THE ROYAL SCOTTISH CORPORATION

THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II (OPERATING AS "SCOTSCARE")

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2026

Charity Commission Number: 207326

OSCR Number: SC052739

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

CONTENTS **Page**

Reference and administrative information	1
Chairman's introduction	3
Highlights 2025 to 2026	5
Trustees' report	6
Independent auditor's report	20
Statement of financial activities	23
Balance sheet	24
Cash flow statement	25
Notes to the financial statements	26

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2026

Patron:
His Majesty King Charles III

Principal Office:
183-185 Bermondsey Street, London SE1 3UW

Vice Presidents:
P.J.M. Scott

Treasurer
Mike Watson (appointed April 2025)

Trustees:
Elected Members of the Committee of Management:

K. Lynch (Chairman)
D. Guild
W. Gilmore
D. McMurtrie
C. Ross
B. Preston
S. Jermyn
R. Brown (resigned April 2025)
E. Close
J. Stevenson (appointed October 2025)

In addition the Treasurer and Honorary Solicitor are Trustees and Members of the Committee of Management.

Other Appointments:
Chief Executive and Secretary:
Shona Fleming

Honorary Chaplain:
The Reverend Angus MacLeod
The Reverend Dr Tara Porr Granados appointed July 2026

Honorary Piper
Pipe Major J. McLucas

Auditor:
HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

Honorary Solicitor:
Danny Tsang (Resigned October 2025)
Sheryl Jermyn (Appointed (Jan 2026)

Bankers:
The Royal Bank of Scotland plc
1 Fleet Street
London
EC4Y 1BD

Investment Advisers:
Cazenove
100 St Paul's Churchyard
London
EC4M 8BU

W1M
16 Babmaes Street
London SW1Y 6AH

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

CHAIRMAN'S INTRODUCTION

FOR THE YEAR ENDED 31 MARCH 2026

Dear Friends,

I am privileged to be able to present our Annual Report and Financial Statements for the year ended 31 March 2026.

Our mission is to help Scots in need within the Greater London area in a variety of ways, depending on assessed need: housing, health (physical and mental), advocacy, financial grants, training, housing advice, volunteer programme, career coaching, counselling, respite holidays and social events. Whilst continuing our support to older people and working-age adults, we have increased our focus on supporting children and families, the objective being to stop the cycle of poverty, low educational attainment and unemployment, as well as supporting homeless clients.

The charity continues to be strong and stable, testament to the dedication and hard work of our very capable team led by our Chief Executive Shona Fleming.

The past year has seen ScotsCare make significant progress in delivering practical, financial, therapeutic and social support across all client groups. Demand for our services continued to grow, with 551 clients assessed for support during the year, compared with 449 in the previous year, and 908 financial grants awarded across a wide range of areas including children's activities, clothing, education and training, emergency assistance, household support and school meals. Our Family Support service continued to expand its reach, providing intensive support to 33 families facing multiple disadvantages, supporting 15 children and young people with educational inclusion needs and enabling 41 families to enjoy a fully funded PGL activity holiday.

Our advocacy and housing services also delivered strong outcomes. We supported 78 advocacy cases involving welfare benefits, tribunals, complaints and housing matters, securing more than £40,000 in backdated benefits through successful challenges and appeals. Across our housing services we accommodated nine new residents, strengthened tenancy management arrangements and continued to provide rent arrears monitoring and benefits support. Our homelessness outreach programme supported 34 clients with complex needs, helped three individuals move into secure accommodation and made five referrals into the homelessness therapy service, all of whom engaged fully with support.

Mental health and therapeutic support remained a key area of focus. Through our trusted partnerships with CPU, WCYP and BGPS, we continued to provide specialist psychotherapy and therapeutic interventions for children, young people and adults. Demand and engagement remained strong throughout the year, with hundreds of appointments and therapy sessions delivered, including support for homelessness, substance misuse and wider mental health needs. We also launched two new mentoring and employability support strands aimed at young people aged 14 to 18 and working-age adults, providing tailored coaching, confidence building, CV support, job search assistance and interview preparation.

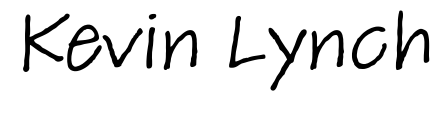
The board oversaw important developments to strengthen the organisation's structure and long-term effectiveness. During the year, the Client Support Team was restructured to include dedicated Team Leaders for Families, Older People and Intake, strengthening expertise, accountability and outcomes across key client groups. We also continued to focus on ensuring that our governance, services and resources remain aligned with the needs of our beneficiaries and the objectives set out within our strategic plan. Our various sub-committees have continued to undertake significant work throughout the year, and I would like to express my sincere thanks to my fellow trustees for their ongoing commitment and valuable contributions.

Our volunteers continued to play an essential role in supporting service delivery. During the year, 66 active volunteers contributed 4,071 hours across a wide variety of activities including befriending, reception support, outreach, social activities, Tech Buddies, surveys and administration. Alongside this, we delivered a broad programme of social events and activities for families and older people, including trips, lunches, choir sessions, Winter Wonderland events and community gatherings. In total, 2,079 places and tickets were provided, helping to reduce isolation while increasing confidence, wellbeing and social connection.

Continuing to increase awareness of ScotsCare is critically important to everything we do, and this has continued with our podcast series, social media, traditional media, pitch side banners at sporting events, presence at events and contacts through the ScotsCare Ambassadors Club. To reach more potential clients we have also employed a Community Engagement Officer to help raise awareness of our services.

In the Trustees' Report you will see details of the extensive and varied work done by our staff and volunteers. Our CEO and her team are proactive, energetic and flexible and we are fortunate to have such a body of impressive people. Thank you to everyone.

Thank you also to all who generously donated to ScotsCare during the year, whether funds or time and talents, you are critical to our mission.



Kevin Lynch

Chairman

HIGHLIGHTS 2025 TO 2026

EVENTS

2,079 people attended our social events

96%

were satisfied or very satisfied with the attitude of ScotsCare staff

551

clients assessed, an increase of 11% year on year

Over £40,000 of back payments secured by Advocacy team in the year

4,071

Hours provided by 66 trained and supported volunteers

934

Psychotherapy sessions offered across all services



Moved to new building on Bermondsey Street, Southwark

Over 400 years of ScotsCare

The charity for Scots in London

£141,600 raised in Fundraising

20 student and training grants awarded totalling £35,869

33 Families supported by Children and Families Team

9

New residents accommodated in our sheltered housing

78

Clients were supported through our Advocacy service

80 children's activity grants awarded totalling £43,501

908

Grants were awarded totalling £204,801

465

household grants awarded

50 befriending relationships gave 833 hours speaking with clients

94%

were satisfied or very satisfied with the quality of ScotsCare services

71

41 families which included 71 children took part in PGL activity holidays

315 children awarded clothing grants totalling £47,927

The Royal Scottish Corporation ("the Corporation") is the working name of the Scottish Hospital of the Foundation of King Charles II. It operates under the name ScotsCare and is registered with the Charity Commission for England and Wales under registration number 207326, and with the Office of the Scottish Charity Regulator (OSCR) under registration number SC052739. Details of the principal office, Trustees, Chief Executive and principal advisers are set out in the reference and administrative information section on pages 1 and 2.

The Trustees present their report and the audited Financial Statements for the year ended 31 March 2026, which have been prepared in accordance with the current Statement of Recommended Practice, Accounting and Reporting by Charities, and the relevant accounting standards.

Governing Document

The Corporation is governed by the Royal Charters of 1665 and 1676, the Charter of Reincorporation of 1775, as amended in 1974, 1982 and on 1 August 2022, and by Bye-Laws, which were last amended in July 2022.

Appointment and Induction of Trustees

As provided in the Charter and Bye-Laws, there is one Annual General Court each year. The Committee of Management, as charity trustees for the purposes of the Charities Act 2011, has control of the Corporation and its property and funds.

The Committee of Management shall elect no fewer than five and no more than 14 members, including the Treasurer and the Honorary Solicitor, each of whom serves for a period of three years.

One-third, or the number nearest to one-third, of the Elected Members must retire at the Committee Meeting immediately preceding each Annual General Court. Subject to Bye-Laws 5.7 and 7.1, a retiring Elected Member is eligible for re-election for consecutive periods not exceeding, in aggregate, nine years from the date of their original appointment. Thereafter, an Elected Member shall not be eligible for re-appointment until one year after their retirement.

