



**NATIONAL
TRUST *for*
SCOTLAND**

**Trustees' Annual Report
and Financial Statements
For the Year ended 28 February 2022**

The National Trust for Scotland

Scottish Charity Number: SC007410



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Chairman's Statement

In 2021, we celebrated the 90th Anniversary of the foundation of the National Trust for Scotland. Born at a time of economic and social difficulties it got off to a quick start. In the 1930s alone it acquired properties such as Burg, Culross Palace, Gladstone's Land, the birthplaces of Thomas Carlyle, Hugh Miller and J M Barrie, as well as Glencoe and sections of Culloden battlefield. It has since gone on to protect and conserve more than a hundred places that are important to the natural environment and cultural history of our nation.

The Trust's anniversary also took place in troubled times, with restrictions intended to mitigate the COVID pandemic preventing our traditional opening at Eastertime. I am happy to report, though, that after this unpromising start the easing of the restrictions a few weeks later allowed us to welcome large numbers of visitors back to our properties.

If 2020/21 was a difficult year, 2021/22 was one of recovery and optimism. Projects that had been delayed by the pandemic were brought to fruition and, in September 2021, our Patron, HRH the Prince Charles, Duke of Rothesay formally reopened the House of Dun near Montrose after a long and complex project to restore and reinterpret it.

This was also the year in which we could begin to look forward towards our centenary in 2031. Trustees welcomed the opportunity to take part in the development of a strategic view of the Trust and what it should achieve over the next decade, culminating in the publication of a new strategy *Nature, Beauty & Heritage for Everyone* in March 2022 which sets out our plans and priorities for the next ten years.

In the course of the year, we said farewell to David Leslie and Steve Langmead from the Board of Trustees, and I would like to express my gratitude for their sage advice. We welcomed back David Mitchell, deputy chair of the board, following his re-election at the 2021 AGM, and we were joined by Shona Malcolm who has taken on the chair of the Audit and Risk Management committee. I am grateful to all Trustees for their steadfast support through such a period of challenge and change.

My thanks go too to our loyal membership and volunteers, sticking with us through thick and thin, and for the endurance and fortitude shown by our people, who went on caring for our properties and visitors throughout the pandemic with unwavering professionalism.

The issues which impelled our predecessors to set up the National Trust for Scotland have not gone away. To the contrary our historic buildings face new threats, from the extreme weather caused by climate change, the redundancy of churches and agricultural buildings, the decline of town centre retail, and regulations requiring levels of insulation that are very difficult to achieve without expensive and damaging structural intervention.

We are all well aware too of the effect of climate change on the natural environment, and the importance of measures to combat that by ensuring that the impact of the NTS is carbon negative. But there are other issues, like the decline in insect numbers, which undermines the whole basis on which our ecosystems are built, or the impoverishment of our inland waters by continued dredging and trawling where the NTS will work more visibly with partners to increase awareness and bring change.

With the support and dedication of staff, members and volunteers, and with the leadership of Phil Long and his team, I feel confident that the next ten years will see the Trust ever more effective in caring for things that are of vital importance to us all.

Sir Mark Jones
Chairman
29 August 2022



Chief Executive's Introduction

A year ago, in my introduction to the 2020/21 Annual Report and Financial Statements, I related the difficulties resulting from the pandemic and the hard choices required. What a difference a year has made: as I write, we are investing greatly in the heritage we are responsible for and in our workforce too, and over the year that has passed I can look back on moments that signal both recovery and bright prospects for the future.

Despite the continued impact of COVID 19 throughout 2021 and into 2022 on our charity, our ever-resilient people managed to find ways to work around obstacles and uncertainty and delivered outstanding conservation work. Thanks to them, we were able to re-open almost all our properties, safely and in line with Scottish Government guidance, always with the wellbeing and comfort of our visitors and workforce at the forefront of our minds.

We were delighted too to welcome colleagues back from furlough in autumn 2021 and in doing this, we worked hard to ensure that our people were given the support and information they needed. The numerous and diverse properties the Trust is responsible for across Scotland require a substantial team to ensure their care and the warm welcome we provide, and so having our colleagues back was fundamental to all that has been achieved in the year.

In this report you will find our full Financial Statements and accompanying commentary. The headlines show an operational deficit of £11.3 million, which is well ahead of our original forecast of a deficit of £14.6 million, but that our overall financial position (or our SOFA position) was a surplus of £1.6 million when taking into account other income sources.

This is not a dissimilar position to that described last year, when our operational deficit was not as negative as we had projected, and that our total financial performance was positive. Once again, we are indebted to a loyal membership who chose to stay with us and, when we were able to welcome back visitors, we saw them returning in substantial numbers. As in the previous year, alongside the prudence of our financial management and our successful fundraising, the main reasons for our surplus were because of the spending we were unable to make on planned projects or operational activity (usually because of external factors), as well as higher than anticipated returns on our investments.

These are not factors we will want to or can depend upon in the future and, as was noted last year, we have a Business Recovery Plan in place, now tied to a new three-year budget cycle, that commits us to repairs and maintenance delayed by the pandemic, as well as making substantial investments in our properties for the purposes of conservation and visitor engagement. This is important because the Trust's relevance and credibility depends on sound financial management and sustainability if we are to remain worthy of the support that enables us to look after so much of what is special about Scotland.

To that end, as our Chair has mentioned, throughout 2021 we worked hard on the creation of our new strategy – ***Nature, Beauty & Heritage for Everyone*** – seeking input from our members & supporters, stakeholders and partners, and employees and volunteers who offered thoughtful and generous contributions.

The resulting strategy is ambitious and perhaps unlike anything we have expressed or challenged ourselves with before. It is founded on the core

purpose of the National Trust for Scotland, as outlined in 1931 to care for places of historic interest and natural beauty. In doing so our new strategy also encourages us to think afresh about – and, vitally, put into practice – our relevance and actions as a conservation charity now in a world which faces existential threat, and which is increasingly valuing the importance of nature and heritage in our wellbeing and the contribution it makes to our society, culturally and economically.

Our new strategy's vision, and the three strategic pillars that underpin it – Conservation, Sustainability and Engagement – are built on the experience, knowledge and skills we've gathered over the last 90 years, and the work we're already doing across the country. Between now and the Trust's centenary in 2031 the strategy gives us the direction we need and the framework to develop new ideas within it, to step up our efforts to care for and champion Scotland's heritage and demonstrate the difference it makes to people's lives.

Strictly speaking, although its preparation was a substantial part of our thinking in 2021/22, delivery of the first three-year phase of this ten-year strategy only began in March 2022; nevertheless, much was done ahead of this to put in place the conditions necessary for the strategy to be successful, including the move to three-year budget setting, supporting the necessary longer-term planning that is required by the nature of what we are responsible for.

As the Chair remarked in his statement, 2021 marked the **90th anniversary of the founding of our charity**. We celebrated this milestone in a range of ways throughout the year, including in our members' guide and magazine, our award-winning online members' talks, on our website, as well as through media interviews and articles.

As part of these anniversary celebrations, we were honoured to host two visits from our **Royal Patron HRH The Prince Charles, Duke of**

Rothesay during September. He joined us at the **Robert Burns Birthplace Museum**, where he and the Duchess of Rothesay sampled a traditional dram and haggis and viewed original manuscripts and artefacts of the life and times of the Bard, including his woollen socks! His Royal Highness also carried out the official re-opening of the **House of Dun**, where he unveiled a specially commissioned memorial.

This followed a comprehensive restoration project, enabled by the legacy of Dr Sheila Bain as well as by wider support, which 're-imagined' the property, encompassing the elegant Georgian mansion, beautiful Victorian gardens and a 793-acre estate. Extensive works were undertaken to transform the house's courtyard area into a permanent home for the Angus Folk Museum, displaying around 400 items from the extensive collection amassed by Lady Maitland of Burnside in the first half of the 20th century and subsequently donated to the Trust.

Our other grand opening of the year, and a further demonstration of regained post-pandemic momentum, was in May 2021 when **Gladstone's Land** in Edinburgh's Royal Mile admitted its first visitors following a £1.5m restoration.

Dating to the 17th century and rescued by the Trust from demolition in 1934, Gladstone's Land's new restoration is indebted to years of meticulous historical research. Three floors in the property have been curated to reflect the surroundings and daily lives of real people who dwelt in the property over its centuries of history. Their stories revealingly portray the rise and decline of the address and give vivid insight into the fortunes of the Old Town as a whole.

Continuing Gladstone's Land's tradition as a place where people have slept and lived, self-catering apartments on the upper floor have also been redesigned to create fine flats for holiday lets, the profits from which, along with our many wider

enterprise activities, support the Trust's conservation work.

Also in May, we announced one of the most ambitious environmental projects ever undertaken by the Trust, supported by the **HSBC Climate Solutions Partnership**. At **Kelton Mains on the Threave Estate** 81 hectares of a disused dairy farm will be turned over the next century into a fully restored woodland-wetland ecosystem, self-sustaining and self-adapting to Scotland's changing climate.

Over eight kilometres of redundant fencing have been removed, along with 35 metres of constructed embankments, allowing the floodplain of the River Dee to extend into the Kelton Mains area, creating 7.4 hectares of wetland. Four hectares of commercial forestry have been removed and over 1000 native trees including alder, aspen and rowan have been planted. A further 16,000 trees have been ordered for planting onsite. The site is surrounded by some of the richest ecologically protected habitats in southern Scotland along the River Dee in rural Galloway, and so our work there will help contribute to this biodiverse ecosystem.

From the establishment of plants to their wholesale removal! Since August 2020, **Project Wipeout**, generously supported by players of **People's Postcode Lottery**, has successfully tackled some of the most destructive invasive species in Scotland, including *Rhododendron ponticum*, Japanese knotweed and American skunk cabbage. In 2021, the project extended into the northeast of the country, with *Rhododendron ponticum* now removed from the grounds at Crathes and Fyvie Castles. This very successful project is now drawing to a close, but discussions are underway about how we can integrate the techniques applied into the 'Business as Usual' management of our landscapes.

At the Trust we pride ourselves on our welcome to visitors, but even we have our limits! Our unwelcome guests were **Storm Arwen** in November 2021, which downed an estimated one million trees on our sites in the northeast alone and **Storms Malik and Corrie**, which in January 2022 uprooted and further damaged trees weakened by Arwen and blocked paths and driveways as a result. At Haddo House, the designed landscape there in particular was devastated through the substantial loss of avenues of trees. The growing frequency of such extreme weather events, foreboding signs of a changing climate, also brought out the best in our property teams, who went above and beyond in clearing away the damage, ensuring public safety and supporting affected local communities.

Climate change and intensive agricultural techniques have had without doubt a detrimental impact on the pollinating insects that crops and other plant life depend upon. This made the **Inverewe Pollinators Study** launched in May 2021 exceptionally valuable. Working in co-operation with technology company **AgriSound** and government agency **Innovate UK**, the team involved embarked on a new biodiversity project to establish how best to safeguard this magical garden in Wester Ross for future generations.

Through this, Inverewe is one of the first places in the UK to trial a potentially groundbreaking piece of equipment – a wild pollinator counting device, nicknamed Polly by its designers. This is as part of the PollenNet project to gather information about local pollinator abundance. The device is designed to mimic a flower and attract insects, particularly bees, that visit to collect nectar and pollen. Each time an insect flies up to one of the pollinator counters, just as it would a flower, it will be counted. The data gathered will help us understand more about how we can encourage and protect our insect communities into the future.

One of the joys of the Trust is the sheer diversity of its responsibilities. From a designed landscape in the northwest we move to Alexander 'Greek' Thomson's peerless **Holmwood House** in Cathcart, Glasgow, which reached a milestone when, at the end of a three-year project, the Trust enlisted traditional painters and decorators Robert Howie & Son to undertake the painstaking task of restoring the rich and opulent designs of the property's original decoration. These designs were revealed after being hidden for years under layers of paint applied by former occupants. The restoration was generously supported by the **National Trust for Scotland Foundation USA** (which does so much to support our conservation work the length and breadth of Scotland) as well as through a public appeal, yet again very generously supported.

The final year of the Holmwood Redecoration Project also focused on creating new carpets (derived from period designs) for the house that echo the aesthetic spirit of Alexander Thomson's work. The effect restores a sense of luxury to the floors of the house which are now as unique to Holmwood as the rest of the glorious interior decoration.

