to £1,565,000. The original cost was £394,684.

The properties were professionally valued by Shepherd Chartered Surveyors in March 2025.

7. DEBTORS

Debtors comprised:	**2025** £	**2024** £
Prepayments		
Other debtors (note 11)	**129**	371
	129	371

8. CREDITORS

Amounts falling due within one �ear:	**2025** £	**2024** £
Accruals	**4,080**	9,420

9. RESTRICTED FUND: CHRISTIAN WORK FUND

There was no movement on the Christian Work Fund during the year. This fund represents donations and legacies that have been given to Algrade for work of a Christian nature.

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The analysis of net assets at 31 March 2025, between funds, is as follows:

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
Restricted Funds			
Christian Work Fund	-	124,046	**124,046**
Unrestricted Funds			
General Fund	1,565,000	23,469	**1,588,469**
	1,565,000	147,515	**1,712,515**

The analysis of net assets at 31 March 2024, between funds, is as follows:

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
Restricted Funds			
Christian Work Fund		124,046	**124,046**
Unrestricted Funds			
General Fund	1,470,500	8,242	**1,478,742**
	1,470,500	132,288	**1,602,788**

All assets are held for charitable purposes.

11. RELATED PARTIES

All the Trustees are members or former members of a limited liability partnership, Campbell Smith LLP, which is the firm of solicitors managing the affairs of the charity. During the year fees due to Campbell Smith LLP amounted to £25,036 (2024: £4,270). Fees are periodically independently assessed and audited by the Joint Sheriff Court Auditor. No other fees or expenses were paid to any other Trustee. Campbell Smith held £129 (2024: £371) on behalf of Algrade at 31 March 2025 (note 7).

INCOME AND EXPENDITURE ACCOUNT ANALYSIS
YEAR ENDED 31 MARCH 2025

	2025		2024	
	£	£	£	£
Income				
Rental income		**83,722**		55,718
Total		**83,722**		55,718
Direct costs				
Expenditure on charitable activities				
Property insurance	**6,426**		6,139	
Property repairs	**39,762**		17,006	
HMO Licences				
Charitable donations and grants	**{4,000)**		38,500	
		(42,188)		(61,645)
Gross (deficit) / surplus		**41,534**		(5,927)
Administrative costs				
Management and legal fees	**20,930**		6,350	
Accountancy fees	**4,080**		3,960	
Trustees' indemnity insurance	**2,019**		2,019	
		(27,029)		(12,329)
Operating (deficit)/ surplus		**14,505**		(18,256)
Interest and similar items				
Bank interest received		**722**		855
Gains on revaluation of investment assets		**94,500**		47,750
(Deficit) / surplus for the financial year		**109,727**		30,349