The Committee of Management has established a Nominations Sub-Committee, which from time to time recommends candidates to the Committee of Management for election as Elected Members. Prospective Trustees are required to attend two Committee of Management meetings and a selection of Sub-Committee meetings before their election. Regard is given to the skills and experience of each potential Trustee and to the skills and experience required by the Charity.

On appointment, each Trustee is required to undertake an induction, which includes reviewing information about the Charity, including its governing document, strategy, finances, staffing structure and risk register, as well as briefings from staff on the work of the organisation. Their attention is drawn to relevant Charity Commission guidance, including the Charity Governance Code.

Organisation

The Committee of Management meets quarterly and may appoint Sub-Committees to discuss and make recommendations on more detailed aspects of strategy and policy. There are currently six Sub-Committees: Finance, Investment, Property, Welfare, Communications and Nominations.

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. The Chief Executive has delegated authority, within the terms prescribed by the Trustees, for operational, financial and service delivery-related activity.

Key Management

The Chief Executive and the Committee of Management, comprising unpaid Trustees, make up the organisation's key management. The Chief Executive's salary is based on an annual pay and appraisal process overseen by the Chair.

Trustees' Responsibilities and Risk Management

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards and SORP have 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 assume that the Charity will be able to continue in operation.

The Trustees are responsible for maintaining 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 accounts comply with the *Charities Act* 2011, the *Charity (Accounts and Reports) Regulations* 2008; and the provisions of the Royal Charters and Bye-Laws. 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.

We have overall responsibility for:

- keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Corporation and the funds held in trust;
- establishing and monitoring a system of internal control;
- ensuring that the Financial Statements comply with applicable law and regulations; and
- establishing arrangements for safeguarding the assets of the Corporation and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The systems of internal control are designed to mitigate risk and include a strategic plan, regular consideration by the Committee of Management of the actual results compared to budget and any variances arising, formal written policies and procedures and detailed terms of reference for Sub-Committees.

Detailed consideration of the risks to which the Corporation is exposed is delegated to the Finance Sub-Committee, which is assisted by the management team. While it is not possible to fully mitigate all risk, through established risk management processes we are satisfied that systems and procedures are in place to manage the risks identified, while recognising that these systems can provide reasonable, but not absolute, assurance.

The key risks to which the Charity is exposed are the loss of investment income, the resignation or ill health of the Chief Executive, and the health and safety of staff. The Trustees have taken the investment income risk into account when determining the level of free reserves and regularly review the reserves policy. ScotsCare's investments are managed by professional investment advisers. The Chief Executive manages a strong senior management team with the appropriate skills and experience to manage day-to-day operations should there be a loss of key staff. In relation to the health and safety of the Charity's employees, the Charity follows relevant and current guidance and has appropriate risk assessments in place. Furthermore, the Charity recognises that staff may be at personal risk when working with clients. Interview rooms have therefore been designed to mitigate this risk, supported by appropriate written procedures and a lone-working alert system, Look Out Call, for staff to use when working outside the office.

Related parties

None of the Trustees receives remuneration or other benefits from their work with the Charity. Trustees are invited to declare any relevant interests at each Board meeting and are formally requested to submit an annual related party and conflicts of interest form. Transactions with related parties are disclosed in Note 23.

Equality, diversity and inclusion

We are committed to equality, diversity and inclusion at ScotsCare and ensure, within the framework of the law, that our workplace is free from unlawful or unfair discrimination because of protected characteristics as defined by the Equality Act 2010. All employees and Trustees are provided with a copy of our policy as part of their induction process and are expected to abide by it. Failure to do so, resulting in discrimination, can be treated as gross misconduct. This policy applies both to behaviour in the workplace and to recruitment practices. We monitor equality, diversity and inclusion at Board and staff level across the organisation.

Strategy

Royal Charter
The objects of the Corporation shall be for the public benefit to relieve either generally or individually persons resident or found within a radius of 35 miles of Charing Cross who are in conditions of need, hardship or distress in such ways that are charitable in law, being persons who were born in Scotland or persons one of whose parents in each case was born in Scotland or widows, widowers and survivors of civil partnerships of persons who were born in Scotland or widows, widowers and survivors of civil partnerships of persons one of whose parents in each case was born in Scotland.

Background
The Royal Scottish Corporation, operating as ScotsCare, and New Borderline, operating as Borderline, merged on 1 April 2023 to provide a one-stop shop for vulnerable Scots across London. On 1 April 2023, the assets and liabilities of New Borderline (registered company number 06844151; charity numbers 11286848 and SC044530) were transferred to ScotsCare.

ScotsCare has provided support to Scots and their families in London for over 423 years. The Charity provides a range of services to end the cycle of deprivation among Scots in London by providing financial, practical and emotional support.

Our strategy builds on the progress achieved through previous organisational strategies, incorporates developments since the last review in 2026, and sets out what we aim to achieve over the next three years, from 2026 to 2029.

Vision
Our vision is to end the cycle of deprivation experienced by Scots and their families living within a 35-mile radius of Charing Cross, London.

Purpose
Our purpose is to provide financial, practical and emotional support to Scots and their families in London. For our homeless clients, we aim to provide a sustainable pathway out of homelessness.

Values
Our values are that we are a caring, progressive and effective organisation.

- Caring
  Providing high-quality support to Scots and their families.

- Progressive
  Listening to the needs of our beneficiaries and responding in ways that help break the cycle of deprivation.

- Effective
  Good governance, partnership working and investment in our people are key to our success.

Scots in London
Our current definition of Scots in London is people living within a radius of 35 miles of Charing Cross who meet one of the following criteria:

- who were born in Scotland or;
- persons one of whose parents in each case was born in Scotland or;
- widows, widowers and survivors of civil partnerships of persons who were born in Scotland or;
- widows, widowers and survivors of civil partnerships of persons one of whose parents in each case was born in Scotland.

Our clients

ScotsCare assists Scots and their families who are in need of financial, practical and emotional assistance.

Many of our clients experience needs beyond financial hardship, often facing a combination of interconnected challenges such as unemployment, low educational attainment, homelessness or poor housing, physical and mental health issues, family breakdown, and substance misuse. These factors can reinforce one another, creating a cycle of deprivation that is difficult to break.

Our clients receive state benefits or are on a low income, generally without support networks, and often unable to negotiate the public sector system, including the benefits system.

Our priority clients will be:

- Children and families
- Homeless or insecurely housed adults
- Older people
- Working age adults

CURRENT MODEL OF SERVICE DELIVERY

The following sections describe the key ScotsCare services.

Financial, practical and emotional support services will be offered to all so that our clients have the opportunity to have their basic needs met, which in turn will allow them to start thinking about their lives beyond these immediate needs.

CHILDREN AND FAMILIES

Family Support

We work closely with children and their families to provide practical, emotional, and financial support that helps build stability and opportunity. We offer tailored assistance to families facing hardship, including grants for essential items, help with housing transitions, and access to careers mentoring and psychotherapy resources. For children in particular, we support participation in school and community activities, providing funding for essentials such as uniforms and extracurricular opportunities, and ensure that young people are not disadvantaged by financial pressures at home.

Our client support workers support families facing complex needs and challenges, including domestic abuse, mental health issues, and substance misuse. The service ranges from light touch support to intensive family support, safeguarding, child protection, referrals to specialist psychotherapy services, relationship support, and advice and support when dealing with statutory services. Additionally, we offer financial and advocacy support to families with children who have special educational needs.

HOUSING

Homelessness

We will focus on rough sleepers as well as tenancy sustainment for previously homeless clients to prevent repeat homelessness. We will continue to work with those sleeping out on the streets of London, and those at clear risk of doing so through our Scottish Outreach Worker project.

Preventing rough sleeping

We will at all times work towards ensuring that no person spends a second night sleeping rough. Using the expertise of our Scottish Outreach Worker, ensure that new clients are effectively diverted away from a street lifestyle. They may be reconnected back to their home area, or to other more relevant services, wherever they may be.

Working with entrenched rough sleepers

Entrenched rough sleepers fall within our core client base of rough sleepers; however, they are unlikely to readily make the move away from the streets or even to engage with services.