The Trust rarely acquires objects unless they have a deep connection to our places. Such was the case in July 2021 when the **portrait of Lorna Marsali Forbes-Leith by the eminent 20th-century artist Philip Alexius de László** returned to Fyvie Castle. Lorna was the great-grand daughter of William Forbes-Leith, who commissioned the portrait and who had purchased Fyvie in the late 19th century. Due to family difficulties the portrait was never hung, and its whereabouts became unknown. Recently it came to light in France, and thanks to the diligence of our team and welcome grants from the **Art Fund** and the **National Fund for Acquisitions** we have been able to bring it to Fyvie, where at long last it has now joined the family portraits there, adding to Fyvie's truly

exceptional art collection and the stories we can tell.

At **Falkland Palace**, we turned our attention to artwork that has been part of this place's fabric for some 500 years. In February 2022, figure sculptures which ornament the south range were removed, expertly conserved and restored, and safely replaced. Amongst the many issues facing these sandstone statues created by Dutch sculptor Peter Flemishman was an attack on staff by masonry bees, a type that prefer to inhabit holes in walls or mortar joints and a further example of the rich biodiversity inhabiting the Trust's places.

In last year's Annual Report, I mentioned the initiation of our **Facing Our Past** project. It is part of the Trust's ongoing mission of historical research into the background of the properties and landscapes in our care. An early emphasis for the project was the issue of the Transatlantic Slave Trade and its intertwining with the histories of individual properties, families, and the nation as a whole. Although many historians and educators have shone a light on it through the years, including the Trust itself, we knew that there was much that remained to be understood.

An interim research report was released in December 2021, which provided a fascinating and thorough level of detail as a first step towards a wider understanding of the connection of our places with slavery, which in the coming years will be incorporated into the interpretation of our properties. Our responsibility to the heritage of the past requires us to understand and explain the circumstances of its making as much as caring for its physical nature, and so we are proud of this research and the wide peer support we receive in its undertaking.

Facing Our Past demonstrates our work has not been restricted only to the physical care of our properties and we continue to work on and speak up for the importance our nation's heritage and its protection. Throughout the year our

Conservation & Policy Team, along with many other colleagues, raised a range of issues to generate public awareness and influence policy makers where we felt heritage was under threat.

This included our **Battlefield protection campaign** in which we called upon politicians to support **Culloden's bid to become a recognised World Heritage Site** and increase protection for Scotland's historic battlefields, reminding us in the current world situation that sites like these should serve as a warning as well as a repository of our cultural history.

Additionally, we joined the **Ours Seas Coalition** to lobby for **marine protection** in April 2021 and in May we undertook a **Sustainable heritage campaign** to advocate for the sustainable use and enjoyment of Scotland's heritage and landscapes. In November, we argued for protecting **Scenic landscapes** by proposing that the new National Planning Framework (NPF4) should include protections for world-renowned landscapes and heritage sites.

As brokered by our Fundraising Team, a spirit of partnership was in the air in more ways than one. **The Pioneering Spirit** is a partnership between **The Glenlivet** and the Trust to combine archive research with archaeological digs across The Glenlivet site and on National Trust for Scotland properties. The archaeological digs uncovered illicit stills and forgotten bothies that were used to illegally produce and smuggle Scotch whisky across the Highlands in the early 1800s, then an important part of cultural and economic life in rural communities.

Yet another whisky connection and following on from the great success of the inaugural online **Burns Big Night In** of the previous year, January 2022's celebration was hosted at the **Robert Burns Birthplace Museum** by DJ and presenter Edith Bowman. It was indeed a pleasant night in, graced with music, song, poetry, whisky (of course) and some great Scottish banter

streaming live from **Burns Cottage**. Particularly impressive to see and hear yet again was the talent of Scotland's contemporary creativity who featured, inspired by the Bard's profound words.

Robert Burns is of course famous for his tale of witchcraft through his telling of Tam O'Shanter's travails. Today, interest is growing in the barbaric injustice to people, predominantly women, accused in the past of witchcraft. In 2021, we commissioned historian Dr Ciaran Jones to investigate these connections and his report – **Histories of the Witch Trials** - identified 39 places where there is either a direct or indirect connection to a documented witch trial. These stories are a rich insight into the social and cultural world of early modern Scotland, stories that we naturally want to share with our visitors. But this is also a complex and challenging history, with difficult themes of violence and injustice, which make it all the more important that we tell these stories accurately and with sensitivity.

Although begun in 2020 and paused due to the pandemic, in the summer of 2021 we were able to resume work on the **Glencoe Turf House**. Trust archaeologists and volunteers have undertaken a series of archaeological digs investigating long-lost historical townships in the heart of Glencoe at Achtriochtan and Achnacon. These excavations have given us an insight into the lives of the hardy people who once made their homes in this world-renowned natural landscape, prior to the event for which the glen is infamous, the Glencoe Massacre of 1692. This research has in turn informed a painstakingly accurate re-creation of one of the dwellings that had been excavated. Following the resumption of works, a stone base was built, wattle walls were added, and a daub covering was created from Glencoe cow manure, straw and clay. The reconstruction also involved the use of 85 timber roof cabers, a heather-thatched roof and turf, the completion of which now means visitors can access the property.

A commemoration of the **Battle of Culloden** takes place every April – but April 2021 was special as it was the **275th anniversary** of the conflict. Working with historians, archaeologists and local partners the **Gaelic Society of Inverness** and **XPO North** (a year-round programme which supports local business), the Trust created a thought-provoking programme to share the latest research and to promote the protection of the battlefield. As is traditional, the commemoration opened with a special service of remembrance for the events of 16th April 1746 and the many who fell.

May 2021 saw the opening to the public of the **refurbished Newhailes Courtyard**, with new facilities to welcome visitors and a completely refurbished café. The occasion was marked by the hosting of the Gratitude exhibition of 50 bespoke sculptures which thanked key workers for their contribution during the pandemic. The courtyard is now home to a bustling, regular Farmers' Market where local companies vie for a spot, while beyond its walls community allotments are flourishing. Combined with a packed events programme and the ever-popular Weehailes playpark and a new ice-cream servery, the Newhailes estate is becoming an increasingly important focus for local community life in the area. The remarkable Newhailes house too, famous for its place in the Scottish Enlightenment, reopened during the year, with new guided tours giving fresh insight into the lives lived there from the 18th to the 20th century.

Mar Lodge Estate's historic Victoria Bridge is a beautiful lattice girder bridge built over the River Dee. Essential repairs began in September 2021 with the £900k cost generously supported by income from an endowment provided by the **National Lottery Heritage Fund**. The work includes new cast iron sections installed to replace sections that had fallen into disrepair, structural repair to the bridge piers, and repainting the entire structure. Although the works made good progress, Storm Arwen did its

worst, leading to delays. Now gloriously restored, the bridge once again provides a fitting entrance to Mar Lodge itself.

The **Isle of Canna** is one of the most beautiful places in the Trust's care and I was delighted to see the **Canna Partnership** come into being in September 2021. This brings together the Trust and the island's community and aims to use the skills and experience of both to ensure a positive future for Canna. The formal agreement now in place ensures islanders become more deeply involved in the operational and strategic management of the island.

Another partnership we were delighted to engage in was the effort to secure the **Honresfield Library Collection** for the nation. In June 2021 an appeal was launched by a consortium led by the Friends of the National Libraries when it was announced that a collection of original manuscripts held in the Honresfield Library, which has been unseen by the public for almost a century, was being put up for auction.

The Scottish members of the consortium - the National Library of Scotland, the National Trust for Scotland and Abbotsford – worked together to support the UK-wide appeal and developed plans to bring rare material by Burns and Scott back to Scotland. These works are of deep significance to Scotland's literary history and culture. Outstanding is a volume of poems by Robert Burns in his own hand, known as the *First Commonplace Book*. Written at the age of 24 before he found fame, it is recognised as one of his earliest literary works. Some of his earliest correspondence is also in the collection, including the only extant letter to his beloved father.

As was announced in December 2021, funding was secured to purchase the collection when it was re-named the Blavatnik Honresfield Collection in honour of Sir Len Blavatnik's altruism in making an exceptionally generous donation to the appeal funds, which was also contributed to by the Scottish Government and

many generous donors linked to the Trust. At the time of writing, the consortium partners are making arrangements to bring the Scottish items north for digitisation, display and public access.

Engagement with the Trust doesn't necessarily depend on a visit to one of our properties. That's why we were glad to commission another series of **Love Scotland podcasts**, hosted by journalist and broadcaster Jackie Bird, whose skill, insight and curiosity contributes greatly to the understanding the podcasts provide. Under her watch thrilling stories behind the Trust's people and places are emerging, and recent topics have included *EA Hornel in Japan*, *Keeping the Outdoors Great*, *Violet Jacob: A Singular Life* and *The Burns Cottage Plot* where the titular historic dwelling came close to an explosive end. I hope I have piqued your curiosity to listen!

Other Trust experiences to be had in domestic comfort came to the fore when the Trust's online lecture series **At Home with the Trust** won two awards at the PPA Scotland Awards – Event of the Year and Brand Extension. We know how much of a comfort these lectures were to people during lockdown and other restrictions, and they played a valuable role in maintaining connection with our members even when our properties were forced to close.

The Trust has a responsibility to appeal to and encourage as many and diverse audiences as possible to engage with its places. An innovative project that helped with this was **Ùrlar at Ben Lomond**, an experimental, site-specific outdoor performing-arts event that took place in August 2021. This sell-out performance, involving over 70 artists, musicians, costume designers, event specialists, and technical teams, all onsite at Ben Lomond, was an impressive achievement. The learning from this valuable experience will inform how we go about staging performance events at Trust properties in the future, which is certainly our ambition.

The Corrieshalloch Gorge Gateway Project is another example of how we are re-thinking and enhancing visitor experiences. Sensitively designed new visitor facilities are being created adjacent to this awe-inspiring natural landscape which has long drawn people to gaze into the gorge's depth, seen from the engineering feat of the historic suspension bridge. Our new visitor gateway building there will for the first time provide a base from which to properly explore and understand this remarkable place, as well as providing essential facilities for the many thousands who already visit every year. A better network of accessible paths will be created too, with wayfinding and interpretation around the National Nature Reserve. We are pleased that the project is enjoying such strong community support as it brings new facilities to support the vital local visitor economy.

Our new ten-year strategy will importantly and rightly bring a renewed focus for the Trust on natural heritage and the deeply concerning challenges imposed by climate change on habitats, landscapes, and built heritage. It was therefore fitting that the Trust made its presence felt at the **COP 26 2021 United Nations Climate Change Conference** held in Glasgow over October and November.

We were a leading partner in the Peatlands Pavilion in the main Blue Zone at COP, which attracted much interest from delegates around the world. We also hosted a reception at **Pollok House** that brought together many like-minded organisations focusing, as we are, on nature-based solutions to the immense challenge our environment, heritage and way of life are faced with.

To conclude my account of a frenetically and delightfully busy pivotal year for the Trust, I'll offer a reminder that the Trust, for all the wonderful, cherished places in its care, is nothing without its people. Be they volunteers or paid staff, Trustees, committee members, or generous

supporters, the Trust is deeply grateful for all the help and commitment it receives from so many in so many ways. We were deeply saddened, therefore, at the death of Simon Fraser, who served as a Vice-President of the Trust since 2014 and who did so much to help the Trust especially during the height of the pandemic.

Investing in and providing opportunity for our own workforce and for skills for the future is of the utmost importance. An example of this was opening of applications to our **Garden Apprenticeship Programme** between June and July of 2021. It is aimed at 16–24-year-olds (or up to 29 if disabled or care-experienced) and offers mutually beneficial training that we hope will provide us with the future professional gardeners we need as well as setting young people on a rewarding career path, from which in turn they can contribute to the care and wellbeing of gardens and landscapes up and down Scotland. Our intake of apprentices enjoyed placements at **Arduaine** and **Geilston Gardens**, **Brodie Castle** and **Crathes Castles**, **Falkland Palace** and **Pitmedden Garden**.

2021 was also the year we instituted our workforce **Values Awards**, based on the values of being Caring, Brave, Curious, Inclusive and Vibrant that everyone at the Trust strives to follow. At an online ceremony we were glad to recognise the achievements of volunteers and staff who inspirationally exemplified those values and provided a personal demonstration of why the Trust has been able to achieve so much despite the challenges and continuing aftershocks brought about by the global pandemic.

