
The Raeburn Place Foundation

**Consolidated report and financial statements for
the year ended 31 March 2022**

**Scottish Charitable Incorporated
Organisation No: SC044826**

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Reference and administrative information

Trustees



Address

11-15 Thistle Street
Edinburgh
EH2 1DF

Bankers

Clydesdale Bank
30 St Vincent Street
Glasgow
G1 2HL

Auditors

Geoghegans
6 St Colme Street
Edinburgh
EH3 6AD

Solicitors

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

CMS Cameron McKenna LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

Charity registration number

SC044826

Trustees' report *for the year ended 31 March 2022*

Objectives and activities

The Foundation's main objectives was to secure a long lease of the ground at Raeburn Place, a sports facility that was no longer fit for purpose and redevelop it and equip it with new facilities. The granting of the long lease was secured in June 2018.

The development plan for the site comprises three phases:

- The construction of a main building with a new spectator stand, and nine retail units along the Comely Bank Road frontage
- The construction of a Museum building adjoining the east end of the main building, to house a Museum of International Rugby
- Construction of additional sporting facilities along Portgower Place

The plans also include the improvement of drainage and pitches.

A structured fundraising programme targeting individuals, commercial organisations, charitable organisations and government agencies, was put in place and commenced in February 2018.

On completion, the redeveloped facilities will provide a sustainable income stream for the Raeburn Place Foundation for the foreseeable future. This self-financing model will enable the charity to preserve the historic ground and its use for sport, and to fund on-going provision of sport and sports programmes as well as the maintenance of the new modern sporting facilities, directly promoting public participation. It will also fund a Museum of International Rugby for the advancement of heritage. Together these will meet the objectives of the charity.

Achievements and performance

The charity continues to focus on capital fundraising to fund the development of Phase 1 of the Raeburn Place, which is being managed by its wholly-owned subsidiary, Raeburn Place Development Limited (RPDL).

The charity's initial focus was the £8.6m capital fundraising for construction of the main building, which includes nine retail units along an attractive ground floor frontage. These are fully let.

Additional lettings on the upper floor of the building are a gym business and a clubhouse for the Edinburgh Academical Football Club. The upper floor is also fitted out with two changing rooms. The fit-outs of these, and that of the EAFC clubhouse, were completed in the summer of 2021.

The rental income from tenants provides a sustainable income stream for the Foundation. EAFC pays a commercial rental for its clubhouse space. The Club does not receive any financial support from the Foundation.

The units on the street frontage, and the associated landscaping, providing an attractive space edged by mature trees. The tenants offer a mix of retail opportunities and the development is viewed positively by the local community. The Foundation was delighted that our architects, Michael Laird and Partners, won the Architectural Excellence Award in the Commercial category at the 2022 Scottish Property Awards.

Trustees' report (continued) **for the year ended 31 March 2022**

Achievements and performance (continued)

The fit-outs of the two changing rooms and the EAFC clubhouse which were completed in the summer of 2021 allow the return of sport to the ground. The first stage of the redevelopment is now complete.

A key objective of the Foundation is to increase the usage of the facilities. During the year users have included: the Trust Rugby charity; the Flora Stevenson Primary School, Edinburgh Academy and other schools; and the School of Hard Knocks charity. Three choirs also used the stand at the ground, allowing them to practice outdoors in compliance with COVID restrictions.

The 150th anniversary of the first rugby international was marked at Raeburn Place on 27th March 2021. The Foundation was able to use this to raise awareness of the global significance of this match as the birth of international rugby and of international team sports. Scottish Rugby and the Scotland team coaches visited the ground for interviews, bringing the Calcutta Cup and Auld Alliance Trophy with them and Accies Minis played on the pitch where the 1871 match took place, with the video footage shown by BBC Scotland.

To mark the anniversary, the Foundation entered into an agreement with Encaptivate Films to make a feature-length documentary telling the story of the 1871 match and its global significance. The £120,000 budget was raised from commercial sponsors, and donations from charitable trusts and individuals. Crowdfunding of the last £20,000 of the budget was very successful in raising the charity's public profile.

Filming progressed on schedule, including re-enactment of scenes from the match, kindly supported by Fettes College providing pitch facilities and catering. The Premiere screening took place in the EAFC Clubhouse on 24th November 2021. The film is now being marketed to broadcasters and streaming services. The resulting income will be applied to fundraising for the next stage of the project – the Museum of International Rugby. The Foundation anticipates seeking funding for the Museum from The National Lottery Heritage Foundation, major charitable trusts, companies and individuals. Distribution of the film can be expected to raise the profile of the Foundation in the sports heritage community.