For this specific group, we will make every attempt to encourage them to access our services as part of a long-term action plan to move them away from the streets into a more settled way of living.

Sheltered Housing

We will continue to provide sheltered housing at our three housing sites, two of which provide on-site staff: Rothesay Court in Lewisham, Bawtry Road in Barnet, and Kinnear Court in Wimbledon.
Our residents are mixed at all three sites and are allocated accommodation based on priority of housing need. Priority is given to those applicants living in poor accommodation, often with major disrepair issues, clients who have been living in temporary accommodation with a history of homelessness or clients who are a priority on medical grounds.

MENTAL HEALTH

Acknowledging that around 65% of our adult clients have a diagnosed mental health issue, we have partnered with three psychotherapy services to ensure our clients and their children are supported.

Adults

ScotsCare can refer clients quickly to professional counselling services for a wide range of issues, including depression and anxiety; low self-esteem and anger management; bereavement; family and relationship problems; trauma, including domestic, physical, emotional or sexual abuse; substance misuse and relapse prevention.

Children and young adults
We offer therapy to children and young adults (up to age 21) with weekly psychotherapy sessions. This service also includes parents where it is recognised that family therapy is required.

Substance misuse
Specialist psychotherapy service for those with drug and alcohol issues.

Homelessness-related
We provide bespoke psychotherapy services to our homeless clients, including a substance misuse service. This service recognises the complex needs of our clients and uses a three phased approach including stabilisation, therapy, and reintegration into the community.

Wider emotional wellbeing support
In addition to the formal therapy available, we also provide mental health support indirectly in other ways:

- **Befriending and social events** to reduce loneliness and isolation;
- **Advocacy and practical support**, which can relieve stress linked to housing, finances, or employment; and
- **Holistic support** combining financial grants, psychotherapy, and community activities.

VOLUNTEER PROGRAMME
The volunteer programme was established 21 years ago. Whether they are meeting with a client face to face or on the phone; taking calls on our helpline from clients in need of advice; or working behind the scenes to give vital social events, our volunteers make a significant contribution, helping to reduce social isolation and strengthen the Scots community.

SOCIAL EVENTS
ScotsCare recognises that regular social events are crucial community connectors that improve wellbeing and reduce social isolation across our client groups.

Over 50s clients enjoy monthly social events usually in the form of a buffet lunch and a game of bingo. This provides a good opportunity to meet new friends and reduce social isolation. Attendance at our family day trips is high and provides a great opportunity for parents to spend time with their children with ScotsCare meeting the cost.

The ScotsCare choir meets weekly and was originally set up to connect Scots clients and reduce social isolation but now also directly raises the profile of the charity through invitations to perform at events held by other Scottish organisations operating in London.

ADVOCACY
Our Advocacy clients are some of our most vulnerable clients and often have the greatest support needs. We will continue our advocacy service to help our clients navigate the complexities of the welfare benefits system which includes appealing DWP decisions or preparing for and attending tribunal hearings. Additionally, we will advocate and make full use of statutory complaints processes for our clients in cases of poorly maintained and unsuitable accommodation, and NHS complaints.

Strategic objectives

Children and Families
We believe all children deserve the best start in life; however, this is not the reality for many of those we support.

We support children and families experiencing a range of complex challenges. Our support can reduce financial need and provide key opportunities now, and in the future and be a cost effective solution to providing statutory services.

All families can face difficult times, whether it's a parent with a diagnosed mental health problem, substance misuse issues or poor housing exacerbated by long term poverty. We want to help families by providing services that will support them to address difficult situations that will improve the life chances and future opportunities for their children.

Poverty and social exclusion can pass from one generation to the next, for example, experiencing poverty in childhood and having parents who did not gain qualifications at school or college are powerful influences on a child's life, often continuing to affect their life chances as they get older.

Our objectives are to:

- reduce the effects of poverty through financial assistance;
- have our clients' voices heard through advocacy on issues that are important to them;
- address the issues faced by children and families to improve their mental and physical wellbeing;
- engage with training and employment opportunities; and,
- access social, cultural and educational opportunities for our clients' children.

Homeless or insecurely housed adults

Our homeless clients are predominantly male with complex needs, including poor health, substance misuse and mental health problems. The majority of our clients are found within the borough of Westminster, and we work alongside organisations in this borough, as well as pan London, to maximise our efforts in preventing and reducing homelessness.

Our objectives are to:

- prevent homelessness wherever possible
- reduce rough sleeping
- increase access to options
- ensure access to appropriate specialist help

Older people

Building a sense of community; reducing social isolation and loneliness; promoting well-being and healthy living is all part of providing our clients with services that are suited to their needs.

Our objectives are to:

- reduce their social isolation and loneliness;
- increase their independence within the community;
- access housing appropriate to their needs;
- increase their digital skills and knowledge; and,
- access social activities.

Working age adults

Providing access to training and job coaching support which moves individuals closer to employment is an important aim of this strategy. Our experience is that not all clients can engage with these opportunities, but for those who can, we will provide access to tailored support.

Our objectives are to:

- increase their engagement with personalised job coaching;
- identify barriers to their employment;
- support them in accessing grants for specific training or education courses; and,
- support their move into employment.

Achievements and Performance

Public Benefit

The Trustees have had regard to the Charity Commission's guidance on public benefit during the year. The Charity meets the public benefit test set out by the Charity Commission by providing the following services:

- sheltered housing on three sites in London: Grove Park in Lewisham; Whetstone in Barnet; and Worple Road in Wimbledon. Residents must be over 60, or over 55 with a significant disability, to qualify for our sheltered housing;
- an extensive menu of financial grants and regular monthly allowances;
- support services: befriending, advocacy, psychotherapy services for all clients including children, family support project, Scottish Outreach Worker to homeless clients, and careers mentoring and job coaching where appropriate;
- signposting to other services generally;
- a range of volunteering opportunities across the organisation;
- grants to help students and the unemployed who require additional training before returning to work; and
- an annual programme of social events for families and older people.

To qualify for any of the above, an applicant must be assessed by the Corporation's professional staff and have exhausted state or other welfare provision. The Corporation's staff assist in this process by carrying out a benefits check to ensure proper take-up of state benefit entitlement, as well as signposting applicants to relevant services.

Number of members of the public benefiting from our services

	2025-26	2024-25	2023-24
Affordable housing	97	97	96
Regular monthly allowances	24	24	24
Financial grants	908	1069	816
Trained and supported volunteers	66	66	65
Blether Buddies befriending project	50	49	39
Number of people attending social events	2079	2075	1759
Helpline calls	6982	6149	-
Student and training grants	20	22	17
Adults assessed for services	551	449	378
Children benefitting from services	315	266	332
Advocacy cases	73	66	77
Counselling sessions	743	922	1041
Scottish outreach worker project	-	40	36
Job coaching	3	-	-
Children and families project	33	31	25

Detailed one-to-one assessments are carried out at the client's home, by telephone or at our office on Bermondsey Street. The assessment includes collecting information that helps us provide the most appropriate services to tackle long-term deprivation. Our objective is to identify and achieve defined outcomes for each client, enabling us to measure and quantify the impact we have on clients' lives. This more focused approach has resulted in more grants and services being directed to the most vulnerable clients, and the impact of our intervention has been greater for most clients.

	2025-26	2024-25	2023-24
Grant Expenditure			
S1- children & families	170,400	172,733	186,990
S2- older people	50,792	60,601	84,967
S3- working age adults	118,588	106,188	120,831
Support Services			
Psychotherapy	153,546	157,979	176,028
Children & families' project	136,901	57,259	32,987
Volunteer Programme	67,358	64,882	66,368
Advocacy	94,281	114,590	119,482
Social Events	97,199	94,637	110,998
Homelessness outreach worker	83,016	84,973	66,905
	972,081	913,842	965,556

Volunteer programme
Our volunteers provide significant support and assistance across the organisation. In total, volunteers provided 4071 hours in various roles across the organisation.