I am deeply proud of all that the Trust has achieved throughout 2021/22, much of which but inevitably not all is recorded here. I look forward greatly to reporting on future years, as we make progress with our new vision and plan for Nature Beauty & Heritage for Everyone.

Philip Long OBE FRSE
Chief Executive
29 August 2022

Trustees' Annual Report for 2021/22

We are pleased to present the 2021/22 Annual Report in accordance with the Charities Statement of Recommended Practice and applicable law.

Since 1931, we've pioneered public access to and charitable ownership of some of the most magnificent buildings, collections and habitats in Scotland. We care for ancient houses, battlefields, castles, mills, gardens, coastlines, islands, mountain ranges and all the communities, plants and animals which depend upon them.

Together, the places and objects in our care tell the stories of Scotland and the Scots: how our people travelled and interacted with the wider world, taking with them their energy and values and returning with new ideas and treasures. Without our involvement, many of these places and things would have been lost forever to the damage caused by time, tide, climate, voracious pests and developers.

As the Trust is an independent charity and not part of government, we're free to raise our voice when we need to, challenging politicians, policymakers and commercial interests, as well as offering constructive advice based on the hard-won experience of nearly 90 years of pioneering conservation work.

Under the unique powers of inalienability and conservation rights given to us under the *National Trust for Scotland Order Confirmation Acts 1935 and 1938* we have the ability to enter into legally binding conservation agreements that enable us to protect important places that we don't own and the power to declare our land to be inalienable, both reinforcing our mission to speak up for all of Scotland's heritage wherever and whenever it's under threat. As a membership organisation, most of us are directly elected by our members and we must be Trust members. We're accountable to our membership, with a duty to ensure the long-term protection of Scotland's heritage.

The commentary noted below refers in all cases to the consolidated results for the year to 28 February 2022 reported within these financial statements and includes The Trust's subsidiary undertaking, National Trust for Scotland Enterprises Limited (NTSE, the Company).



Fair Isle Lighthouse

Our Vision and Strategy

Launched in 2018, *For the Love of Scotland, Our Strategy for Protecting Scotland's Heritage* was due to be implemented through to 2023. The strategy was based around the four themes of *Protect, Experience, Promote* and *Support*, with the objectives of spending £57 million on improving the visitor experience and the condition of heritage in our care, increasing annual visitor numbers to five million, building support through membership to 490,000, increasing support through donations to £10 million a year and creating active learning experiences for 100,000 people every year (all of which we report upon in the following pages). As the Chairman and Chief Executive have reflected in their opening statements, the global pandemic beginning in 2019/2020 disrupted the Trust both operationally and strategically, thereby stymying progress towards achieving those objectives.

As a consequence, the Trust has taken the opportunity to re-think its strategic approach and goals, and these are now expressed within a new ten-year strategy, *Nature, Beauty & Heritage for Everyone*, which was launched in March 2022 and builds on the previous strategy. The strategy is based upon the three 'pillars' of *Conservation, Engagement* and *Sustainability* and is being delivered in three phases up until the Trust's centenary in 2031. The first phase, *Planning and Recovery* is underway and focuses on recalibrated targets based on a realistic assessment of the Trust's (and the general economy's) position in the pandemic's aftermath. It is also tied to three-year budget setting which enables certainty over investment in our estate, which in the period will benefit from £38 million of spending, going up to £100 million over the lifetime of the strategy. A summary of the strategy is provided in the graphic below and all future financial reporting shall be based on the pillars and objectives described.







Strategic Review

Our Performance 2021/2

2021/22 was the fourth and final year of implementation of the Trust's previous corporate strategy. As a result of the impact of the global pandemic this strategy was reviewed in 2021 and replaced with effect from March 2022 - this will therefore be the last time we report against these objectives and performance measures. In the first quarter of 2021 public access to our properties was still restricted but as measures were gradually lifted, we saw a return to a more normal operating environment for domestic visitors at least. Overall, our work to conserve the most important aspects of our estate was maintained and we saw good responses from the public and our members in supporting the Trust through recognition of our charity brand and through donations and membership as well as positive reviews of their visitor experience. Our workforce came through a very challenging period but their responses to this year's annual survey demonstrate a positive outlook.

Eleven key performance indicators (KPIs) are used to measure progress with the implementation of our strategy. Our performance against these KPIs is summarised below:

	Objective	KPI	2021/22	2020/21
 PROTECT	1. Improve the condition of heritage in our care	Conservation Performance Index (CPI) ¹	68%	67%
	2. Reduce carbon equivalent emissions	Carbon equivalent emissions	2.1kgCO ₂ e per visitor	5.9 kgCO ₂ e per visitor
 EXPERIENCE	3. Increase total visits	Total Visitors	2.2 million	1.5 million
	4. Increase visits to built-heritage properties	Visitors to Gated Properties	1.3 million	0.5 million
	5. Increase member visits	Average Visits per Member	4.0	4.7
	6. Improve visitor satisfaction	Visitor Satisfaction Index	8.7	9.0
 PROMOTE	7. Improve brand reputation and awareness	Brand Index	27	25
 SUPPORTS	8. Increase income from fundraising	Donations and Appeals Income	£2.9 million	£4.4 million
	9. Increase members	Number of Members at year end	314,359	309,871
	10. Improve workforce engagement	Workforce Engagement Index	68%	60% ²
	11. Improve safety	Accidents per 100,000 visits	4.8	4.5

Notes:

¹ The Conservation Performance Index (CPI) is used to measure how well we are putting conservation into practice at our properties.

² This is a measure of the staff's response to the question 'I would recommend the Trust as a good place to work' by both paid and voluntary employees.

Our Achievements in 2021/22

Restrictions on public movement due to the Covid pandemic at the beginning of the year meant that we were not able to open our properties as planned in time for the Easter holidays. Restrictions were then gradually eased and domestic visitors returned in good numbers to our properties alongside staff and volunteers.

During this recovery year we have completed some major projects which were delayed due to the pandemic as well as developing new initiatives and undertaking a strategic review to plan ahead for the next ten years.

Protect

Some of our major achievements to protect heritage this year were delayed due to the ongoing impacts of the Covid pandemic but despite that we were still able to make substantial progress on new initiatives as well as the vital work of day-to-day maintenance, care and repair of our varied estate. Projects included:

- The instigation of a long-term **landscape restoration** scheme at Kelton Mains on the Threave Estate to transition 81 hectares of farmland and commercial woodland into native woodland, wildflower meadows and wetlands.
- The final phase of expert and painstaking works to restore the interior of Alexander 'Greek' Thomson's **Holmwood House** were concluded.
- The expansion of our Wipeout project to eradicate **non-native plant species** in order to benefit native wildlife at Crathes and Fyvie estates.
- Since its erection in 1905 the Victoria bridge has transported visitors across the Dee into the **Mar Lodge** estate. Major structural repairs and a complete renovation were largely concluded with final completion in the Spring of 2022.
- Staying at **Mar Lodge Estate**, generous donations enabled us take forward the property's **Geldie Project** to screen the banks of the River Dee with tree planting in order to protect habitats from climate change and the initial phases of **peatland restoration**.
- The restoration of sculptures which ornament the south range of **Falkland Palace**, were expertly removed, restored, and replaced.

Experience

We were delighted to be able to welcome visitors back to our properties this year and conclude some major projects designed to improve visitor enjoyment and learning:

- The **House of Dun** was transformed with a new programme of guided tours, a permanent interactive display of the Angus Folk Museum collection alongside new visitor services and storytelling in the house's restored courtyard and grounds.
- **Gladstone's Land** on the Royal Mile in Edinburgh was reopened after extensive refurbishment and restoration with a completely new visitor experience comprising themed tours, re-presentation of rooms, new catering, retail and accommodation.
- The completion of a reconstructed **turf house at Glencoe** brought to life the domestic setting of an infamous moment in the glen's history – the project enabled skills development through use of authentic construction methods and materials.
- Our Rangers led a programme called **Nature Adventure Days**, inspiring teenagers to walk, sail and kayak in Scotland's wild and remote places.
- The Trust undertakes a vast array of events designed to engage visitors, communities and individuals in our places and work. **Newhailes** has seen great success in this approach with music, art and theatre as well as farmers markets and a wide range of events appealing to new audiences and members alike. We also brought back our online **Burns Big Night In** for everyone to be able to celebrate Burns Night.

Promote

The Trust exists so everyone can benefit from having access to Scotland's heritage.

Promoting these benefits and engaging with decision makers is an important part of our work and helps others within communities and the wider heritage and visitor economy. Increasingly, the benefits of engaging with heritage objects and sites, especially in nature, is being recognised by policy makers, politicians and the public as an essential part of our lives and wellbeing. Some of the work we have done, often in partnership with others, is illustrated by these examples:

- We launched a campaign to improve protection for **Scotland's battlefield sites**, including the idea to seek World Heritage Site status for Culloden.
- Scotland's protected and other important **landscapes** are under constant threat from poorly located and designed developments. In supporting and helping lead Scotland's Landscape Alliance and responding to government consultations such as the National planning Framework we have been trying to embed a greater sense of the value of landscape to Scotland's economy and people.
- The Trust, in partnership with the **Isle of Canna** Community Trust entered a formal partnership to promote and implement island wide initiatives to progress conservation, environmental and economic projects to benefit the sustainable development of the community and the island.
- The world's attention was focused on Glasgow in November as the UK hosted COP26 to secure new climate change commitments from world leaders. The Trust was an active part of a

consortium including the **Global Peatland Initiative** which brought peatlands to the attention of world leaders and negotiators through activities centred on the world's first dedicated Peatlands Pavilion at any environment convention.

- As part of our strategic review and planning process we undertook research to better understand the **social and economic impact** the Trust is having on Scotland's economy and communities. Using Scottish Government national multipliers, the gross direct, indirect and induced impacts of NTS (based on pre covid 2019-20 data) are estimated to amount to 7,430 jobs, which can also be expressed as £148 million Gross Value Added to the Scottish economy.
- We also undertook a baseline **natural capital assessment** to enable us to understand the contribution our land makes to our carbon emissions and how this might be influenced to help us achieve our climate change targets. On balance our estate acts as a net carbon sink but woodland expansion and peatland restoration opportunities will further enhance the contribution our land can make to helping meet Scotland's and NTS targets.

Support

Fundraising

Our aim is to ensure that fundraising is embedded into the fabric of the National Trust for Scotland. We are a fundraising charity, and the support we receive enables us to advance our mission by delivering a sustainable stream of flexible and strategic income to support activities that directly deliver our charitable purpose of protecting and promoting Scotland's heritage.

Building on the exceptional philanthropic support received in 2020/21 as we faced one of the most challenging years in our own history, 2021/22 has confirmed that our charity, and all that is in our care, holds a special place in the hearts of people within our shores, and beyond. Our charity has been hugely heartened and humbled by the donations and actions of tens of thousands of people from across the world who have continued to demonstrate through their giving their love for Scotland.

We are grateful to, and celebrate, the contribution of thousands of donors who have contributed £9.4 million to our charity this year through appeals, gifts to projects, legacies, grants and fundraising events.

Our regular fundraising activity contributed £2.9 million, enabling continued investment in our people and conservation activity to care for, protect and promote the natural, cultural and built heritage in our care.

In 2021/22 we also recognised £4.9 million from legacy bequests. It is an honour and a responsibility to receive such support. We are hugely grateful to the individuals who share our determination to ensure Scotland's heritage is available to future generations, and who have had the generous foresight and kindness to support our charity in this way.