Financial review

During the financial year the Trustees used regular cash flow forecasts to assess the financial position of the charity and to monitor planned commitments against this. The consolidated statement of financial activities for the year is set out on page 11 of the Financial Statements. A summary of the financial results of the charity is given below.

The income for the year of the charity was £555,434 (2021: £427,827) (as detailed in note 2) and expenditure was £175,441 (2021: £45,340). This produced an excess of income over expenditure of £379,993 (2021: £382,487).

In the year to 31 March 2022 the subsidiary company recorded rental income of £568,977 (2021: £367,735) with nine leases having been completed and made a loss of £156,493 (2021: loss of £948,996) and had negative reserves of £2,824,644 (2021: Negative £2,668,151).

Trustees' report *(continued)*
 for the year ended 31 March 2022

Financial review *(continued)*

The loss in the subsidiary is after recording an impairment on the value of the development. A formal valuation of the development concluded the market value of the retail development to be £9.8 million at the time of the valuation. This valuation will be kept under review as the development matures.

The main source of income for the charity has been donations from high-net-worth individuals who support the charity's aims and objectives. During the year the focus has been fundraising for the construction of changing room, the completion of the upper floor in addition there was a focus of fundraising to fund the production of the documentary mentioned previously.

The trustees believe that the going concern basis of preparation is appropriate for the reasons set out in note 1 to the accounts.

Reserves policy

At 31 March 2022, the group has total reserves of £1,713,412 (2021: £1,489,913) made up of £1,359,446 (2021: £1,126,488) of unrestricted funds and £353,966 (2021: 363,425) of restricted funds. As the group's assets are held up in fixed assets, it has no free reserves.

As the charity is still in the fundraising and development stage, there is no reserve policy as such. The appropriate policy will be established once phase 1 of the development has been completed, fully let and the and the income stream secured.

Risk management

The Trustees of the foundation regularly review the risks to the objectives and performance of both the Foundation and its subsidiaries. The key risks and their management are set out below.

Risk		Management
Lack of donations and funding	Failure to attract sufficient voluntary income to the Foundation, could jeopardise (or delay) its plans for phase 2 and 3 of the development and prevent the charity from fulfilling all of its charitable objectives.	Continued communication of the activities of the Foundation and the availability of facilities for not profit organisations. Communication and awareness of the Foundation bigger objectives.
Tenants future	The current geo-political climate in which we operate at present provides challenges for the tenants trading performance leaving them with an inability to pay their rent and service charges.	Communication with tenants to ensure any issues are identified at an early stage. Cost reviews with property managers to ensure best value being achieved.
Increased borrowing rates	The current climate is resulting is increased borrowing costs leading to decreased returns on the development. The increased costs could lead to default on lending in place.	Managed by careful short term and longer-term cash flow management. Communication with lenders in respect of performance of the development to ensure early support if required.

Trustees' report *(continued)* *for the year ended 31 March 2022*

Plans for future periods

The Foundation's plan for the future is to build a financially independent organisation that will provide sport, support for sports programmes, a vibrant hub for the community and a Museum of International Rugby. Its intention is to:

- Build state of the art sports facilities at Raeburn Place.
- Redevelop and modernise the grounds at Raeburn Place.
- Manage RPD's commercial lettings to generate revenue and ensure financial sustainability, protecting the heritage of the ground and preserving its use for sport.
- Provide financial support to selected dynamic grassroots sports organisations.
- Design and build a Museum of International Rugby dedicated to the historic, cultural and social legacy of Raeburn Place. Planning for the conceptual design work for Museum and for the fundraising is planned to begin in mid-2023.

The Foundation plans to review its governance structure and refresh its Board of Trustees during 2023, and to create an advisory body to oversee the development of plans for the Museum of International Rugby and strengthen the Foundation's links to the sporting heritage

Structure, governance and management

The information on page 1 forms part of this report.

Governing document

The Foundation was established on 25 April 2016 as a Scottish Charitable Incorporated Organisation (SCIO) (SC044826) that is governed by a Constitution. The Foundation has established a subsidiary undertaking which will undertake commercial activities in support of the charity's objectives.

Recruitment and appointment of Trustees

The Trustees have the power to appoint new Trustees. The minimum number of Trustees is three and shall include a chairman. The Trustees shall endeavour to recruit to the Board individuals with appropriate and relevant experience and skills as required. On induction, new trustees are given a copy of the Constitution, a copy of the current OSCR guidance for Charity Trustees and they are brought up to date with the Organisation's plans and progress on these.