We are fully committed to providing our volunteers with high-quality training so that the organisation continues to benefit from their contribution. Over the past year, our volunteers fulfilled the following roles:

	2025-26	2024-25	2023-24
Blether Buddy befriender (at home)	23	21	15
Blether Buddy befriender (telephone)	27	28	24
Tech Buddy	1	2	4
Reception	26	10	10
Monthly Lunch Club for over 50s	34	42	30
Attendance at annual client outings	44	43	42
Adminstrative	2	2	2
Communications team support	2	3	3
Residents' coffee mornings	1	1	1

Our volunteer programme remains an integral part of the ScotsCare support service. Blether Buddies continue to support older people by phone or in their homes, significantly reducing social isolation. Many befriending relationships are a lifeline for isolated Scots, and it is testament to the commitment and loyalty of our volunteers that we can positively impact so many lives.

Organisational Achievements 2025-26

- following the merger with Borderline in 2023, our service to homeless clients has remained consistent with the pre-merger service;
- following legal work to link the related charities, St Andrews' Scottish Soldiers' Club Fund and The Kinloch Bequest, we approved grant proposals from Erskine Veterans Charity that depleted both funds. Both charities have since been wound up and removed from the Charity Commission register;
- implemented the key business strands of our operational strategy for 2023–2026, including ending the lease of our head office on City Road and purchasing our new premises at 183–185 Bermondsey Street in March 2025;
- maintained our four core psychotherapy services for children, adolescents and their families, substance misuse, adults, and a bespoke homelessness psychotherapy service;
- expanded our family support project to three full-time members of staff;
- completed the implementation of databases for our volunteer programme and fundraising, to support quality reporting on outcomes and impact, and donor stewardship;
- updated our finance software systems;
- finalised the implementation of our Theory of Change to ensure we can evidence the effectiveness of the services designed to end the cycle of deprivation among our clients;
- implemented the findings of a consultant-led external Trustee Board review; and
- appointed a new Property Trustee with the skillset to lead the Property Sub-Committee.

Monitoring and Evaluation

In line with our strategic objectives, we monitor and evaluate our work using a Theory of Change framework to track the progress and outcomes of individual clients over the course of their involvement with us. Our Theory of Change has been amended and will be implemented in the coming months, including outcomes and impact measures for our homeless clients. These outcomes are generally reported to Trustees on a quarterly and annual basis.

We continue to use a series of surveys to receive regular feedback from clients, tenants and volunteers, and to measure satisfaction levels and identify areas for improvement or service development. These surveys help inform future strategy and support the planning and improvement of specific services. The feedback also provides evidence of ScotsCare's effectiveness and increases awareness of our services among beneficiaries.

Raising our profile

Raising awareness through our communications is important if we are to reach more Scots in London who need our help. We continue to refer to our Communications Strategy to ensure that we communicate effectively with external stakeholders, using appropriate key messages.

The ScotsCare podcast, launched in June 2024, continues to provide an excellent platform for raising the Charity's profile. Guests have included a mix of Scots from professional and artistic backgrounds with interesting personal stories.

The ScotsCare Christmas card campaign continued and was designed to help promote awareness of the charity and the work we do.

ScotsCare Ambassadors Club

ScotsCare needs support to raise awareness of its work and to raise funds. Our ambassadors play a vital role in representing the Charity among their personal and professional networks, speaking about our work and the importance of the funds raised by our supporters. The role involves ambassadors using their networks in the business, commercial, political and other sectors in and around London to increase awareness and support for ScotsCare. The communications and fundraising team provide a crucial link with our ambassadors, keeping them up to date with ScotsCare news. We held two ambassador events: one at The Scotch Malt Whisky Society through Ambassador John McCheyne, and one at the University Women's Club through Ambassador Jane Oliver. Fundraising was the main focus of these meetings.

Marketing and Advertising

Children and their families remain at the heart of our communications. We continue to advertise the Charity in 500 primary schools in key client boroughs, along with 50 Family Hubs and nine Special Educational Needs Co-ordinator (SENCO) teams across London.

Adverts promoting our services have appeared in Camden New Journal, Islington Tribune, Westminster Extra, Hackney and Islington Gazettes, East London Advertiser, London Metro, Directions magazine, The Caledonian Club magazine, What's On, South London magazine, The South Londoner, Southwark Newspaper, The Community Noticeboard (Southwark Newspaper), Barnet Times, Bermondsey Biscuit, Bromley News Shopper, Life and Work, QX Magazine. Barking and Dagenham Post, Newham Recorder, Ilford Recorder, Romford Recorder and the Morrison's Camden Store front.

Editorial pieces appeared in the Caledonian Club magazine Summer and Winter editions, Directions Magazine, and QX Magazine. Alongside this, editorials also featured in the following newsletters: Scots in London, St Columba's Church, and the Scottish Business Network.

Events

The Charity was present at a number of outreach events, including Pride in London, Queen's Park Day and Angel Canal Festival, and was the charity partner at the London Scottish RFC Rugby Legends Dinner.

Social media

The Charity maintains an active presence on social media, including LinkedIn, Facebook, Instagram and X, sharing news, themed campaigns and event advertising.

Working with other organisations

We have continued our involvement with Scots in London, a group of 12 organisations promoting Scottish culture in London. The group aims to support the Scottish community in London, including its charity members. Its purpose is to continue networking and collaborating to promote our individual organisations across the Scottish diaspora in the wider London area. We are delighted that HRH The Princess Royal has agreed to continue as Royal Patron. Our Chief Executive and Chair of the Communications Sub-Committee represent ScotsCare at forum meetings. The Chief Executive also sits on the Scots in London management committee and is a Director of Scots in London Events Ltd, supporting the St Andrew's Book Festival in London.

Fundraising

ScotsCare is registered with the Fundraising Regulator but does not engage in public fundraising and does not use professional fundraisers or commercial participators. Nonetheless, we observe the relevant fundraising regulations and codes. ScotsCare will never call to ask someone to donate or pass on their details. We use databases to keep track of clients' needs, donor details and communications with volunteers. How we use this information is clearly stated in our Privacy Policy, which is available on our website.

We are supported by individual donors, trusts and foundations in delivering our services. No complaints were received during 2025/26.

Financial Review

The results for the year are shown in the Statement of Financial Activities.

- Incoming resources totalled £2,548,475 (2025: £3,235,841) and total resources expended were £3,558,961 (2025: £3,163,216). This resulted in a deficit of £1,010,486 (2025: surplus £72,625).
- Incoming resources for the year derive predominantly from rental income of £1,629,408 (2025: £1,478,334) plus investment and interest income of £777,506 (2025: £1,504,105).
- Legacies, covenants/gift aid events and donations amounted to £141,561 (2025: £253,402).
- Gains on investments amounted to £4,725,168 (2025 Loss: £362,625).
- The total funds at 31 March 2026 amounted to £62,125,883 (2025: £58,411,201).

Associated Charities & Related Charities

The Corporation is the sole Trustee of the Kinloch Bequest (previously Charity No. 210067) and the St Andrews' Scottish Soldiers' Club Fund (previously Charity No 233297).

In 2024-25, these charities were linked to ScotsCare and in 2025/26, the funds of both charities were depleted through grants to Erskine Veteran's Charity. Both charities have now been wound up and removed from the Charity Commission register. Their results, assets and liabilities form part of these financial statements.

Investment Management

Having regard to evolving stock market trends and to provide the Charity's investment advisers with the flexibility to maximise investment returns, a total return approach to investment was adopted with effect from 1 April 2025. It will generate investment return from both income and capital gains or losses. It is expected that, in the long term, the real value of the portfolio will be maintained in accordance with the investment objective.

The Corporation has adopted guidelines for the investment of its funds, intended to allow flexibility in the range and classes of investment while protecting against imprudent investment actions, decisions and practices. The primary objectives are:

- the generation of income at a level that is consistently and reasonably balanced between conserving and increasing long-term capital and generating income for the Corporation's activities; and
- the achievement of a level of income sufficient to enable the Corporation to grow the scale of its charitable activities in real terms.

No specific investment exclusions have been set. However, the funds in which ScotsCare invests exclude in tobacco and avoid investment in companies that have more than 10% of their turnover in alcohol manufacture, armaments, gambling or pornography.

The Investment Sub-Committee reviews the performance of the portfolio with the Investment Advisers quarterly and reports to the Committee of Management.

The Investment Sub-Committee conducts an annual evaluation of the Investment Advisers. The evaluation includes consideration of their investment strategy, investment process and performance against benchmarks.

In the year to 31 March 2026 the investment income amounted to £777,506 (2025: £1,504,105), and the investment management fees were £179,192 (2025: £173,564).