Thanks to support from our donors and funders, we have:

- Raised £792,888 through appeal activity; these appeals have included our annual Footpath Fund, appeals focused on nature and updates to our supporters on activity they have enabled and supported.
- Continued to build the Scottish Heritage Lottery, which launched in May 2020. Our lottery has raised £228,961 to date. Income is unrestricted and can be deployed wherever the need is greatest.
- ROOTS launched in March 2021 and recruited 500 subscribers during its launch. Now at 700 subscribers it has raised £25,000 supporting the incredible designed landscapes across the Trust.
- Worked as a member of a UK wide consortium led by Friends of the National Libraries to support a unique national effort, and launched our own appeal to ensure supporters had an opportunity to be involved in a campaign to save the unique Honresfield Collection, a treasure trove of British literary masters and masterpieces. As the collection is distributed around the country, we will develop plans to ensure that it can be enjoyed by the widest audiences possible, and support to achieve this is under discussion at present.
- Benefited from £86,139 from our Founders' Circle, growing membership from 40 to 45 donor households throughout the year. They supported a range of activities from footpaths to Holmwood interior decoration, and Threave Heritage Gardening school students. Contributions to appeals such as our buildings maintenance and also to our general income fund were received from donors, who as a group support and have interests in a diverse range of activities.
- Received support of £190,725 from our UK Patrons' Club members who have provided tremendous support to a range of projects this year including, acquisition of the Blavatnik Honresfield Library, Canna House, Mar Lodge regeneration, and Holmwood House.
- Received further private support from major donors including for Project WipeOut, Garden apprenticeships, Footpaths, and in response to Storm Arwen's impact particularly upon North East properties.
- Worked with our friends and partners, the NTS Foundation USA, who donated £245,385 in 2021/22 for projects across Scotland including \$80,000 of a \$600,000 pledge to restore Canna House. The Foundation has also pledged a further \$140,000 to our SOS Appeal.
- Received with thanks a total of £375,000 in 2021/22 from our long-term partner the People's Postcode Lottery. Player's funds supported Project Wipeout, our SOS Appeal and the operating costs of our National Nature Reserves just as people returned to our wild places after the covid lockdown. We are delighted to continue and grow our funding partnership with People's Postcode Lottery who have pledged £800,000 per annum for the next three years to our *Love our Nature* project.
- Sustained Project Wipeout at our North West Scotland properties through the support of NatureScot and Biodiversity Challenge Fund, as well as key ranger and Visitor Support Assistant posts across multiple properties from the *Better Places Fund*. They have pledged support in 2022 to peatland restoration at Goatfell on the Isle of Arran.
- Through Corporate Partnerships with Cotswolds, The Glenlivet, Baillie Gifford, SKY VIP, Lidl, EY, Mackie's and HSBC UK received vital income that enabled us to raise awareness of our charity and establish a foundation to build income and partnerships in future years.
- Been loyally supported by Members Centres and Friends Groups from across the country, which donated £89,145 to a wide variety of properties and projects. We are grateful to each of these charities and to all their members who are such committed and passionate advocates and supporters of our charity.
- Through our new legacy fundraising strategy we increased the number of our legacy supporters by 14% and we have also begun to grow the number of people interested in supporting our charity with a gift in their will – with 125 members letting us know they would be interested in supporting our charity in this way in future.

The Trust had no fundraising related complaints or enquiries left unresolved and none escalated to the Scottish Fundraising Standards Panel for further investigation. Fundraising adheres to the Trust's Working with Vulnerable People policy.

Members

The Trust ended the year with 314,359 members. We have continued to feel the effects of the difficult years of covid closures and cancellations of memberships. However, the income generated through memberships was just over £17.9 million, which was a 12% increase from the previous year. We want to thank our members this year for their continued support during the pandemic and chose to keep our membership prices static, and so the funds raised shows that we are regaining members and are recovering at a stable rate, continuing to promote our membership and the conservation and protection work it enables to wider audiences.

Workforce

In September 2021 our total workforce survey showed an improvement compared to the previous year in the Total Workforce Engagement Index, rising to 68%. The actions agreed by Directorates and Regions after the 2020 survey are beginning to take effect, with an important focus on ensuring that those individuals remaining feel that their contribution to the Trust is valued, that the Trust cares for its workforce, and that they see the Trust's core values being acted out in practice. Our first ever "Values Awards" saw nominations from all over the Trust for individuals and teams that demonstrated our values ("Brave", "Caring", "Curious", "Inclusive", "Vibrant"). The ceremony was held online, ensuring that as many people as possible could attend no matter where they were based in the country. We launched our Workforce Equality, Diversity, and Inclusion (EDI) programme with a series of initiatives to encourage individuals to feel encouraged and supported in their identities at work. We encouraged individuals to volunteer their personal equalities data so that we can better understand the diversity of the organisation and where positive action might be needed to be more representative of the people of Scotland. We established several workforce support groups to give a sense of peer "belonging" and as a forum for suggestions for initiatives that might help with inclusivity, and delivered a series of EDI workshops to increase awareness of equalities issues. More broadly we developed a Training & Development Strategy to provide a framework for programming Trust-wide training, and for addressing team and individual-learning in response to localised objectives and need. In early 2022 we began a substantial employee recruitment programme to re-build teams following the aftermath of the COVID-19 pandemic.

Future Outlook

In contrast to 2021, where COVID restrictions delayed the opening of our properties, we have been able to open most of our properties much earlier in the 2022/23 season. We have been delighted to see a healthy return of visitors to our places and have also been able to resume our maintenance plans and continue with the catch up and back log of delayed conservation work and repairs.

This has not been a straightforward activity as we, like many other organisations that operate visitor attractions, found the labour market particularly challenging, especially recruitment in the hospitality sector. We are as ever, extremely grateful for all the efforts of our workforce, both paid employees and volunteers, whose efforts contribute directly to the opening and running of our places.

A number of capital conservation projects have also commenced, or work towards their completion in 2022. We have planned over 200 individual projects over the next three years ranging from the large investments in Canna House and Corrieshalloch Gateway Nature Project in the Highlands and Islands, to smaller developments right across the country.

The launch of the Trust's new ten-year strategy and vision, along with longer term financial planning, enables us to plan our activities with greater clarity into the future. The Trust has maintained a sound and prudent cash and

reserves position throughout this difficult time, and this will help ensure that capital projects and other essential activities are tackled and completed in future years.

Financial Review 2021/22

Introduction

The commentary noted below refers in all cases to the consolidated results for the year to 28 February 2022 reported within these financial statements and not just those of the Trust on a standalone basis. The Trust's subsidiary undertaking is National Trust for Scotland Enterprises Limited (NTSE, the Company).

Consolidated Statement of Financial Activities

The Consolidated Statement of Financial Activities (the SoFA) set out on page 47 highlights that total income and endowments for the financial year were £48.7 million (2020/21: £44.2 million) and total expenditure was £59.1 million (2020/21: £44.1 million). In overall terms, the SoFA highlights net income for the 2021/22 financial year of £1.6 million. This is a decrease of £2.8 million compared with net income for 2020/21 which was £4.4 million. Net income is stated after recognising net gains and losses (both realised and unrealised) on investment assets. Net investment gains during this financial year amounted to £4.8 million, which was a £0.5 million increase on the £4.3 million recognised last year. These net investment gains for this financial year comprised £14.8 million of net realised gains from the sale of investments during the year and £10 million of unrealised losses on investments still held at the end of the financial year. Net gains on investments in the previous financial year comprised £5.4 million of net realised losses from the sale of investments and £9.7 million of unrealised gains.

Other Expenditure was £0.6 million and included Non-recurring costs of £0.1 million during the year, £44k for restructuring costs, £59k for organisational change and Covid adaptations to support re-opening of properties. This is a significant reduction compared to £3.5 million other expenditure in 2020/21 (Restructure costs £2 million and initial recognition of Provision for Dilapidations £1.1million). The chart below shows the comparison of the component parts of income in this financial year compared with the previous year.

Analysis of Sources of Income



Income and Endowments

Membership revenues

Membership income continued to strengthen in 2021/22 at £17.9 million vs £15.3 million in 2020/21. Due to continuing Covid restrictions in early 2021, we experienced a delay to the properties opening for the season, and at the end of the year the number of members was 314,359, a slight increase of 4,488 or 1.4%. The increased

income per member is due to the regular collection of Gift Aid during the year. These revenues are separately detailed in the Statement of Financial Activities as they comprise both a donation and subscription element.

Appeals and donations

Income from appeals and donations of £2.9 million was ahead of expectations for the year and an increase of £0.2 million on 2019/20. In 2020/21 we achieved £4.4 million due to the success of the *Save our Scotland* appeal which, thanks to the generous support of our donors raised £3.5 million, £1 million above its target.

Legacies

The receipt of legacy income is, by its very nature, highly unpredictable and the Trust has been very fortunate to benefit from a number of generous bequests over the years. During this past financial year, we are delighted to have benefited from legacy income totalling £5 million (of which £3.8 million was unrestricted). This is an increase of £1.7 million or 51% on income from legacies recognised in the previous financial year.

As always, we are extremely grateful to everyone who makes a provision for the Trust in their will.

Investment income

Our investments are through several investment funds which are intended to generate income (Income Only) or generate income and capital growth (Total Return). During the year the implementation of the new Investment Strategy commenced. The main purposes of this strategy are to manage the total portfolio on a total return basis without regard to the split of returns between income and capital, generate real returns over the long term, reduce risks through diversification of assets classes and, except for property investments, a single manager appointed to manage all other asset classes.

Income Only investments are predominantly aligned with the Endowment Funds as it is only the income from these Endowments that can be spent. The Total Return investments are allocated against the Restricted and General Funds of the charity, where both capital and income can be used by the Trust.

The management of most of the non-property investments held by the Trust were transferred on 30th September 2021, when Mercers were appointed as the Trusts Investment advisers for quoted securities and private market funds. Mercers were appointed following the Investment Committee review of the investment strategy and management of long-term investments. Mercers will ensure delivery on the revised asset allocations as defined by that strategy.

The section Investment Policy and Performance on page 28 provides additional information on these investments.

Investment income generated from investments has seen some volatility during the year, with gains particularly in the earlier part of the 2021 and subsequent adverse impacts eroding this due to recent market challenges across the globe and more recent events in Europe. The level of investment income received this financial year of £5.3 million was £0.8 million lower than £6.1 million in the previous financial year due to lower dividends and the move to total return strategy in September 2021.

Grants

The Trust continues to receive grants towards the cost of our conservation work, and we are grateful to the Scottish Government, Historic Environment Scotland, Nature Scot, Heritage Lottery Fund, People's Postcode Lottery and Local Authorities for providing valuable support during this past financial year.

Our grant income fluctuates from year to year depending on the major projects which are active in any given year. During 2021/22 the grant income was £1.6 million. Grants received in 20/21 were £4.5 million (This included a Scottish Government Grant of £3.8 million).

In 2020/21 the grant income was significantly higher than previous levels due to the receipt of a one-off support grant of £3.8 million from the Scottish Government to support the Trust to re-open properties and reduce the number of job losses proposed.

Property and other income

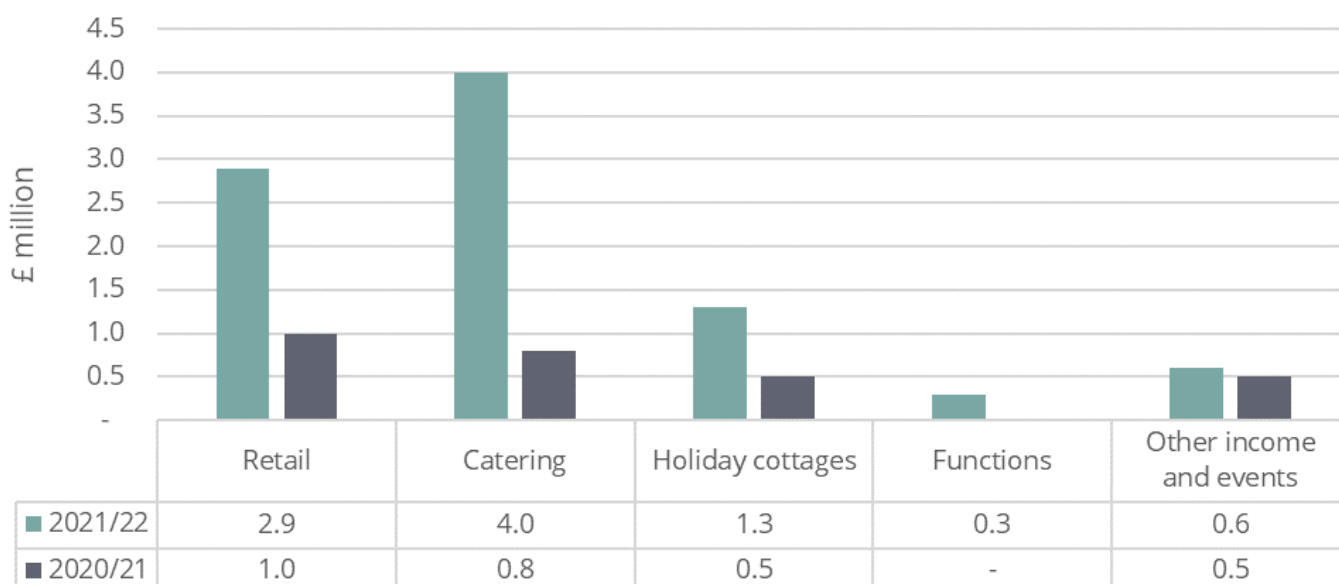
Property and other income, which includes admissions income and rental income regained strength in the year, increasing from £3.8 million last year to £5.3 million this year. We did see some property opening restrictions due to the pandemic in the early part of the year and this initially impacted admissions revenue which we did not manage to regain and resulted in a -16% variance to plans for the year (2020/21: £1.8 million). The level of rental income we generated from our let portfolio was £1.6 million which was £0.2 million lower than last year. Other income, which includes amongst others advertising income, income from events and proceeds from insurance claims in respect of costs previously incurred, decreased by £0.2 million to £1.2 million, down from £1.4 million.