Management

The Foundation shall be managed by the Trustees with relevant professional advice sought from the charity's advisors.

The Trustees who have served during the year were as follows:



The Trustees intend to refresh the Board of Trustees in 2023 and to establish an Advisory Board for the Museum project to guide its development.

Trustees' report *(continued)*
for the year ended 31 March 2022

Subsidiary

RPF has a wholly-owned subsidiary, Raeburn Place Development Limited. As recommended by the charities' trust lawyers, Turcan Connell, there is one independent director of RPD and one independent trustee of the foundation. A full development funding agreement has been entered into between Foundation and the subsidiary, following advice from appropriate professional consultants.

Statement of trustees' responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing those financial statements, the Trustees are required to:

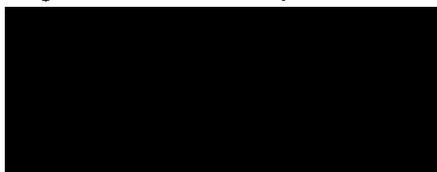
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice had been followed, subject to any 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 operational existence.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Approval of the Trustees report

At the time of approving this report, the trustees are aware of no relevant audit information of which the charity's auditors are unaware and have taken all steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The financial statements on pages 11 to 26 were approved by the Trustees on 15 December 2022 and signed on their behalf by:



Independent auditors' report to the trustees of The Raeburn Place Foundation

Opinion

We have audited the financial statements of The Raeburn Place Foundation (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the group and parent charity statements of financial activities, the group and parent charity balance sheets, the group and parent charity statements of cashflows 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 group's and parent charity's affairs as at 31 March 2022, and of the group's and parent charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 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 group and parent 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Independent auditors' report to the trustees of The Raeburn Place Foundation (continued)

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 trustees' 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.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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.

Independent auditors' report to the trustees of The Raeburn Place Foundation (continued)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures to respond to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we consider the following:

- The nature of the industry, control environment and business performance of the group and parent charity
- The requests of our enquires with management and the Trustees about their own identification and assessment of the risks of irregularities
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we consider the opportunities and incentives that may exist within the group and parent charity for fraud. In common with all audits under ISAs (UK), we perform specific procedures to respond to the risk of management override and inappropriate income recognition.

We also obtain an understanding of the legal and regulatory environment in which the group and parent charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements and those which may be fundamental to the group and parent charity's ability to operate. The key laws and regulations we considered in this context included the Statement of Recommended Practice: Accounting for Charities FRS 102 (2019), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Independent auditors' report to the trustees of The Raeburn Place Foundation (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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.



Geoghegans
Chartered Accountants and Statutory Auditor
6 St Colme Street
Edinburgh
EH3 6AD

16 December 2022

Geoghegans is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities
for the year ended 31 March 2022

	Note	Unrestricted Year ended 31 March 2022 £	Restricted Year ended 31 March 2022 £	Total £	Unrestricted Year ended 31 March 2021 £	Restricted Year ended 31 March 2021 £	Total £
Income from:							
Donations and legacies	2	198,926	66,838	265,764	74,434	353,372	427,806
<i>Income from trading operation:</i>							
Rental income		568,977	-	568,977	367,735	-	367,735
Other income		74,197	45,000	119,197			
Investments	3	3	46	49	-	21	21
Total income		842,103	111,884	953,987	442,169	353,393	795,562
Expenditure on:	3						
<i>Cost of raising funds:</i>							
Raising funds		10,232	-	10,232	21,804	-	21,804
Commercial trading operations		165,965	-	165,965	228,537	-	228,537
Interest paid		233,214	-	233,214	112,594	-	112,594
Charitable activities		409,411	-	409,411	362,935	-	362,935
Impairment of subsidiary's fixed asset		72,512	121,343	193,855	77,858	-	77,858
		127,222	-	127,222	921,277	-	921,277
Total expenditure		609,145	121,343	730,488	1,362,070	-	1,362,070
Net Income/(expenditure)		232,958	(9,459)	223,499	(919,901)	353,393	(566,508)
Transfers between funds		-	-	-	-	-	-
Net movement in funds		232,958	(9,459)	223,499	(919,901)	353,393	(566,508)
Total funds brought forward	11	1,126,488	363,425	1,489,913	2,046,389	10,032	2,056,421
Total funds carried forward	11	1,359,446	353,966	1,713,412	1,126,488	363,425	1,489,913