Reserves

The position disclosed by these Financial Statements shows that at 31 March 2026 the unrestricted reserves of the Corporation amounted to £11,434,656. This sum comprises (a) £9,891,961 of Functional Fixed Assets and (b) £1,542,695 the balance of unrestricted free reserves. The target fund of free reserves is £1,779,481. The Trustees are confident that the charity holds sufficient reserves for operational purposes which include a cyclical property maintenance plan. We regularly review our reserves policy which is linked to the major risks and opportunities for the organisation. The restricted funds comprising the Heritage Fund and the restricted Scottish Homelessness Project Fund at the year-end amounted to £76,895.

Functional Fixed Assets

These assets include the Corporation's three residential properties providing accommodation for those over 60 or those over 55 with a significant disability.

Unrestricted Free Reserves

Unrestricted free reserves are represented by other net assets available at the Trustees' full discretion in the conduct of the Corporation's affairs.

We consider that for the smooth running of the Corporation and as a protection against exceptional expenditure or a drop in income, a level of available expendable reserves is necessary. The current level of available expendable reserves of £1,542,695 represents approximately 2.48% of the net assets of the Corporation and approximately 5 months of normal expenditure. The total reserves on 31 March 2026 are £62,125,883. They comprise unrestricted funds: £11,434,656, restricted funds: £76,895 endowed fund: £50,614,332.

Future plans

- we have agreed on an annual budget to support and contribute to the ongoing development and delivery of client support services throughout the coming year with a spend of £3,522,585 in 2026-27;
- the annual programme of services will be delivered:
- using direct interventions where resources can be most effective;
- identifying and signposting to other appropriate services for the benefit of clients;
- supporting and investing in our staff and volunteers through training and development; and
- working with other organisations, societies, churches, charities and agencies;

Our plans for 2026-27:

- review our existing strategy 2023-2026 and implement new projects during 2026-2029;
- implement the Theory of Change to ensure we are focused on the best services to end the cycle of deprivation amongst our clients;
- research the potential for an expansion of our housing to include provision to older people with a history of homelessness and those fleeing domestic violence;
- expand our social events for older people;
- research the potential for a Menshed partnership;
- increase the number of ScotsCare Ambassadors;
- rebrand our monthly giving programme to boost the numbers of monthly donors.

Approval

This report was approved by the Trustees on 21 October 2026 and signed on their behalf by:

Kevin Lynch

Kevin Lynch
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

FOR THE YEAR ENDED 31 MARCH 2026

Opinion
We have audited the financial statements of The Scottish Hospital Of The Foundation Of King Charles The Second (Royal Scottish Corporation) for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet and the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:
- give a true and fair view of the state of the charity's affairs as at 31 March 2026 and of the charity's net movement in funds 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 Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion
We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the 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 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.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:
• adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or

- sufficient and proper accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements
As explained more fully in the trustees' responsibilities statement set out on page 7, 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of charity, we identified that the principal risks of non-compliance with laws and regulations relates to the regulatory requirements of tenancy regulations, Charity Law, Health and Safety Act and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and the application of FRS 102 and payroll tax

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manual accounting journals and management manipulation of accounting estimates. Audit procedures performed by the engagement team included:
- Enquiries of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular, journal entries, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

FOR THE YEAR ENDED 31 MARCH 2026

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP

Statutory Auditors

Date: 6 November 2026

10 Queen Street Place

London

EC4R 1AG

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

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 Unrestricted	2026 Restricted	2026 Endowed	2026 Total	*2025 Total*
		£	£	£	£	£
Income from:						
Donations and legacies	2	119,697	21,864	-	141,561	*253,402*
Investments	3					
ScotsCare		3,937	-	768,334	772,271	*1,497,538*
William Kinloch		-	2,300	-	2,300	*3,149*
SASSCF		-	2,935	-	2,935	*3,418*
Charitable activities						
Rental Income	4	1,629,408	-	-	1,629,408	*1,478,334*
Total Income		**1,753,042**	**27,099**	**768,334**	**2,548,475**	***3,235,841***
Expenditure on:						
Raising funds	5					
Investment management costs		63,301	-	189,901	253,202	*250,226*
Fundraising costs		105,653	-	-	105,653	*115,400*
William Kinloch		-	32	-	32	*402*
SASSCF		-	82	-	82	*318*
Charitable Activities						
Welfare	6	1,712,496	83,016	67,694	1,863,206	*1,852,635*
Residential property	6	1,071,209	-	-	1,071,209	*934,983*
William Kinloch	6	-	118,154	-	118,154	*4,309*
SASSCF	6	-	143,110	-	143,110	*4,185*
Other		-	4,313	-	4,313	*758*
Total Expenditure		**2,952,659**	**348,707**	**257,595**	**3,558,961**	***3,163,216***
Net income/(expenditure) before investment gains and (losses)		**(1,199,617)**	**(321,608)**	**510,739**	**(1,010,486)**	**72,625**
Realised gains/ (losses) on investments		-	19,550	64,032	83,582	*2,077,732*
Unrealised gains/ (losses) on investments		-	7,760	4,633,826	4,641,586	*(2,440,357)*
Transfer of net assets of the linked charities						*242,431*
Transfer of funds	24	1,057,567	-	(1,057,567)	-	-
Net movement in funds for the year		**(142,050)**	**(294,298)**	**4,151,030**	**3,714,682**	***(47,569)***
TOTAL FUNDS BROUGHT FORWARD		**11,576,706**	**371,193**	**46,463,302**	**58,411,201**	**58,458,770**
TOTAL FUNDS CARRIED FORWARD		**11,434,656**	**76,895**	**50,614,332**	**62,125,883**	***58,411,201***

There have been no recognised gains or losses other than those included above.

All transactions are derived from continuing activities. The accompanying notes form part of these financial statements.

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026	*2025*
		£	£
FIXED ASSETS			
Tangible assets	11	13,172,291	*12,790,541*
Investments	12	47,750,969	*44,257,235*
		60,923,260	*57,047,776*
CURRENT ASSETS			
Debtors	13	191,677	*222,527*
Cash at bank and in hand		1,227,444	*1,493,987*
		1,419,121	*1,716,514*
Creditors: Amounts falling due within one year	14	(177,655)	*(281,353)*
NET CURRENT ASSETS		1,241,466	*1,435,161*
Creditors: amounts falling due after more than one year	15	(15,363)	*(21,286)*
Provisions for liabilities and charges	18	(23,480)	*(50,450)*
		62,125,883	*58,411,201*
FUND BALANCES			
Endowed Fund	19 & 20	50,614,332	*46,463,302*
Restricted Income Funds	19 & 20	76,895	*371,193*
Unrestricted Income Funds	19 & 20	11,434,656	*11,576,706*
		62,125,883	*58,411,201*

The financial statements were approved and authorised for issue by the Trustees on 21 October 2026 and signed on their behalf by:

Kevin Lynch

K. Lynch
Chairman

M. Watson
Treasurer

THE ROYAL SCOTTISH CORPORATION
THE SCOTTISH HOSPITAL OF THE FOUNDATION OF KING CHARLES II

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

	2026 £	2025 £
Cash flows from operating activities	**(1,574,986)**	**(730,382)**
Cash flows from investing activities		
Dividends and interest	777,506	1,504,105
Purchase of investments	(20,383,989)	(51,998,356)
Proceeds from sale of investment	21,456,909	55,536,275
Purchase of fixed assets	(700,499)	(2,965,310)
Net cash provided by investing activities	**1,149,927**	**2,076,714**
Change in cash and cash equivalents in the year	**(425,059)**	**1,346,332**
Cash and cash equivalents at the beginning of the year	2,234,175	887,843
Cash and cash equivalents at the end of the reporting year	**1,809,116**	**2,234,175**

NOTES TO THE CASH FLOW STATEMENT

	2026 £	2025 £
Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities		
Net movement in funds	3,714,682	(47,569)
Transfer of investments from linked charities	-	(191,937)
Loss/(gain) on investments	(4,725,168)	362,625
Loss on disposal of fixed assets	4,117	-
Investment Fees charged on investment Portfolios	-	304,287
Depreciation charges	314,632	237,663
Decrease/(Increase) in debtors	30,850	76,272
(Decrease)/increase in creditors	(136,591)	32,382
Dividends and interest from investments	(777,506)	(1,504,105)
Net cash used in operating activities	(1,574,986)	(730,382)

Analysis of Cash and Cash Equivalents

	2026 £	2025 £
Cash at bank and in hand	1,227,444	1,493,987
Cash held by investment managers	581,672	740,188
	1,809,116	2,234,175

Note 17 shows the net movement in funds/debt

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The financial statements have been prepared 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 applicable in the UK and Republic of Ireland (FRS 102) 2nd edition effective for periods commencing on or after 1 January 2019 – (Charities SORP FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

Given the charity's level of free reserves available at the year end, the Trustees consider that the charity has adequate resources to continue in operational existence for the foreseeable future and that there is no material uncertainty connected with the charity's ability to continue to operate as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Significant judgements and estimates

Judgements made by the trustees, in the application of these accounting policies have significant effect on the financial statements. In the opinion of the trustees, in 2025-26 the significant judgements and estimates were applied to retired staff pensions, the useful economic life of the residential properties, and the provision for dilapidation. The details of these judgements and estimates are included in the relevant notes.