Commercial activities

Revenues:

Our total revenues from commercial activities of £9.1 million was substantially up by £6.3 million on last year's levels (2020/21: £2.8 million). Once again, this was due to the restrictions easing and opening properties to welcome visitors back. The chart below highlights the year-on-year improvement by commercial activity:

Analysis of Commercial Revenue



Net Contribution (see Note 8)

Fewer pandemic restrictions and greater indoor property openings throughout 2021/22 resulted in a net surplus of £2.0 million from our commercial activities, up £3.6 million from the prior year level of £1.6 million net deficit. This overall increase in net income from commercial activities was driven by an increase in revenue of £6.2 million offset by an increase in expenditure of £2.6 million.

Gain on sale of assets

There were a number of disposals of assets during the financial year which resulted in a gain on sale recognised of £2.1 million (2020/21: £0.5 million). Note 21 to the financial statements provides further details of heritage assets included in these totals with sales values of £1.7 million (2020/21: £0.4 million).

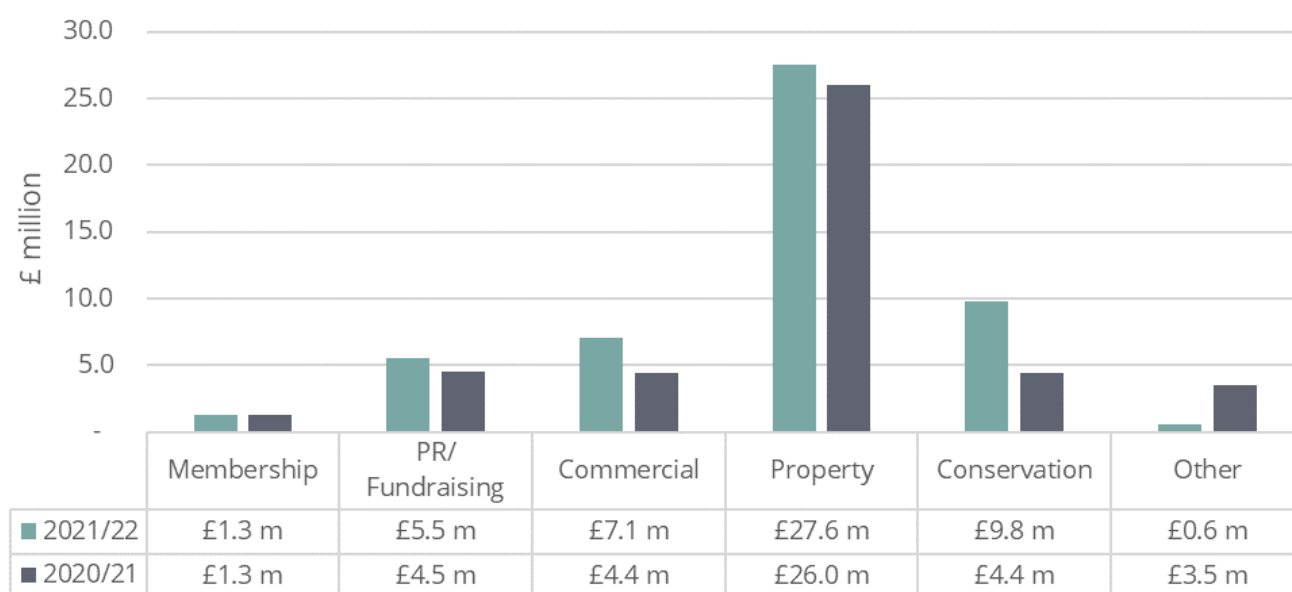
Coronavirus Job Retention Scheme (Furlough Scheme)

Income of £0.2 million (2020/21: £3.7 million) was recognised during the year in relation to the Coronavirus Job Retention Scheme.

Expenditure

Total expenditure for the financial year was £51.9 million, up from £44.1 million in the prior year. The major items of SoFA expenditure relate to property operating expenditure of £27.6 million (2020/21: £26.0 million), conservation, repairs and improvements of £9.8 million (2020/21: £4.4 million), costs of commercial activities of £7.1 million (2020/21: £4.4 million), publicity and fundraising costs of £5.5 million (2020/21: £4.5 million) and membership and recruitment costs totalling £1.4 million (2020/21: £1.3 million). In addition, during the current financial year £0.6 million (2020/21: £3.5 million) of other expenditure was incurred. The chart below shows the comparison of the component parts of expenditure in this financial year compared with the previous year.

Analysis of Expenditure



Wages and salaries

Total gross pay, which is segmented in a number of different cost category lines on the SoFA, including some of those referenced above, this year decreased by £2.5 million to £18.1 million. This was predominately driven by overall lower staff numbers than 2020/21. The average number of employees on permanent and fixed term contracts including seasonal employees was 760 (2020/21: 790). On a full-time equivalent basis this becomes 469 (2020/21: 597). The average number of employees on permanent contracts was 528 (2020/21: 550) and the average number of employees on fixed term contracts was 232 (2020/21: 251). The peak number of staff employed during the year was 880 (2020/21: 1,429). All employees are employed by the Trust and costs relating to commercial activities are charged to the subsidiary company.

From 1st March 2021 all employees on Grade 2 Lower and above received a 0.8% increase. This change was processed in August 2021 with arrears being paid in that pay period.

In addition to its paid workforce the Trust also benefits from a committed group of volunteers who give their time to help at properties and in administrative offices, covering tasks ranging from visitor services to retail, events, gardening and learning through to environmental work like Ranger and footpath work.

During the year to 28 February 2022 these volunteers carried out a total of 71,348 hours (2020/21: 22,400 hours) of work which is a 319% increase on the previous year. This reflects the trust starting to recover from the impact of COVID although still significantly lower than pre-covid levels (2019/20: 168,448 hours). The Trust depends heavily on its volunteers and could not operate without their ongoing support. We are extremely grateful to them all for the time and energy they devote to the Trust.

Property operating expenditure

Total expenditure on property operating costs was £27.6 million, a £1.2 million increase on last year's £26.0 million which reflects continued close cost management by the Trust as we continue to manage the adverse financial impact of the pandemic on our property activities.

Conservation, repairs, and improvements

Total expenditure on conservation, repairs and improvements amounted to £9.8 million in the financial year, £5.4 million above the £4.4 million spent in 2020/21. This increase reflects re-commencement of both major projects and routine conservation and repairs following pandemic restrictions and contractor limitations in the prior year.

Project expenditure varies from year to year depending on conservation requirements. Major projects expenditure in this year included work at Mar Lodge, Newhailes, Gladstone's Land and House of Dun.

Further detail on the breakdown of all relevant costs is set out in the accompanying notes to the financial statements.

Other expenditure

Total other expenditure incurred in the current financial year was £0.6m million, £2.9 million less than the other expenditure of £3.5 million in the prior year. This comprised of £0.5 million on further provision of lease dilapidations costs on the Hermiston Quay building (2020/21: £1.1 million) and £0.1 million other project spend. 2020/21 had included £2.1 million of non-recurring restructuring costs to reduce the Trust's staff cost base in response to the pandemic and £0.2 million of Covid adaption costs.

Balance Sheet and Funds

As at 28 February 2022, total funds amounted to £248.9 million, an increase of £2.1 million on the comparable figure of £246.8 million as at the end of February 2021.

The Trust has approximately 300 restricted or designated funds which have been either donated or set aside by the Board for a specific purpose.

The value of restricted funds was £171.3 million at 28 February 2022, an increase of £8.1 million from their level of £163.2 million at the prior year end. In addition to its restricted funds, the Trust has a separate designated fund to reflect the value of tangible fixed assets with a balance of £26.8 million at 28 February 2022.

The bulk of the Trust's unrestricted reserves are held in the General Income Fund which has a balance of £50.9 million at 28 February 2022. The General Income Fund balance has decreased by £5.9 million from the balance of £56.8 million at the end of February 2021. The General Income Fund balance is higher than the target level of £28 million required to cover the cost of six months of operating costs and operational deficits at properties and the cost of committed capital project work that will take place this year. In the event that there are more than sufficient reserves to cover these future deficits, the reserves will be used to invest in conservation and improving operational efficiency to ensure longer term financial sustainability.

Total Fixed Assets reduced to £214.9 million from £221.1million (2020/21) as at 28 February 2022. There was a reduction in Tangible Assets of £0.37 million. Investment Assets, despite a highly volatile year in the markets, increased by £4.3 million to £198.6 million. In the year to 28 February 2022, the total value of all investments held reduced from £194 million to £188.6 million (£198.6 million including divested cash). A further £10.0 million of divested funds is being held in cash equivalents ahead of reinvestment in April 2022 and the section Investment Policy and Performance on page 28 provides additional information on these investments.

Balance Sheet and Funds (continued)

Working Capital increased by £10.3 million to £46.5 million at 28 February 2022. The most significant movement is the increase in Cash and Bank of £15.7 million as a result of the divestment of £10.0 million and the significant reduction in Debtors in the year. The decrease in the Debtors of £4.7 million to £6.8 million was mainly achieved by the successful submission and receipt of historic Gift Aid claims totalling £5.7 million. These claims were for the period 2018 to 2021. Trade debtors have increased in line with expectations due to the reopening of properties and is offset by a similar amount of pre-paid income.

Creditors falling due within one year have increased to £9.1 million (£7.5 million 2020/21) at 28 February 2022. The majority of this movement is as a result of the recovery from the Covid restrictions and properties gearing up for the season to re-open in Spring 2022.

Cash Flow and Liquidity – Cash Generation

Cash flow from operations in the financial year was an outflow of £0.3 million, which is flat in comparison to the outflow of £0.3 million reported for 2020/21.

Cash inflows from investing activities amounted to £15.9m, which is an increase of £7.7m on the level of £8.3m last financial year. Receipts from the sale of assets increased by £1.5m to £2m and capital expenditure increased by £0.6m to £1.7m in 2020/22. The purchase and sale of investments generated net proceeds of £0.4m, with £10m being held in cash equivalents ahead of reinvestment in April 2022. Investment income generated £5.3m a decrease of £0.9m on 2020/21.

As a consequence of the above cash flows, cash and cash equivalents at the year-end amounted to £38.6 million, an increase of £16.0 million from the opening level of £23.0 million at the start of the financial year.

Future Plans and Outlook

Despite the continuing impact of the COVID restrictions since March 2020, both Income and Expenditure levels improved in 2021/22, although not to the levels of the pre-COVID year 2019/20. The Annual Operating plan for 2021/22 was based around recovery with plans for major capital projects and the reopening of properties across the estate. As the restrictions continued into 2021, a reforecast of the annual operating plan was undertaken. We anticipated that restrictions would have an ongoing impact throughout the year particularly on our ability to recruit seasonal staff/cover absences, undertake planned maintenance and complete the range of capital projects in budget, given rising costs and difficulty of engaging contractors and availability of materials.

Visitor numbers increased during the year, although in the face of the continuing uncertainty that is still affecting the world, we have not seen a notable recovery of our international visitors and domestic tourism continues to slowly grow in confidence.

In September 2021, we implemented a longer, multi-year view of financial and capital planning, in conjunction with the work on the development of the new 10-year Corporate Strategy and working towards the Trust's Centenary. The initial financial and capital plans covers the three years to 2025 and will better allow us to plan and fundraise for projects essential for both the long-term maintenance of the Trust's assets, and for investing in new initiatives that support our strategic goals and continue to encourage repeat visitation and membership support.