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

Charity statement of financial activities
 for the year ended 31 March 2022

	Note	Unrestricted Year ended 31 March 2022 £	Restricted March 2022 £	Total £	Unrestricted Year ended 31 March 2021 £	Restricted March 2021 £	Total £
Income from:	2						
Charitable income		198,926	66,838	265,764	74,434	353,372	427,806
Investments		170,427	46	170,473	-	21	21
Other income		74,197	45,000	119,197	-	-	-
Total income		443,550	111,884	555,434	74,434	353,393	427,827
Expenditure on:	3						
Raising funds		10,232	-	10,232	21,804	-	21,804
Charitable activities		43,866	121,343	165,209	23,536	-	23,536
Total expenditure		54,098	121,343	175,441	45,340	-	45,340
Net income/(expenditure)		389,452	(9,459)	379,993	29,094	353,393	382,487
Transfers between funds		-	-	-	-	-	-
Net movement in funds		389,452	(9,459)	379,993	29,094	353,393	382,487
Total funds brought forward	11	3,803,838	363,425	4,167,263	3,774,744	10,032	3,784,776
Total funds carried forward	11	4,193,290	353,966	4,547,256	3,803,838	363,425	4,167,263

Consolidated and charity balance sheets
as at 31 March 2022

	Note	Group 31 March 2022 £	Charity 31 March 2022 £	Group 31 March 2021 £	Charity 31 March 2021 £
Fixed assets					
Tangible assets	5	1,043,816	1,042,279	10,842,279	1,042,279
Investment property	6	9,800,000	-	-	-
Investments	7	-	5,001	-	5,001
Total fixed assets		10,843,816	1,047,280	10,842,279	1,047,280
Current assets					
Debtors	8	445,954	3,633,254	360,610	3,094,619
Cash at bank and in hand		128,427	7,098	158,649	70,615
		574,381	3,640,352	519,259	3,165,234
Creditors					
Amounts falling due within one year	9	(4,355,487)	(140,376)	(6,912,812)	(45,251)
Net current (liabilities)/assets		(3,781,106)	3,499,976	(6,393,553)	3,119,983
Total assets less current liabilities					
Amounts falling due after more than one year	10	(5,349,298)	-	(2,958,813)	-
Net assets		1,713,412	4,547,256	1,489,913	4,167,263
Funds					
Unrestricted funds	11	1,359,446	4,193,290	1,126,488	3,803,838
Restricted funds	11	353,966	353,966	363,425	363,425
Total funds		1,713,412	4,547,256	1,489,913	4,167,263

The financial statements were approved by the trustees on 15 December 2022 and signed on their behalf by:



The notes on pages 15 to 26 form part of these financial statements.

Consolidated and charity statements of cash flows
 for the year ended 31 March 2022

	Group 31 March 2022 £	Charity 31 March 2022 £	Group 31 March 2021 £	Charity 31 March 2021 £
Cash flows from operating activities				
Net income/(expenditure)	223,499	379,993	(566,508)	382,487
Income from investments	(49)	(170,473)	(21)	(21)
Decrease/(increase) in debtors	(85,344)	(538,635)	(244,466)	(277,827)
(Increase)/decrease in creditors	(543,518)	(24,876)	327,724	(74,521)
Impairment charge and depreciation	127,574	-	921,277	-
Cash (used in)/provided by operating activities	(277,838)	(353,990)	438,006	30,118
Cash flows from investing activities				
Investment income	49	170,473	21	21
Payments to acquire fixed assets	(129,111)	-	(921,277)	-
Cash (used in)/provided by investing activities	(129,062)	170,473	(921,256)	21
Cashflows from financing activities				
New loans	2,720,000	120,000	688,806	-
Loan repayments	(2,343,322)	-	(133,547)	-
Cash provided by financing activities	376,678	120,000	555,259	-
Change in cash and cash equivalents in the reporting period	(30,222)	(63,517)	72,009	30,139
Cash and cash equivalents at the beginning of the year	158,649	70,615	86,640	40,476
Total cash and cash equivalents at the end of the year	128,427	7,098	158,649	70,615
Cash and cash equivalents comprise:				
Cash at bank	128,427	7,098	158,649	70,615
Cash held as part of investment portfolio	-	-	-	-
	128,427	7,098	158,649	70,615

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared on a going concern basis in accordance with applicable accounting standards and under the historical cost convention. The charity is a Public Benefit Entity and a Scottish charitable incorporated organisation with the registered office as noted on page 1. The financial statements are presented in Sterling, which is the functional currency of the charity, rounded to the nearest £.