1.2 INVESTMENTS

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. All movements in value arising from investment changes or revaluation are shown in the Statement of Financial Activities.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and either their opening carrying value, or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value and the carrying value at year end. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

1.3 TANGIBLE FIXED ASSETS

Freehold Land & Buildings- Supported living

Under the previous GAAP, land and buildings were stated at valuation. On transition to FRS 102 an election was made to use the valuation at 2014 as the deemed cost and no depreciation on buildings was made as the amount involved was deemed immaterial. Following reappraisal in 2019-20 depreciation of buildings is now made annually at 2% of deemed cost.

Endowed Land & Buildings- Head Office

ScotsCare purchased a new building on 25 March 2025 by repurposing a portion of the endowed fund- James Kinnear Fund. The building is being depreciated at 2% of the cost.

Endowed Land & Buildings Improvements

Endowed Land & Buildings Improvements are depreciated at an annual rate of 10% of cost.

Fixtures, Fittings & Office Equipment

Fixtures, fittings and equipment are depreciated at an annual rate of 10% of cost.

IT Equipment

IT equipment is depreciated at an annual rate of 33.33% of cost.

1.4 DEBTORS
Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. A specific provision is made for debts for which recoverability is in doubt.

1.5 CASH AT BANK AND IN HAND
Cash at bank and cash in hand includes cash and short term highly liquid investments.

1.6 CREDITORS AND PROVISIONS
Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

1.7 PROVISION FOR UNFUNDED PENSIONS
Unfunded pensions are paid by the Charity to certain former employees. The pensions are to be paid during their lifetime. The pension liability was calculated using the return on investment and to the assumed age of 87 years. This decision was taken in the view of probable life expectancy of the retired staff who are already above the age of average life expectancy of women in the UK.

1.8 PROVISION FOR LIABILITIES
Provision has been made for expected property costs at the end of the leases based on the lease terms, management's assessment of the property condition and the likely costs. The estimation involves a level of trustee judgement.

1.9 FUND ACCOUNTING
Funds held by the charity are either:

- Unrestricted funds – which can be used in accordance with the charitable objects at the discretion of the trustees
- Endowment funds – the income from which can be used for the general purposes of the charity, in accordance with the charitable objectives and at the discretion of the trustees
- Restricted funds – which can only be used for particular restricted purposes within the objects of the charity, either when specified by the donor or when funds are raised for particular restricted purposes

1.10 INCOME RECOGNITION
Income is recognised in the period in which the Charity has entitlement to the income, where the amount of income can be measured reliably, and it is probable that the income will be received. In accordance with Charities SORP FRS 102, volunteer time is not recognised.

1.11 LEGACIES, GIFT AID & DONATIONS
Legacies, gift aid and donations are accounted for on an accrual basis.

1.12 INVESTMENT INCOME & INTEREST
Investment income is recognised once the dividend has been declared and dividend & interest have been received in the deposit account. Interest on funds held on deposit is included when it is receivable, and the amount can be measured reliably by the Charity; this is normally upon notification from the bank of the interest payable or paid.

1.13 RENTAL INCOME
Income from the rental of functional properties is recognised when the income is receivable under the contract for hire or lease document, when the amount can be measured reliably, and it is probable such income will be received.

1.14 EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. Support costs are allocated in the same proportion as direct costs are incurred. All expenditure is stated inclusive of irrecoverable VAT.

All eligible members of staff are auto enrolled in a workplace pension scheme. Employer contributions to the scheme are charged to the Statement of Financial Activities in the year in which they are payable to the scheme. In addition, supplementary pension payments are made directly to certain former employees.

1.15 OPERATING LEASES

Rentals payable under operating leases for equipment are charged on a straight-line basis over the terms of the leases.

1.16 EMPLOYEE BENEFITS

- **Short term benefits**
  Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- **Employee termination benefits**
  Termination benefits are accounted for on an accrual basis and in line with FRS 102.

1.17 HERITAGE ASSETS

No value is attributed to heritage assets on the basis that information on cost or valuation of the assets is not available and could not be obtained at reasonable cost. The age, variety and lack of comparable market data would make any attempt at valuation extremely onerous and costly compared with the benefit derived by users of the account.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

2 DONATIONS AND LEGACIES

	2026				2025
	£	£	£	£	£
	Unrestricted	Restricted	Endowed	Total	*Total*
Legacies	1,078	-	-	1,078	*99,443*
Donations	113,071	21,864	-	134,935	*124,708*
Events	5,548	-	-	5,548	*29,251*
	119,697	**21,864**	**-**	**141,561**	*253,402*

Donations of £21,864 were restricted in 2026 (2025: £27,358).

3 INVESTMENT INCOME

	2026				2025
	£	£	£	£	£
	Unrestricted	Restricted	Endowed	Total	*Total*
Dividend and interest on investments	3,345	4,820	752,499	760,664	1,489,045
Bank deposit interest	592	415	15,835	16,842	15,060
	3,937	**5,235**	**768,334**	**777,506**	*1,504,105*

Investment income of £6,567 was restricted in 2025.

4 INCOME FROM CHARITABLE ACTIVITIES - UNRESTRICTED FUNDS

	2026			2025
	£	£	£	£
	Unrestricted	Restricted	Total	*Total*
Rental Income from residential properties	1,591,700	-	1,591,700	*1,478,334*
Rental Income from other property	37,708	-	37,708	-
	1,629,408	**-**	**1,629,408**	*1,478,334*

5 RAISING FUNDS

	2026			2025
	£	£	£	£
	Unrestricted & Endowed	Restricted	Total	*Total*
Brokerage commission and investment management fees	179,078	114	179,192	*173,564*
Support costs (note 9)	74,124	-	74,124	*77,382*
	253,202	**114**	**253,316**	*250,946*

In 2026 investment fees related to the endowment fund were £189,901.

FUNDRAISING COSTS

	2026			2025
	£	£	£	£
	Unrestricted	Restricted	Total	*Total*
Staff costs	50,327	-	50,327	*48,832*
Other direct costs	24,397	-	24,397	*30,880*
Support costs (note 9)	30,929	-	30,929	*35,688*
	105,653	**-**	**105,653**	*115,400*

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	2026				2025
	£	£	£	£	£
Welfare	**Unrestricted**	**Restricted**	**Endowed**	**Total**	***Total***
Staff costs	561,907	59,401	-	621,308	*628,614*
Other direct costs	309,481	23,615	-	333,096	*337,069*
Grants to individuals	339,780	-	-	339,780	*337,181*
Support costs (note 9)	501,328	-	67,694	569,022	*549,771*
	1,712,496	**83,016**	**67,694**	**1,863,206**	*1,852,635*
Residential Housing					
Staff costs	182,030	-	-	182,030	*153,797*
Other direct costs	575,586	-	-	575,586	*492,042*
Support costs (note 9)	313,593	-	-	313,593	*289,144*
	1,071,209	**-**	**-**	**1,071,209**	*934,983*
Linked Charities (restricted)					
Support costs (note 9)	-	1,743	-	1,743	*8,384*
Grants to individuals	-	259,521	-	259,521	*110*
	-	**261,264**	**-**	**261,264**	**8,494**

Welfare costs of £84,973 were restricted in 2025.