The Trust's subsidiary undertaking, National Trust for Scotland Enterprises Limited (NTSE, the Company), returned a gain for the Financial Year of £2.0 million. The Company's activities are rebuilding following the property closures during the previous year and delayed start to the season in 2022 due to government-imposed lockdowns, and a mixture of various other government restrictions which impacted on the access to and operation of properties in which the Company trades.

A number of capital conservation projects have also commenced, or work towards their completion in 2022. We have planned over 200 individual projects over the next three years ranging from the large investments in Canna House and Corrieshalloch Gateway Nature Project in the Highlands and Islands, to smaller developments right across the country.

The launch of the Trusts new ten year strategy and vision, along with longer term financial planning, enables to the Trust to plan its activities with greater clarity into the future. The Trust has maintained a sound and prudent cash and reserves position throughout this difficult time, and this will help ensure that capital projects and other essential activities are tackled and completed in future years. Further information and detail around our plans for the future are included in our National Trust *for* Scotland Annual Review 2022.

We remain positive, optimistic, and well positioned to leverage the Trust's strong brand as its offering of open spaces, well-being and historical importance are more relevant than ever as we continue to emerge from the impacts of the global Covid 19 pandemic.

Investment Policy and Performance

The Trust holds substantial funds for endowments, restricted and designated purposes and the Board of Trustees is assisted by the Investment Committee on the management of the equity and other investments represented by these funds.

The investment powers of the Trust are contained in The National Trust for Scotland Order Confirmation Act 1973 allowing investment in '...Such stocks, funds, shares, securities and any other investments... as the [Board of Trustees] shall, in their absolute discretion, think fit'.

The current investment objective is to:

- (i) meet budgeted investment income targets as approved on an annual basis by the Board of Trustees, and
- (ii) to achieve an increase in the value of the income and investment portfolio in real terms over time, while maintaining prudent diversification of assets.

Funds are currently invested mainly in UK equities and bonds, cash, overseas investments and property. Rathbones Group Plc were the Trust's investment manager responsible for the "Income Only Portfolio" and the "Total Return Portfolio" outlined below for the first seven months of the financial year. Rathbones took over the management of both these portfolios on 30 April 2020.

The Trust also holds an investment in a pooled property investment fund. The asset allocation of the property funds is considered by the Investment Committee, which reports to the Board of Trustees on a quarterly basis.

The Investment Committee completed its review of the Trust's investment strategy and management of all investments for the longer term during 2020/21 and worked with the Trust's investment adviser, Mercers, to implement the changes required to implement this strategy. This was completed in early October 2021. The majority of the "Total Return Portfolio" and "Income only Portfolio" were liquidated in September 2021 in line with the new Investment Strategy, proceeds were invested in 5 new "Total Return Portfolios" and are being managed by Mercer LLC.

Excluding investment properties, the remaining investments are split into six parts (five managed portfolios and one direct investment pool) with funds allocated based on the restrictions attached to the spending of capital. The current split of the investments is as follows:

Trust Investment Portfolios	Purpose	Fair Value as at 28 February ²	
		2022	2021
Property Portfolio	To achieve an annual return based on rental income and value growth.	£2.2 million	£2.1 million
Income Only Portfolio ¹	To deliver real income growth over time.	£22.1 million	£103.0 million
Total Return Portfolio ¹	To deliver real income growth over time. Managed on a total return basis without regard to the split of returns between income and capital.	£137.1 million	£64.0 million
Direct Investments	To deliver real income growth over time.	£27.2 million	£25.5 million
Total Investments		£188.6 million	£194.6 million

¹ These portfolios were managed by Rathbones Group Plc up to 30 September 2021, Mercer LLC thereafter.

² Note 5 on page 66 provides further information on the fair value movements of the investments

The performance of the investment portfolios is measured against appropriate benchmarks and reviewed regularly (on a quarterly basis) by the Investment Committee who were satisfied with the actual performance on behalf of the Board of Trustees.

In the year to 28 February 2022, the total value of all investments held reduced from £194 million to £188.6 (£198.6 million including divested cash). A further £10 million of divested funds is being held in cash equivalents ahead of reinvestment in April 2022. Investment income generated from investments has seen some volatility during the year, with gains particularly in the earlier part of 2021 and subsequent adverse impacts eroding this due to recent market challenges across the globe and more recent events in Europe. The level of investment income received this financial year of £5.3 million was £0.8 million lower than £6.1 million in the previous financial year due to lower dividends and the move to total return strategy in September 2021.

Investment management fees were £0.35 million (2021: £0.4 million). The fee level the Trust pays represents just under half of one percent of the value of the portfolio.

Investment Performance

Given the transfer of funds from Rathbones, we report below the performance for the period since the fund's inception with the Trust in October 2021, to the year-end 28th February 2022.

Investment Portfolios	Benchmark	Return %	Benchmark %
		12 months to (Feb 2022)	
Income Only Portfolio	100% MSCI Monthly Property Index	24.00%	21.80%
		Since Inception (Sept 2021)	
Total Return Portfolio	MSCI AC World Index	-17.70%	-0.60%
	Solactive Sustainable Global Developed EU Paris-Aligned Index	-2.00%	-2.00%
	MSCI World Small Cap Index	-4.10%	-4.70%
	MSCI Emerging Market Index	-10.40%	-5.50%
	SONIA +6.0% p.a.	-6.40%	-2.50%

The Trust endorses the UN Principles for Responsible Investment. In keeping with the Principles, we ask our investment managers to take an interest in the management of the companies in which the Trust invests. The Trust aims to ensure that the votes attaching to its holdings are exercised where practicable and that they are exercised by its investment managers, taking into account best practice in corporate governance.

The Trust appreciates both the importance of being a responsible asset owner and the benefits that can be achieved through placing a high importance on Environmental, Social and Governance (ESG) concerns. The Trust incorporates ESG issues into its investment analysis and decision-making processes, both in its selection of investment managers and its screening of specific stocks. In general terms, the Trust aims to align its investment policy with purpose and vision which is to ensure that "Scotland's heritage is valued by everyone and protected now, and for future generations". The Trust intends not to invest in companies which contravene our charitable purpose and in more general terms for the wider public benefit. Furthermore, the Trust is of the view that it should not use the Trust's funds to invest in tobacco stocks, armaments or pornography and the Trust aims to limit fossil fuel stocks to those companies who are demonstrably progressing towards renewable energy sources.

Where assets of the Trust are invested in pooled vehicles, those assets are necessarily subject to the relevant investment managers' own policies regarding environmental, social and governance issues. The investment committee periodically reviews the policies of those pooled funds and meets with the relevant investment managers to discuss such issues.

Reserves Policy

The Trust is the conservation charity that protects and promotes Scotland's natural and cultural heritage for present and future generations to enjoy. The Trust's portfolio covers built and natural heritage properties with a diverse mix of core and purposeful activities such as learning services, education, volunteering, local fundraising, events and programmes.

Safeguarding our heritage to 'protect and promote Scotland's natural and cultural heritage' is a huge undertaking which requires substantial financial resources each year. Properties held for conservation bring with them a responsibility for their future care that imposes substantial and perpetual financial obligations.

The scale of cyclical repair work is great and despite spending an increasing amount on conservation work each year, this is still not meeting all our annual repair needs.

Free reserves are those that are available to spend on any charitable purpose. These are represented by Unrestricted Funds less Designated Funds (which includes fixed assets reserves). In the case of the Trust, free reserves are represented by the General Income Fund (GIF) disclosed on the Trust's Balance Sheet. Free reserves do not include Endowment Funds, Restricted Funds or Designated Funds.

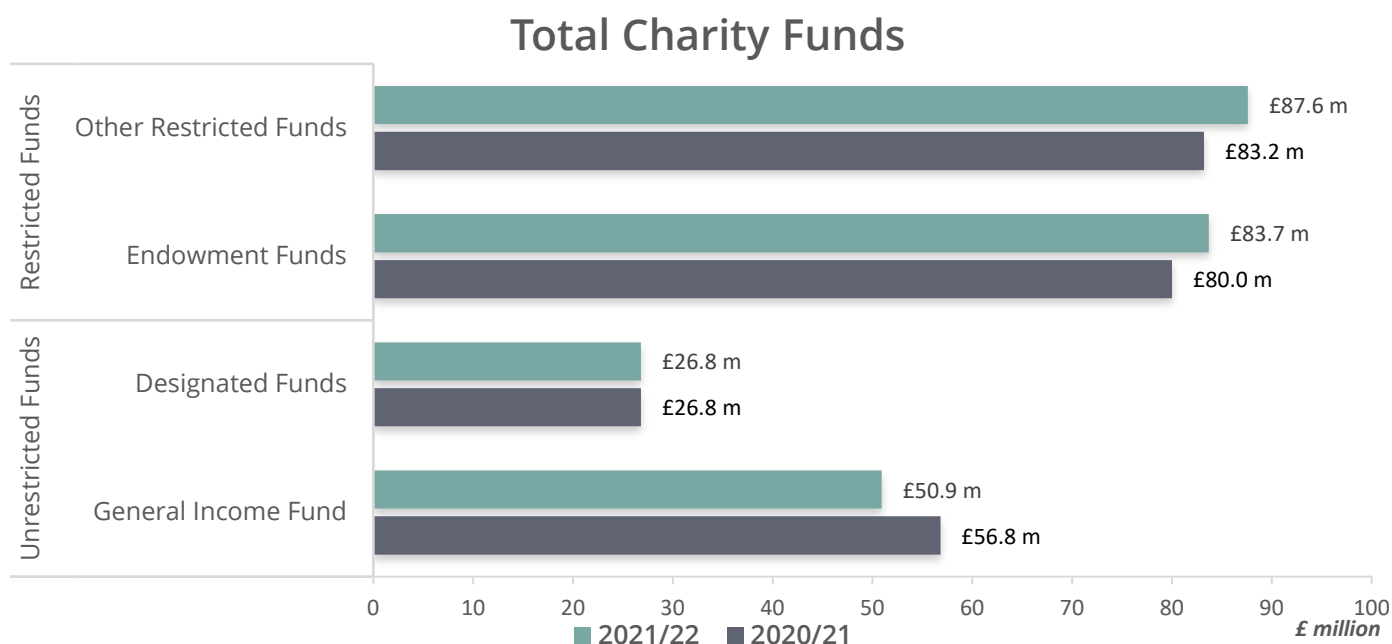
Costs required to operate the activities across the Trust are significant as most of the Trust's properties are unable by their nature to generate income to cover the associated operating and heritage care costs, resulting in significant operational deficits which are funded from reserves.

Reserves are an inherent part of risk management and the need for reserves will vary depending on the Trust's financial position and an assessment of risks faced at a particular time. The situation that we are currently faced with, as a result of the COVID pandemic, is a good example of why reserves are needed, to help ensure that the organisation can continue to operate when faced with much lower levels of income. We regularly review and update our financial plans and assumptions to ensure that we hold sufficient reserves in the short, medium and longer term to maintain the sustainability of the Trust. The creation of a three-year annual operating plan, and regular Financial forecasting will support the delivery of the new 10-year strategic plan. We will continue to monitor the ongoing aftereffects of the Pandemic and other implications for the global economy to ensure the reserves are available to support the operations on a regular basis as well as part of the planning and budgeting cycle.

Required Level of Unrestricted Reserves

During the year an updated reserves policy was presented to and approved by the Board. The previous policy ensured the Trust retained sufficient available funds to meet six months of budgeted operational costs plus the estimated costs of major conservation, repair and improvement projects during the year where no restricted funds is available. Retaining reserves against capital projects which were not yet committed is a very prudent approach. The Trust has seen in recent years that it is able to cancel or defer non-committed projects to preserve funds in response to changing economic conditions. As a consequence of the previous policy, the Trust retained a very large amount of cash which it was unable to deploy on essential activities to support the Trust's cause. The new policy ensures we continue to retain sufficient funds to meet six months of budgeted operational costs plus committed non-operational expenditure where no restricted funds are available. For the year 2022/23, the budgeted minimum target is £28 million with forecasted headroom of £16.1m. The three-year Financial plans include reserves forecast out to 2025. The General Income Fund balance reduced from £56.8 million at the end of February 2021 to £50.9 million at February 2022. The Board will continue to review the level of GIF and the target level required in line with the Budgeted and committed requirements of the Trust.