The financial statements are compliant with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Statement of Recommended Practice (SORP) FRS 102 "Accounting and Reporting by Charities", in accordance with Financial Reporting Standard 102 (FRS 102) issued in October 2019 and United Kingdom Generally Accepted Accounting Practice. The consolidated financial statements include the financial statements of The Raeburn Place Foundation and its subsidiary undertaking made up to 31 March 2022. The acquisition method of accounting has been applied.

Going concern

The Trustees consider that the accounts should be drawn up on a going concern basis. The trustees undertook a thorough medium to long term budgeting process to review the cash flows of the business. Based on the current operations of the charity, the Trustees have no reason to believe that this basis is not appropriate.

Charity status

The charity is a Scottish Charitable Incorporated Organisation (SCIO) and is exempt from corporation tax which is applied for charitable purposes commensurate with that status. The charity trustees and members have no liability to pay any sums to help to meet the debts (or other liabilities) of the SCIO if it is dissolved.

Fixed assets

Assets over £500 are capitalised at cost. Depreciation is provided at the following rates in order to write off each asset over its estimated useful life;

Computer equipment – 50% straight line
Plant & Equipment -33% straight line

The asset is in the course of construction which represents work done to date on the stadium development will commence depreciation on completion of the development.

Investment properties

Investment properties, which is property held to earn rentals and/or capital appreciation, is initially recognised at cost, which includes the purchase/ build cost and other directly attributed expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in the statement of financial activities.

Impairment of fixed assets and investment property

At each reporting end date, the company 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 arises the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the reasonable amount of the individual asset, the company estimates the recoverable amount of the cash-generation unit in which the asset belongs.

Investments

Quoted investments are stated at market value.

Unquoted investments represent the holding in the subsidiary companies and are held at cost.

Notes to the financial statements

1 Accounting policies (continued)

Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund accounting

Funds held by the charity are:

Unrestricted funds

These are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds

Designated funds represent unrestricted funds allocated for particular purposes within the objects of the charity at the discretion of the Trustees.

Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes or for specifically funded projects.

Income

All incoming resources, including donations and investment income, are included in the accounts when there is legal entitlement to the income, probability of receipt and when the amount can be quantified with reasonable accuracy.

Operating lease income

Rental income received from property leases is recognised on a straight line basis over the period of the lease.

Incentives given to tenants to enter into operating leases are debited to the profit and loss account to reduce the rental income on a straight line basis over the period of the lease.

Service charge income and expenditure is recognised on an accruals basis relevant to the period under review.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds

Expenditure on raising funds represent those fundraising costs incurred in generating donations and legacies.

Charitable activities

Charitable activities costs represent those costs incurred in carrying out activities to achieve the charitable activities as outlined in the trustee report. These include governance costs which represent those costs associated with the governance arrangements of the charity including independent examination fees, legal fees for advice for trustees and costs associated with meeting constitutional and statutory requirements.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Judgements in applying key sources of estimation uncertainty

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.

In preparing these financial statements, the trustees have made the following judgements:

- Determine whether leases entered into by the charity as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

Financial instruments

The charity only enters into basic financial instruments. Financial assets are initially measured at transaction price and subsequently held at cost, less any impairment. Financial liabilities are initially measured at transaction price and subsequently held at amortised cost.

2 Income analysis

	Group Year ended 31 March 2022 £	Charity 31 March 2022 £	Group Year ended 31 March 2021 £	Charity 31 March 2021 £
Donations from individuals	161,200	161,200	272,806	272,806
Donations from trustees	79,564	79,564	141,000	141,000
Donations from trusts and foundations	25,000	25,000	14,000	14,000
	<u>265,764</u>	<u>265,764</u>	<u>427,806</u>	<u>427,806</u>
	=====	=====	=====	=====
Sponsorship income	45,000	45,000	-	-
Other income	74,197	74,197	-	-
	<u>119,197</u>	<u>119,197</u>	-	-
	=====	=====	=====	=====
Other trading income				
Rental income from commercial units – subsidiary	568,977	-	367,735	-
	<u>568,977</u>	<u>-</u>	<u>367,735</u>	<u>-</u>
	=====	=====	=====	=====
Interest on inter- company loan	-	170,424	-	-
Interest income	49	49	21	21
	<u>49</u>	<u>170,473</u>	<u>21</u>	<u>21</u>
	=====	=====	=====	=====

Notes to the financial statements (continued)