7 GOVERNANCE COSTS

	2026			*2025*
	£	£	£	£
	Unrestricted	**Restricted**	**Total**	
Auditors remuneration - audit fees	27,726	-	27,726	*22,980*
Other direct costs	570	-	570	*16,484*
	28,296	**-**	**28,296**	*39,464*

Governance costs have been allocated across investment management costs and the cost of charitable activities in proportion to direct expenditure.

8 Total Return Investments

	Trust for Investment (£)	Unapplied Total Return (£)	Total (£)
At 31 December 2024	34,461,000	14,995,443	49,456,443
Funds utilised to purchase functional fixed asset	(2,801,512)	-	(2,801,512)
Investment return: realised and unrealised gains and (losses)	-	(2,669,025)	(2,669,025)
At 1 April 2025	**31,659,488**	**12,326,418**	**43,985,906**
Movements in the reporting period:			
Investment return: dividends and interest	-	768,334	768,334
Investment return: realised and unrealised gains	-	4,697,858	4,697,858
Less: Investment management costs	-	(189,901)	(189,901)
Total	-	5,276,291	5,276,291
Unapplied total return allocated to income in the reporting period	-	(1,057,567)	(1,057,567)
Funds utilised to to improve functional fixed asset	(547,270)	-	(547,270)
At 31 March 2026	**31,112,218**	**16,545,142**	**47,657,360**

In February 2025 the Trustees adopted total return with effect from 1 April 2025 on the James Kinnear Fund financial investments.

The Council considered that the market value of the investments as recorded at 30 June 1997 were appropriate to be considered as the value of the original gift. The original gift was adjusted to reflect increases to the Consumer Price Index (CPI) from 30 June 1997 to 31 December 2024.

Trustees approved the reallocation of financial investments within the Trust for Investment for the purchase and improvement of a functional property, the Bermondsey Street office. This asset remains part of the permanent endowment and should the property be sold the proceeds will be returned to the Trust for Investment.

9 ANALYSIS OF DIRECT AND SUPPORT COSTS

	Direct Individual Grants	Direct Salary Costs	Other Direct Costs	Support Staff Costs	Support Premises Costs	Support Communications Costs	Support Other Costs	Support Governance Costs	2026 Total Support & Governance	2026 Total Unrestricted Costs	*2025 Total Unrestricted Costs*
	£	£	£	£	£	£	£	£	£	£	*£*
Investment	-	-	179,192	35,591	13,363	10,638	12,252	2,280	74,124	253,316	*251,704*
Fundraising		50,327	24,397	14,851	5,576	4,439	5,112	951	30,929	105,653	*115,400*
Charitable - Residential	-	182,030	575,586	150,575	56,533	45,007	51,833	9,645	313,593	1,071,209	*934,983*
Charitable - Welfare	599,301	621,308	333,096	240,717	158,071	71,950	84,607	15,420	570,765	2,124,470	*1,861,129*
Charitable- Other			4,313							4,313	-
Total	599,301	853,665	1,116,584	441,734	233,543	132,034	153,804	28,296	989,411	3,558,961	*3,163,216*

Included in the cost noted above, a sum of £83,016 was spent from the restricted homelessness fund towards welfare, and a sum of £261,264 was spent from the linked charities restricted funds.

COMPARATIVE 2025

	Direct Individual Grants	Direct Salary Costs	Other Direct Costs	Support Staff Costs	Support Premises Costs	Support Communications Costs	Support Other Costs	Support Governance Costs	2025 Total Support & Governance	2025 Total Costs
	£	£	£	£	£	£	£	£	£	£
Investment	-	-	174,322	35,690	16,112	11,463	11,060	3,057	77,382	251,704
Fundraising	-	48,832	30,880	16,459	7,431	5,287	5,101	1,410	35,688	115,400
Charitable - Residential	-	153,797	492,042	133,357	60,204	42,833	41,328	11,422	289,144	934,983
Charitable - Welfare	337,291	628,614	345,453	252,123	113,822	80,979	79,271	23,576	549,771	1,861,129
Total	337,291	831,243	1,042,697	437,629	197,569	140,562	136,760	39,465	951,985	3,163,216

Included in the cost above, a sum of £84,973 was spent from the restricted homelessness fund towards welfare, and a sum of £9,214 was spent from the linked charities restricted funds.

10 STAFF COSTS

	2026	*2025*
	£	**£**
Wages & Salaries	1,055,494	*1,043,365*
Social Security costs	118,392	*106,930*
Other pension costs	121,514	*118,577*
	1,295,400	*1,268,872*

Employees

	2026	*2025*
The average number of employees during the year		
Charitable	17	*15*
Support	8	*8*
	25	*23*

The average number of FTE employees during the year	**2026**	*2025*
Charitable	15	*14*
Support	7	*7*
	22	*21*

The number of employees whose annual remuneration was £60,000 or more:

Salary Banding	**2026**	**2025**
60,001-70,000	2	1
70,001-80,000	-	-
80,001-90,000	-	-
90,001-100,000	-	-
100,001-110,000	1	1

The key management of the charity consists of the Chief Executive and the trustees.

Total remuneration for the Chief Executive, including social security and pension costs was £127,716 (2025: £125,299).

The trustees received no remuneration in the current or prior year. No reimbursement was made to trustees in 2025-26 (2025: £Nil).

The donation from the trustees in 2026 was £1,660 (2025: £2,010).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

11 TANGIBLE FIXED ASSETS	Freehold Land & Buildings £	Endowed Land & Building	Fixtures & Fittings £	Endowed Land & Building Improvements £	Office Equipment £	IT Equipment £	Total £
COSTS							
1 April 2025	10,104,154	2,801,512	1,119,838	-	85,002	48,516	14,159,022
Additions		65,432	131,586	481,838		21,643	700,499
Disposal of Assets			(4,117)				
At 31 March 2026	10,104,154	2,866,944	1,247,307	481,838	85,002	70,159	14,855,404
DEPRECIATION							-
1 April 2024	779,730	758	471,893		85,002	31,098	1,368,481
Charge for the year	142,436	40,839	96,378	26,855	-	8,124	314,632
At 31 March 2026	922,166	41,597	568,271	26,855	85,002	39,222	1,683,113
Net Book Amount							
At 31 March 2026	**9,181,988**	**2,825,347**	**679,036**	**454,983**	**-**	**30,937**	**13,172,291**
At 31 March 2025	*9,324,424*	*2,800,754*	*647,945*	-	-	*17,418*	*12,790,541*

12 INVESTMENTS	2026 £	*2025 £*
Opening value at 1 April	43,517,049	*47,529,967*
Transfer of linked charity investments at 1 April		*191,911*
Cost of additions	20,383,989	*51,998,356*
Less proceeds of disposals	(21,456,909)	*(55,536,275)*
Investment Manager's Fees (Sarasin)	-	*(150,547)*
Realised gain/ (loss)	83,582	*1,923,996*
Unrealised gain/ (loss)	4,641,586	*(2,440,359)*
Market value at 31 March	47,169,297	*43,517,049*
Funds on deposit with Investment Adviser	581,672	*740,188*
Total value as at 31 March	47,750,969	*44,257,237*
Cost at 31 March	45,561,185	*46,697,595*
Unrealised (loss)/gains at 31 March	2,189,784	*(2,440,359)*
Market value at 31 March	*47,750,969*	*44,257,236*

13	**DEBTORS**	**2026**	***2025***
		£	**£**
	Accrued Income & Prepayments	67,431	*137,348*
	Trade Debtors	124,246	*85,179*
		191,677	**222,527**

14	**CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**	**2026**	***2025***
		£	**£**
	Trade creditors	91,080	*139,473*
	Other creditors	15,698	*38,109*
	Deferred income	22,862	*25,940*
	Accruals	48,015	*77,831*
		177,655	*281,353*

Other creditors include £11,335 (2025 £11,335) related to unfunded pensions.
Deferred income comprises rental income received in advance

	2026	***2025***
	£	**£**
Balance at 1 April	25,940	-
Amount released to rental income	(25,940)	-
Amount deferred in year	22,862	*25,940*
Balance at 31 March	**22,862**	***25,940***

15	**CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR**	**2026**	***2025***
		£	**£**
	Unfunded pensions	15,363	*21,286*
		15,363	*21,286*

16 OPERATING LEASES

	Equipment		Building	
	2026	***2025***	**2026**	***2025***
	£	***£***	**£**	***£***
Under 1 year	11,999	*9,409*	-	*62,272*
2-5 years	10,937	*1,680*	-	-
	22,936	***11,089***	**-**	***62,272***

17 NET DEBT RECONCILIATION

	At 1 April 2025	**Cashflows**	**Other non-cash changes**	**At 31 March 2026**
	£	**£**	**£**	**£**
Cash	2,234,175	(425,059)	-	1,809,116

2025 Comparative	***At 1 April 2024***	***Cashflows***	***Other non-cash changes***	***At 31 March 2025***
	£	*£*	*£*	*£*
Cash	*887,843*	*1,346,332*	-	*2,234,175*

18 PROVISION FOR LIABILITIES AND CHARGES

Provison for dilapidation
A provision of £23,480 has been made for the expected property dilapidation cost at the end of the lease based on the lease terms and management's assessment of the property condition. The estimation involves a level of judgement.