The total value of the Trust's charity funds is shown graphically below:



Designated Funds, following the Trust's decision to un-designate funds in 2020/21, only includes the £26.8m funds used for fixed assets (2020/21: £26.8m) and as such are not available for other uses. Endowment funds cannot be utilised and are invested to generate income that can be utilised. The increase in value of endowment funds in the year to 28 February 2022 is due to investment gains as outlined in Note 5.2, further analysis of the funds of the charity can be found in Notes 28 to 32.

Structure, Governance and Management

Constitution

The Trust operates under The National Trust for Scotland Order Confirmation Acts 1935 to 1973 and the National Trust for Scotland (Governance, etc) Act 2013.

The National Trust for Scotland is registered as a charity in Scotland, with charity registration number **SC007410**, and has its principal office and place of business at Hermiston Quay, 5 Cultins Road, Edinburgh EH11 4DF.

The charitable purposes of the Trust can be summarised as the promotion of the preservation of, access to and enjoyment of places of historic interest or natural beauty.

The Trust has a wholly owned subsidiary, National Trust for Scotland Enterprises Ltd ('Enterprises'). It is incorporated in Scotland (SC095585) and its results are consolidated within the group results of the National Trust for Scotland. Enterprises' principal activities are the running of retail, catering, and other commercial activities. Further information can be found in Note 8 of the financial statements.

President

The Trust does not currently have a President but is proposing a new candidate to the membership at the 2022 Annual General Meeting. The post holder does not sit on the Board and the role's purpose is purely ambassadorial to promote the charitable purposes of the Trust.

Board of Trustees and Statement of Trustees Responsibilities

The Trustees are responsible for the Trust's strategic direction. The Board of Trustees meets at least six times per year. The Trustees are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources of the group and parent charity for that period. In preparing these 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 FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with Regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board of the Trust was constituted on 1 March 2011 and comprises up to fourteen Trustees.

The current Chair of the Board is Sir Mark Jones, and the Deputy Chairs are David Mitchell and Jayne MacLennan.

Ten of the Trustees are elected by the membership of the National Trust for Scotland. The remaining four trustees (including the Chair) are co-opted by invitation because of the specific skills and experience they bring. The process for the appointment of Trustees is detailed in the section *Appointment, Induction and Training of Trustees* below.

In addition to the Chair and Deputy Chairs, the Trustees on the Board during the year ending 28 February 2022, and up to the date of signing, were:

Current Trustees:		
David Caldwell	Wendy Corrigan	Dr James Fenton
David MacLellan (Appointed on 06 July 2022)	Shona Malcolm (Elected on 18 September 2021)	Jill Miller (Appointed on 24 June 2021)
Stephen Mitchell	Professor Murray Pittock	Michael Spence
Ian Turnbull		
Trustees who retired were:		
Steve Langmead (Retired on 18 September 2021)	David Leslie (Retired on 18 September 2021)	Penny Martin (Retired 11 May 2022)

Members of the Trust's Executive Committee and the President do not serve on the Board of Trustees.

Appointment, Induction and Training of Trustees

Our Trustees are drawn from a wide range of backgrounds and locations across Scotland as it is important that the Board reflects the broad range of the Trust's activities. We are also keen to ensure that our Board of Trustees reflects our diverse membership.

Trustees are appointed for an initial four-year term. Elected Board members retire by rotation and can offer themselves for re-election at the AGM for one further term. Co-opted Board members may be co-opted for a term of up to four years, which may be renewed for a further term of up to four years. All four of the co-opted places are currently filled.

All candidates for appointment or election to the Board of Trustees undergo an assessment exercise conducted by the Trust's Nominations Committee before they may proceed to co-option or election. The exercise assesses the candidates' technical and leadership experience. Skills gaps which are left following the retirement or resignation of Board members are identified and the recruitment process aims to ensure that the gaps are filled by suitably qualified candidates. These gaps may include specific areas of charity purpose, business or management experience.

The Nominations Committee identifies and recommends candidates for election to the Board of Trustees through an open and transparent recruitment process. The Committee's role in the process involves agreeing the assessment criteria, assessing the application forms, and interviewing candidates against these agreed criteria. Only those candidates who successfully complete the Nominations Committee assessment process will be proposed for election to the membership of the Trust. The candidates with the largest number of votes in each of the categories are elected to the Board of Trustees. The election process is conducted by the Trust Secretary and the Nominations Committee.

All members of the Board of Trustees receive an induction detailing Trustees' roles and responsibilities and attend face-to-face briefings with senior management. The induction process begins in advance of appointment. Regular reports are sent to each Trustee including data relevant to any specific role they hold and generic information about the operations of the Trust.

Independent members of the Trust's Committees also require specific skills and experience relevant to their appointments and the functions of the relevant Committee. The Nominations Committee assesses candidates for these roles before recommending their appointment to the Board of Trustees.

Board Effectiveness

The Board of Trustees and its sub-committees are supported by the Trust Secretary and the Governance Manager, who support and advise on proper process, the conduct of the meetings and ensure that these are properly recorded.

Good governance underpins the Trust's effectiveness and is also the best way to protect and enhance our reputation. To reinforce this, the Trust has its own Code of Good Governance, which each member of the Board of Trustees has accepted and which sets out the standard of conduct expected of our Trustees. Principle 7 of this Code is a requirement on Trustees to always observe high ethical standards in the discharge of their duties on the Board and associated sub-committees. This includes the requirement to identify, disclose and manage conflicts of interest.

A full independent and external review of the effectiveness of the Board is carried out every three to five years. This external review was last carried out and reported to the Audit and Risk Management Committee and Board in 2019. The Board accepted and implemented the recommendations of that review.

The Scottish Governance Code for the Third Sector (the Governance Code) was launched in November 2018 and is a statement of best practice for organisations where the purpose is to serve beneficiaries as best as they can. The Governance Code sets out the five core principles and key elements of good governance for boards of charities, of which equality and diversity is an overarching element.

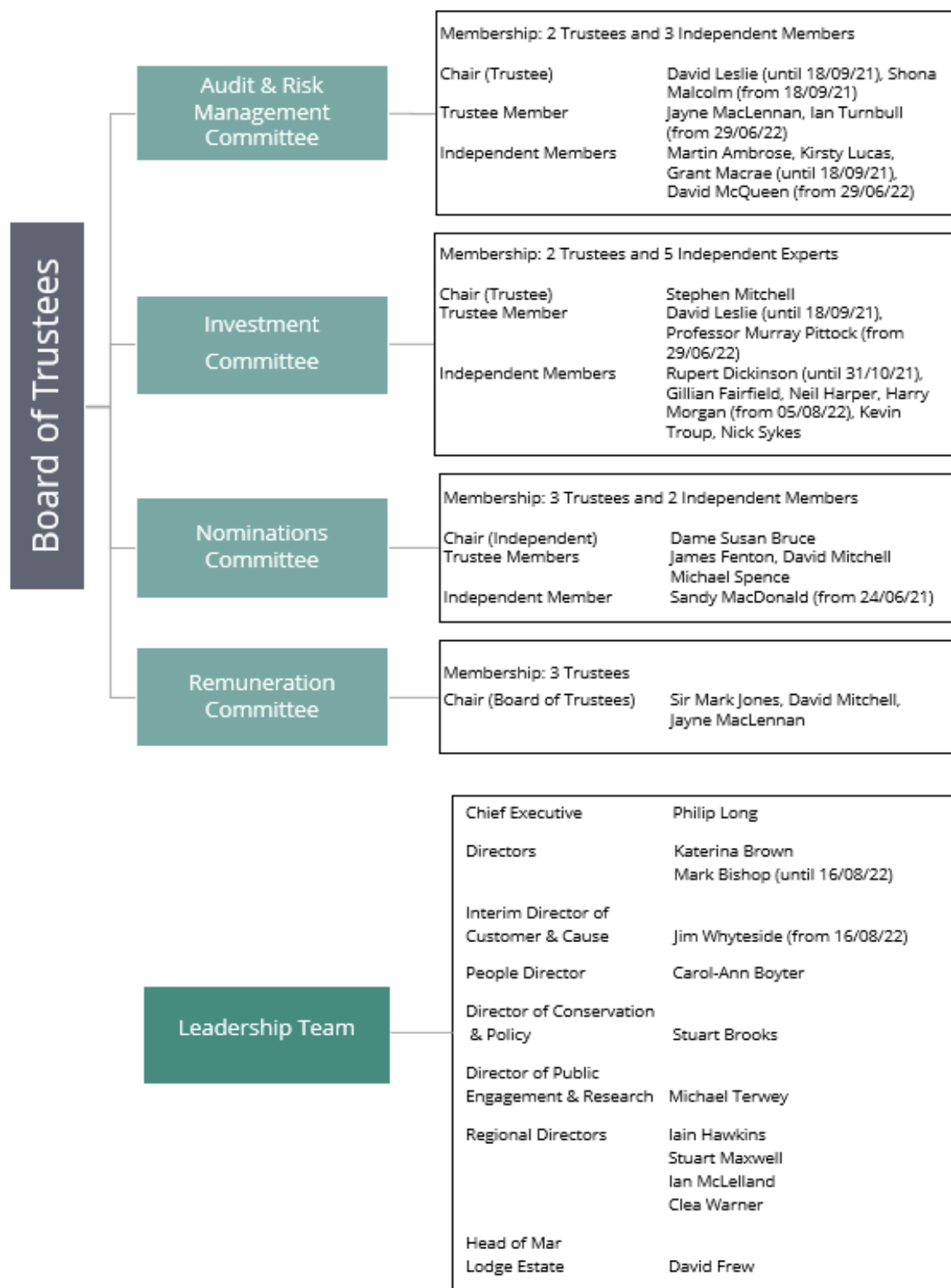
These core principles for a well-run board are:

Organisational Purpose	Leadership	Board Behaviour	Control	Effectiveness
<ul style="list-style-type: none"> Clarity of purpose and values of the organisation and how it will achieve these. 	<ul style="list-style-type: none"> Clarity about its role and responsibilities, provides strategic direction in line with the purpose, vision and values. 	<ul style="list-style-type: none"> Collectively and individually embraces and demonstrates mutual respect, integrity, openness and accountability. 	<ul style="list-style-type: none"> Develops and implements appropriate controls to direct and oversee progress and performance of the organisation. 	<ul style="list-style-type: none"> Understands its role, powers and duties and works collectively and proactively, to achieve its organisational purpose.

The Board intends that future reviews of Board effectiveness will fully comply with the Governance Code and performance against these five core principles.

Board Sub-Committees

There are four sub-committees of the Board to advise it on various areas of the Trust's activities and these have specific responsibilities to attend to matters devolved by Trustees and to make recommendations to assist with strategic direction and decision making. The Board is also supported by its Leadership Team.



The remit of the sub-committees are set out in the paragraphs below.

Audit & Risk Management Committee

The remit of the Committee includes monitoring and reviewing the overall integrity of the financial recording and reporting systems of the Trust, effectiveness of internal controls, risk management systems, overseeing internal and external audit functions, managing the independent audit of the annual accounts, and reporting to the Board of Trustees on the Committee's work and findings.

The Trust's external auditor (RSM UK Audit LLP), internal auditor (Grant Thornton UK LLP), Chief Executive, Chief Operating Officer, and Trust Secretary also attend each meeting of the Committee.

The Committee has been established and operates in accordance with current best practice relating to corporate governance. The Committee meets quarterly.

Investment Committee

The Trust holds substantial funds for a variety of purposes and the Board of Trustees is assisted by the Investment Committee on the management of the investments represented by these funds.

The investment powers of the Trust are contained in The National Trust for Scotland Order Confirmation Act 1973 allowing investment in '...Such stocks, funds, shares, securities and any other investments... as the [Board of Trustees] shall, in their absolute discretion, think fit'. The strategic asset allocation of the investments is considered by the Committee and the Committee reports to the Board of Trustees on a quarterly basis.

In September 2021, Rathbones ceased to be the Trust's main investment manager and the Trust began the process of implementing a new strategic asset allocation with a different manager for each asset class.

Nominations Committee

The remit of the Nominations Committee is to identify and recommend nominees for all appointments to be made by the Board of Trustees (including those of co-opted Board members) and to recommend candidates with appropriate skills and experience for election to the Board.