3 Expenditure analysis

	Group Year ended 31 March 2022 £	Charity Year ended 31 March 2022 £	Group Year ended 31 March 2021 £	Charity Year ended 31 March 2021 £
Raising funds				
Fundraising consultancy and related expenses	990	990	12,068	12,068
Support costs	9,242	9,242	9,736	9,736
Commercial trading operations (see note 7)	165,965	-	228,537	-
Interest on development	233,214	-	112,594	-
	<u>409,411</u>	<u>10,232</u>	<u>362,935</u>	<u>21,804</u>
Charitable activities				
Sports Stadium development	51,431	22,785	59,587	5,265
Film Production	121,343	121,343	-	-
Governance costs	-	-	-	-
Audit and accountancy fees	11,791	11,791	8,535	8,535
Trustees meeting costs	48	48	-	-
Support costs	9,242	9,242	9,736	9,736
	<u>193,855</u>	<u>165,209</u>	<u>77,858</u>	<u>23,536</u>
	£	£	£	£
Support costs				
Professional fees	-	-	-	-
Telephone and IT	-	-	5,680	5,680
Marketing	-	-	-	-
Staff costs	-	-	13,544	13,544
Bank charges	156	156	245	245
Depreciation	-	-	-	-
Office costs	6,945	6,945	3	3
Management fees	11,383	11,383	-	-
	<u>18,484</u>	<u>18,484</u>	<u>19,472</u>	<u>19,472</u>
	£	£	£	£
Allocated to:	Group	Charity	Group	Charity
Raising funds	Year ended 31 March 2022	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2021
%	£	£	£	£
50	9,242	9,242	9,736	9,736
Basis				
Estimation of time spent				
Charitable activities	9,242	9,242	9,736	9,736
50	9,242	9,242	9,736	9,736
Estimation of time spent				
	<u>18,484</u>	<u>18,484</u>	<u>19,472</u>	<u>19,472</u>

Notes to the financial statements (continued)

4 Staff emoluments and numbers

	Group Year ended 31 March 2022 £	Charity Year ended 31 March 2022 £	Group Year ended 31 March 2021 £	Charity Year ended 31 March 2021 £
Wages and salaries	-	-	24,258	24,258
Pension costs	-	-	463	463
	<u>-</u>	<u>-</u>	<u>24,721</u>	<u>24,721</u>
	No	No	No	No
Average number of employees	-	-	1	1

The trustees are considered to be key management. None of the Trustees (or any person connected with them) received any remuneration or reimbursement of expenses. There were no employees (2021: None) whose emoluments exceeded £60,000.

5 Fixed assets – Charity

	Assets under the course of construction £	Computer equipment £	Total £
Cost			
At 31 March 2021	1,042,279	3,290	1,045,569
Additions	-	-	-
	<u>1,042,279</u>	<u>3,290</u>	<u>1,045,569</u>
At 31 March 2022	1,042,279	3,290	1,045,569
Depreciation			
At 31 March 2021	-	3,290	3,290
Depreciation charge	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	-	3,290	3,290
	<u>-</u>	<u>3,290</u>	<u>3,290</u>
Net book value			
At 31 March 2022	<u>1,042,279</u>	<u>-</u>	<u>1,042,279</u>
At 31 March 2021	<u>1,042,279</u>	<u>-</u>	<u>1,042,279</u>

Notes to the financial statements (continued)

5	Fixed assets (continued) - Group	Assets under			
		the course of construction £	Plant	Computer equipment £	Total £
	Cost				
	At 31 March 2021	12,513,625	-	3,290	12,516,915
	Additions	127,222	1,889	-	129,111
	Transfer to investment property	(11,598,568)	-	-	(11,598,568)
	At 31 March 2022	<u>1,042,279</u>	<u>1,889</u>	<u>3,290</u>	<u>1,047,458</u>
	Depreciation				
	At 31 March 2021	1,671,346	-	3,290	1,674,636
	Depreciation	-	352	-	352
	Impairment charge	127,222	-	-	127,222
	Transfer to investment property	(1,798,568)	-	-	(17,985,68)
	At 31 March 2022	<u>-</u>	<u>352</u>	<u>3,290</u>	<u>3,642</u>
	Net book value				
	At 31 March 2022	<u>1,042,279</u>	<u>1,537</u>	<u>-</u>	<u>1,043,816</u>
	At 31 March 2021	<u>10,842,279</u>	<u>-</u>	<u>-</u>	<u>10,842,279</u>

6 Investment Properties - Group

	Valuation	
	At 31 March 2021	-
	Transfer	9,800.00
	At 31 March 2022	<u>9,800.00</u>

The value of the investment properties reallocates the open market valuation carried out by Colliers at 31 March 2021. The Trustees do not believe the value has changed in the period to 31 March 2022.