Movement in provision for Dilapidation	**£**
Balance at 01 April 2025	50,450
Adjustment	(26,970)
Balance at 31 March 2026	**23,480**

19 MOVEMENT IN FUNDS

	1 April 2025 Balance	Income	Expenditure	Investment (losses)/gains	Net Asset Transfer	Fund Transfers	31 March 2026 Balance
	£	£	£	£	£	£	£
Endowed Fund							
The James Kinnear Fund	46,463,302	768,334	(257,595)	4,697,858	-	(1,057,567)	50,614,332
Restricted funds							
Heritage Fund	60,234	-	(4,313)	7,760	-	-	63,681
Homelessness Fund	74,366	21,864	(83,016)	-	-	-	13,214
William Kinloch	108,373	2,300	(118,186)	7,513	-	-	-
SASSCF	128,220	2,935	(143,192)	12,037	-	-	-
Unrestricted Income Funds							
Functional Fixed Assets	9,989,787	1,629,408	(1,071,209)	-	-	(656,025)	9,891,961
Free Assets	1,586,919	123,634	(1,881,450)	-	-	1,713,592	1,542,695
Total Unrestricted Funds	11,576,706	1,753,042	(2,952,659)	-	-	1,057,567	11,434,656
Total Funds	58,411,201	2,548,475	(3,558,961)	4,725,168	-	-	62,125,883

COMPARATIVE 2025

	1 April 2024 Balance	Income	Expenditure	Investment (losses)/gains	Net Asset Transfer	Fund Transfers	31 March 2025 Balance
	£	£	£	£	£	£	£
Endowed Fund							
The James Kinnear Fund	*47,009,132*	-	*(188,427)*	*(357,403)*	-	-	*46,463,302*
Restricted fund							
Heritage Fund	*62,265*	-	-	*(2,031)*	-	-	*60,234*
Homelessness Fund	*131,981*	*27,358*	*(84,973)*	-	-	-	*74,366*
William Kinloch	-	*3,149*	*(4,711)*	*(1,825)*	*111,760*	-	*108,373*
SASSCF	-	*3,418*	*(4,503)*	*(1,366)*	*130,671*	-	*128,220*
Unrestricted Income Funds							
Functional Fixed Assets	*10,062,894*	*1,478,334*	*(934,983)*	-	-	*(616,458)*	*9,989,787*
Free Assets	*1,192,498*	*1,723,582*	*(1,945,619)*	-	-	*616,458*	*1,586,919*
Total Unrestricted Funds	*11,255,392*	*3,201,916*	*(2,880,602)*	-	-	-	*11,576,706*
Total Funds	*58,458,770*	*3,235,841*	*(3,163,216)*	*(362,625)*	*242,431*	-	*58,411,201*

20 ANALYSIS OF ASSETS BETWEEN FUNDS 31 MARCH 2026

	Unrestricted	Restricted	Endowed	Total 2026
	£	£	£	£
Tangible Assets	9,891,961	-	3,280,330	13,172,291
Investments	-	93,609	47,657,360	47,750,969
Current Assets less Creditors & Provisions	1,542,695	(16,714)	(323,358)	1,202,623
	11,434,656	**76,895**	**50,614,332**	**62,125,883**

ANALYSIS OF ASSETS BETWEEN FUNDS 31 MARCH 2025

	Unrestricted	*Restricted*	*Endowed*	*Total 2025*
	£	*£*	*£*	*£*
Tangible Assets	*9,989,787*	-	*2,800,754*	*12,790,541*
Investments	-	*271,329*	*43,985,906*	*44,257,235*
Current Assets less Creditors & Provisions	*1,586,919*	*99,864*	*(323,358)*	*1,363,425*
	11,576,706	***371,193***	***46,463,302***	***58,411,201***

THE JAMES KINNEAR FUND

The James Kinnear Fund is an unexpendable capital (Permanent Endowment) fund whose assets are invested to produce a return which is freely available for the charitable activities of the Corporation. The Fund includes Bermondsey Street property purchased in the previous year.

HERITAGE FUND

The Heritage Fund is a capital fund which arises from the historic sale of certain of the Corporation's paintings (anciently donated) upon moving premises. Its income each year is recorded in the Unrestricted Income Fund and is freely available for the charitable activities of the Corporation. Its capital assets are available to the Trustees for the purchase of replacement commemorative artefacts for the Corporation's headquarters or such other corporate expenditure as the Trustees may determine.

LINKED CHARITIES

The Charity of William Kinloch grant funding directly to eligible individuals or to charitable organisations that support Scots who have served the Navy, Army or Royal Air Force, who suffer from mental or physical impairment or disability and who are in need. To qualify for any of the above, an applicant must be assessed by the Corporation's professional staff.

St Andrews' Scottish Soldiers Club grant funding directly eligible individuals or to charitable organisations that support Scottish soldiers who are in need, hardship and distress. The trustees shall apply the clear income of the charity in relieving serving and former Scottish soldiers, their families and their dependents in any part of the world who are in conditions of need, hardship or distress.

20. ANALYSIS OF ASSETS BETWEEN FUNDS (CONT.)

The Charity of William Kinloch and St Andrews' Scottish Soldiers' Club Fund were linked to ScotsCare during the year 2024-25. In 2025-26 they were wound up after spending the fund according to their charitable objectives.

HOMELESS RESTRICTED FUND

The Royal Scottish Corporation (ScotsCare) and New Borderline (Borderline) merged on 1 April 2023 to provide a one stop shop for vulnerable Scots across London. On 1 April 2023, the assets and liabilities of New Borderline (Registered Company number 06844151, Charity numbers 11286848 and SC044530) were transferred to ScotsCare.

UNRESTRICTED INCOME FUNDS

These funds represent accumulated income surpluses and consist of functional fixed assets fund and free assets.

(a)Tangible Fixed Assets

Functional fixed assets comprise of residential property and the fixtures & fittings within providing accommodation for the elderly and key workers on lower incomes. The Trustees have determined that these assets shall be a capital fund but that upon a disposal of the underlying property, any proceeds not similarly reinvested shall become free assets available at the Trustees' discretion.

(b) Free Assets

Free assets are available at the Trustees' discretion in the conduct of the Charity's affairs.

21. CAPITAL COMMITMENTS

At 31 March 2026, the Charity has no capital commitment (2025: £nil).

22. HERITAGE ASSETS

Works of art and ceremonial silverware are not capitalised in these accounts. They are considered to be heritage assets for the purposes of the Charities SORP (FRS 102). They all have very long lives and are worth preserving indefinitely.
No value is attributed to heritage assets on the basis that information on cost or valuation of the assets is not available and could not be obtained at reasonable cost. There has been no movement in the heritage assets in the last 5 years.

23. RELATED PARTY TRANSACTIONS

Other than the transactions disclosed above and in Note 10, the Charity had no other related party transactions.

24. TRANSFER OF NET ASSETS OF LINKED CHARITIES

The Charity of William Kinloch and St Andrews' Scottish Soldiers' Club Fund were linked to ScotsCare during the prior year.
The net assets of these charities at the 1 April 2024, as set out below, have been reflected as a transfer in the financial statements, with all the income and expenditure reflected in the Statement of Financial Activities from this date.

		£	£
William Kinloch			
	Cash	4,774	
	Investments	107,085	
	Liability	(99)	
			111,760
SASSCF			
	Cash	45,898	
	Investments	84,852	
	Liability	(79)	
			130,671
			242,431