7 Investments

	Charity 31 March 2022 £	Charity 31 March 2021 £
Investment in Raeburn Place Development (Sport) Limited	1	1
Investment in Raeburn Place Development Limited	5,000	5,000
	<u>5,001</u>	<u>5,001</u>

Notes to the financial statements *(continued)*

7 Investments – Group *(continued)*

Group investments exclude the investment in Raeburn Place Development Limited and Raeburn Place Development (Sport) Limited.

Raeburn Place Development Limited is a company registered in Scotland (company registration number SC403946) and is involved in the development of a sports stadium.

The financial results of Raeburn Place Development Limited are summarised below:

	2022 £	2021 £
Turnover	568,977	367,735
Cost of sales	(165,965)	(228,537)
Gross profit	403,012	139,198
Administrative expenses	(28,645)	(54,322)
Impairment charge on fixed assets	(127,222)	(921,277)
Operating profit/ (loss)	247,145	(836,401)
Interest payable	(403,638)	(112,595)
Loss for the financial year	(156,493)	(948,996)
Net (liabilities)	(2,824,644)	(2,668,151)

Raeburn Place Development (Sport) Limited is a company registered in Scotland (company registration number SC601802). It is currently dormant and has net assets of £1.

The charity owns 100% of the share capital of both companies.

Notes to the financial statements (continued)

8 Debtors	Group 31 March 2022 £	Charity 31 March 2022 £	Group 31 March 2021 £	Charity 31 March 2021 £
Trade debtors	44,102	-	57,582	-
Amounts due from subsidiary	-	3,631,014	-	3,075,950
Other debtors	401,852	2,240	303,028	18,669
	<u>445,954</u>	<u>3,633,254</u>	<u>360,610</u>	<u>3,094,619</u>
9 Creditors	Group 31 March 2022 £	Charity 31 March 2022 £	Group 31 March 2021 £	Charity 31 March 2021 £
<i>Amounts falling due within one year</i>				
Bank loans and overdraft	210,254	-	2,344,061	-
Trade creditors	176,383	7,560	764,450	6,871
Accruals and deferred income	349,363	12,816	304,814	38,380
Other creditors	12,000	-	12,000	-
Other loans	3,607,487	120,000	3,487,487	-
	<u>4,355,487</u>	<u>140,376</u>	<u>6,912,812</u>	<u>45,251</u>
10 Creditors: Amounts due after more than one year	Group 31 March 2022 £	Charity 31 March 2022 £	Group 31 March 2021 £	Charity 31 March 2021 £
Bank loans 2- 5 years.	5,349,298	-	2,958,813	-

The Banks loans are secured by a standard security over the retail development site and by a bond and floating charge over the assets of Raeburn Place Development Limited

Notes to the financial statements (continued)

11	Funds	Balance at 31 Mar 2021 £	Income £	Expenditure £	Transfer between funds £	Balance at 31 Mar 2022 £
	Group					
	Unrestricted funds					
	General fund	1,126,488	842,103	(609,145)	-	1,359,446
	Restricted funds					
	Museum fund	32	-	-	-	32
	Film fund	29,643	95,634	(121,343)	-	3,934
	Changing Room fund	333,750	16,250	-	-	350,000
		<u>1,489,913</u>	<u>953,987</u>	<u>(730,488)</u>	<u>-</u>	<u>1,713,412</u>
	Charity					
	Unrestricted funds					
	General fund	3,803,838	443,550	(54,098)	-	4,193,290
	Restricted funds					
	Museum fund	32	-	-	-	32
	Film fund	29,643	95,634	(121,343)	-	3,934
	Changing Room fund	333,750	16,250	-	-	350,000
		<u>4,167,263</u>	<u>555,534</u>	<u>(175,441)</u>	<u>-</u>	<u>4,547,256</u>

The Museum fund represents funds received to assist with the fit out of the Museum when the second phase of the development commences. The Film Fund represents funds raised to produce the Event Game Documentary film about the first Rugby International held at Raeburn Place in 1871. The Changing Room Fund was specific funds raised to assist with the fit out of the changing room facilities in Phase 1 of the development.

Group	Balance at 31 Mar 2020 £	Income £	Expenditure £	Transfer between funds £	Balance at 31 Mar 2021 £
Unrestricted funds					
General fund	2,046,389	442,169	(1,362,070)	-	1,126,488
Restricted funds					
Museum fund	10,032	(10,000)	-	-	32
Film fund	-	29,643	-	-	29,643
Changing Room fund	-	333,750	-	-	333,750
	<u>2,056,421</u>	<u>795,562</u>	<u>(1,362,070)</u>	<u>-</u>	<u>1,489,913</u>
Charity					
Unrestricted funds					
General fund	3,774,744	74,434	(45,340)	-	3,803,838
Restricted funds					
Museum fund	10,032	(10,000)	-	-	32
Film fund	-	29,643	-	-	29,643
Changing Room fund	-	333,750	-	-	333,750
	<u>3,784,776</u>	<u>427,827</u>	<u>(45,340)</u>	<u>-</u>	<u>4,167,263</u>

Notes to the financial statements (continued)

12 Analysis of net assets between funds

2022	Tangible fixed assets £	Investments £	Net assets £	Total £
Group				
Restricted funds	-	-	353,966	353,966
Unrestricted funds	10,843,816	-	(9,484,370)	1,359,446
	<u>10,843,816</u>	<u>-</u>	<u>9,130,404</u>	<u>1,713,412</u>
Charity				
Restricted funds	-	-	353,966	353,966
Unrestricted funds	1,042,279	5,001	3,146,012	4,193,290
	<u>1,042,279</u>	<u>5,001</u>	<u>3,499,978</u>	<u>4,547,256</u>

2021	Tangible fixed assets £	Investments £	Net current assets £	Total £
Group				
Restricted funds	-	-	363,425	363,425
Unrestricted funds	10,842,279	-	(9,715,791)	1,126,488
	<u>10,842,279</u>	<u>-</u>	<u>(9,352,366)</u>	<u>1,489,913</u>
Charity				
Restricted funds	-	-	363,428	363,428
Unrestricted funds	1,042,279	5,001	2,756,556	3,803,836
	<u>1,042,279</u>	<u>5,001</u>	<u>3,119,984</u>	<u>4,167,264</u>

12 Analysis of charges in net debt - Group

	1 April 2021 £	Cash Flow £	Non-cash Movements £	31 March 2022 £
Long term borrowings	(2,958,813)	(2,528,970)	138,481	(5,349,298)
Short term borrowings	(5,831,548)	2,152,292	(138,481)	(3,817,373)
	<u>(8,790,361)</u>	<u>(376,678)</u>	<u>-</u>	<u>(9,167,039)</u>
Cash and cash equivalents	158,649	(30,222)	-	128,427
	<u>(8,631,712)</u>	<u>(406,900)</u>	<u>-</u>	<u>(9,038,617)</u>
Analysis of charges in net debt - Charity				
Short term loan	-	(120,000)	-	(120,000)
Cash and cash equivalents	70,615	(63,517)	-	7,098
	<u>70,615</u>	<u>(183,517)</u>	<u>-</u>	<u>(112,902)</u>

Notes to the financial statements (continued)

14 Leasing commitments

Raeburn Place Foundation has an agreement with Edinburgh Academical Club to lease ground for 98 years for £1 per annum when requested.

Total future minimum lease payments under non-cancellable operating leases are as follows:

	31 March 2022 £	31 March 2021 £
Not later than one year	1	1
Group capital commitments	-	9,179

15 Related party transactions

Related party	Relationship	Donations received by RPF		Loans received by group in year		Balance owing at	
		31 March 2022 £	31 March 2021 £	31 March 2022 £	31 March 2021 £	31 March 2022 £	31 March 2021 £
Ronald McNab	RPF Trustee/ RPDL Director	60,000	106,000	-	-	1,967,500	1,967,500
George Henderson	RPDL Director	-	20,000	60,000	-	240,000	180,000
Peter McDonald	RPF Trustee	19,565	15,000	35,000	-	75,000	40,000

The loans provided are unsecured and have no fixed date of repayment.

Raeburn Place Development Limited: wholly owned subsidiary.

During the year, £5,000 (2021: £Nil) of development costs were recharged from the subsidiary to Raeburn Place Foundation. The Foundation is charging interest on the loan balance with the subsidiary at a rate of 5% per annum. At the year-end £170,424 of interest was due to be paid by the subsidiary to the parent company. At 31 March 2022, there was a balance of £3,631,014 owing from the subsidiary to the parent (2021: £3,075,950).

White Honey Family Investments Limited: a company in which Ronald McNab is a director.

A loan of £1,299,987 was granted by White Honey Family Investments Ltd. This remains outstanding at the year end. Interest is payable at 1% over base and £15,507 (2021: £14,299) was charged in the year. At the year-end £61,525 (2021: £46,018) of interest was accrued on the loan and remained payable.

16 Control

The charity is under the control of the trustees.