The main focus of the Committee's work during the past year was the process to propose a new President, the assessment of candidates for elections to the Board and the conduct of elections, the search for a new co-opted trustee, and independent members of the Investment Committee and Audit & Risk Management Committee.

Remuneration Committee

The Remuneration Committee of the Board is chaired by the Chairman of the Trust. The purpose of the Committee is to set the remuneration of the Executive Committee, as defined above, make recommendations to the Board on the annual pay award for other staff and to maintain an overview of the reward and recognition function within the Trust. In setting remuneration for key management personnel, the Committee makes reference to external benchmarks whilst being mindful of the fact that it is a charity. The main task of the Committee during the year was consideration of the annual staff pay awards.

Leadership Team

The responsibility for managing the operations of the Trust in accordance with the Board's policies lies with the Chief Executive and the Leadership Team who report regularly to the Board of Trustees. The Leadership Team is considered to consist of the key management personnel of the organisation.

The Leadership Team comprises:

- Philip Long, Chief Executive ;
- Katerina Brown (Chief Operating Officer);
- Mark Bishop, Director of Customer & Cause (resigned 16 August 2022);
- Jim Whyteside, Interim Director of Customer & Cause (from 16 August 2022);
- Carol-Ann Boyter, People Director
- Stuart Brooks, Director of Conservation & Policy
- Michael Terwey, Director of Public Engagement & Research
- Ian McLelland, Regional Director South & West
- Clea Warner, Regional Director Highlands & Islands
- Iain Hawkins, Regional Director North East
- Stuart Maxwell, Regional Director Edinburgh & East
- David Frew, Head of Mar Lodge Estate

Further reference and administrative details are provided on page 90.

Risk Management and Internal Controls

Risk Management

The Trust's risk management is overseen by the Board of Trustees, and risk management is a standing item on the Board agenda. The Audit and Risk Management Committee supports the Board by receiving quarterly reports from the Executive Committee on the most significant risks and how these are being managed.

The Trust's Risk Register identifies current and emerging risks. For each risk, there is an agreed risk appetite, based on anticipated likelihood and impact, a risk owner and a series of controls and assurances to reduce the inherent risk level to the desired, residual risk level. A dedicated Risk Management Officer oversees compliance reporting and progress on actions.

Risks are grouped into strategic categories: Conservation; Engagement; People; Health and Safety; Funding and Financial Management; ICT and Data Management; Emergency Response; Governance; and External Change. There are a number of risk areas that are of particular importance to our operations:

Health and safety

The safety of our visitors, our staff and our volunteers is of paramount concern to the Trust. The Board of Trustees oversees the Trust's Health and Safety policy and receives regular reports on health and safety management. The Trust operates a Safety, Health and Environment system which supports incident management at all Trust properties. The Trust operates a comprehensive regulatory compliance tracker which provides reports on property status and is reported on quarterly at the Audit and Risk Management Committee. We have also established a rolling health and safety audit of properties to ensure compliance and support best practice.

Engagement

The Trust relies on its members and visitors to support our conservation work and our mission to provide access, learning and enjoyment. To understand how members and visitors are engaging with the Trust, a rolling visitor satisfaction survey provides real-time intelligence on how well properties are performing, and areas for improvement. As part of the process of developing our new multi-year strategy, we surveyed members and potential supporters on our plans. As a community of interest, the Trust also works closely with communities of place, using our engagement framework.

Conservation

Conservation of our natural and cultural heritage is at the heart of the Trust's work. Our Conservation Performance Index assesses the condition of our archaeological, collections and interiors, built heritage, garden and designed landscape, and natural heritage assets. Using these data, we can identify areas of need and plan for interventions. The CPI is used as one of the Trust's Key Performance Indicators, and progress is reported to the Executive Committee and Board of Trustees.

Funding and Financial management

As a self-supporting charity, the Trust requires careful financial management to ensure we live within our means. The Trust has controls in place to manage risks relating to fundraising, financial reporting, payments, detection of fraudulent activity, and regulatory compliance.

Information and Communication Technologies, and Data Protection

The Trust depends on its systems to coordinate staff and volunteers, to deliver enterprise activities, and to manage our finances. We have been investing in additional protections to ensure our cybersecurity, data recovery, and cyber incident response. The Trust also has processes and policies in place to manage the collection, use and disposal of personal data to ensure compliance with the UK General Data Protection Regulation.

COVID

Management of risks relating to COVID have continued to be a major feature of the past year. The Trust established a dedicated group to manage our response, bringing together all relevant internal functions. We have engaged directly with the Scottish Government, and with other sector bodies, to develop appropriate protections for staff, contractors, and visitors. We have also provided staff and properties with regularly updated guidance and ensured that appropriate protective equipment and adaptations to properties are in place as visited properties reopen. Where possible, staff remained working at home to minimise risks of transmission. However, staff have now returned to our offices on a hybrid basis.

Internal Control Framework

The Board of Trustees, with the support of the Audit and Risk Management Committee, receive regular reports from the Trust's external and internal auditors (who are currently RSM UK Audit LLP and Grant Thornton UK LLP respectively) in order to monitor and evaluate the effectiveness of the Trust's internal control framework.

The Board of Trustees, with the support of the Audit and Risk Management Committee, consider reports from the Trust's external auditors, including the audit plan for 2021/22 and the audit findings report that documented key findings arising from the audit of the year-end financial statements.

The Audit and Risk Management Committee consider areas of focus for internal audit during the year and receive reports from the internal auditors which highlight the effectiveness of internal controls and risk mitigation measures in those areas and recommendations for improvement. The Audit & Risk Management Committee monitors the implementation of internal audit recommendations and provides regular updates after each meeting to the Board of Trustees.

The Audit and Risk Management Committee continue to be satisfied with the quality and relevance of the reports received from both the external and internal auditors and proposed the re-appointment of the internal auditors for the next financial year. The Committee is, however, carrying out an exercise to tender the external audit appointment for the financial year ending 28th February 2023. This process has not been carried out for some time and the Committee concluded that it should be carried out as a matter of good charity governance. The current external auditors have been invited to respond to the tender. The Committee was pleased at the level of liaison and co-operation between the internal and external auditors in their work.

The Board of Trustees and Audit and Risk Management Committee regularly reviews management accounts from the Chief Operating Officer, which report projected outturns against the budgets approved by the Board. The Committee also reviews reports submitted by management on the effectiveness of internal controls and management systems.

The Trustees confirm that, as far as they are aware, there is no relevant audit information of which the auditors are unaware and, with the benefit of advice from the Audit and Risk Management Committee, is satisfied that:

- the range of assurances and evidence of effective internal controls supplied to the Committee is robust, have integrity and are sufficiently reliable to provide overall assurance and support to the Board of Trustees in its financial stewardship responsibilities.
- that appropriate action plans are in place to address any weaknesses identified.
- it is appropriate for the financial statements to be prepared on a going concern basis as detailed in Note 1 of the financial statements.

Related Parties

The National Trust for Scotland consolidates the results of its wholly owned subsidiary undertaking, National Trust for Scotland Enterprises Ltd into these financial statements. The company's principal activities are the running of retail, catering, holiday cottages, cruises, hospitality and other sundry trading activities at National Trust for Scotland properties. Other related parties with which the Trust has transacted during the year are listed in Note 36.

Approved by the Board of Trustees on 29 June 2022 and signed on its behalf by:



Sir Mark Jones,
Chairman
29 August 2022

Independent Auditor's Report to the trustees of National Trust for Scotland

Opinion

We have audited the financial statements of National Trust for Scotland (the 'charity') and its subsidiary (the 'group') for the year ended 28 February 2022 which comprise the Consolidated Statement of Financial Activities, the Trust Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated and Trust Cash Flow Statement 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 FRS 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 28 February 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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.

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 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 other information comprises the information included in the annual report other than the financial within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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' annual report; or
- proper accounting records have not been kept by the parent charity; or
- the parent charity 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 statement of trustees' responsibilities set out on page 34 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Charities SORP (FRS 102) effective 01 January 2019, the Charities and Trustee Investment (Scotland) Act 2005, regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to The Data Protection Act 2018, The Health and Safety at Work Act 1974, The Environmental Protection Act 1990, and all employment related legislation. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP

Statutory Auditor
Chartered Accountants
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

29 August 2022

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006. This description forms part of our auditor's report.

Financial Statements for 2021/22

Consolidated Statement of Financial Activities

for the year ended 28 February 2022

	Notes	Unrestricted Funds		Restricted Funds		2021/22 Total
		General Funds	Designated Funds	Restricted Funds	Endowment Funds	
		£000s	£000s	£000s	£000s	£000s
Income and endowments from:						
Donations and legacies						
Donations from membership subscriptions		14,691	-	-	-	14,691
Appeals and donations	3	1,162	-	1,698	-	2,860
Legacies	4	3,848	-	1,115	-	4,963
Investment income	5	1,161	-	4,149	-	5,310
Income from charitable activities						
Income from membership subscriptions		3,238	-	-	-	3,238
Grants	6	917	-	674	-	1,591
Property and other income	7	5,166	-	107	-	5,273
Income from other trading activities						
Commercial activities	8	9051	-	-	-	9,051
Other income	9	1,793	-	480	-	2,273
Total income and endowments		41,027	-	8,223	-	49,250
Expenditure on:						
Costs of raising funds						
Membership and recruitment		952	-	-	-	952
Publicity and fundraising	10	5,254	-	138	64	5,456
Commercial activities	8	7,056	-	-	-	7,056
Expenditure on charitable activities						
Membership and recruitment		366	-	-	-	366
Property operating expenditure	11	27,396	-	210	-	27,606
Conservation, repairs and improvements	12	6,483	-	3,356	-	9,839
Other expenditure	14	638	-	4	-	642
Total expenditure		48,145	-	3,708	64	51,917
Net income/(expenditure) before investment gains		(7,118)	-	4,515	(64)	(2,667)
Net gains/(losses) on investment assets	5	(894)	-	1,990	3,721	4,817
Net income/(expenditure) before transfers		(8,012)	-	6,505	3,657	2,150
Transfers between funds	32	2,080	-	(2080)	-	-
Net movement in funds		(5,932)	-	4,425	3,657	2,150
Reconciliation of funds:						
Total funds brought forward 1 March 2021		56,827	26,799	83,211	79,994	246,831
Total funds carried forward at 28 February 2022		50,895	26,799	87,636	83,651	248,981

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The comparative figures for each Fund are shown on page 48 and in the notes to the Financial Statements on pages 54 to 90 which form part of these Financial Statements.

Consolidated Statement of Financial Activities

for the year ended 28 February 2021

	Notes	Unrestricted Funds		Restricted Funds		2020/21 Total £000s
		General Funds	Designated Funds	Restricted Funds	Endowment Funds	
		£000s	£000s	£000s	£000s	
Income and endowments from:						
Donations and legacies						
Donations from membership subscriptions		11,202	-	-	-	11,202
Appeals and donations	3	3,094	-	1,274	-	4,368
Legacies	4	3,071	-	239	-	3,310
Investment income	5	1,363	-	4,709	-	6,072
Income from charitable activities						
Income from membership subscriptions		4,057	-	-	-	4,057
Grants	6	151	-	4,307	-	4,458
Property and other income	7	3,736	-	41	-	3,777
Income from other trading activities						
Commercial activities	8	2,838	-	-	-	2,838
Other income	9	4,049	-	134	-	4,183
Total income and endowments		33,561	-	10,704	-	44,265
Expenditure on:						
Costs of raising funds						
Membership and recruitment		986	-	-	-	986
Publicity and fundraising	10	3,934	154	225	191	4,504
Commercial activities	8	4,405	-	-	-	4,405
Expenditure on charitable activities						
Membership and recruitment		356	-	-	-	356
Property operating expenditure	11	19,821	2,432	3,794	-	26,047
Conservation, repairs and improvements	12	3,815	-	553	-	4,368
Other expenditure	14	3,321	-	161	-	3,482
Total expenditure		36,638	2,586	4,733	191	44,148
Net (expenditure) before investment gains		(3,077)	(2,586)	5,971	(191)	117
Net gains/(losses) on investment assets	5	3,962	-	6,497	(6,170)	4,289
Net (expenditure) before transfers		885	(2,586)	12,468	(6,361)	4,406
Transfers between funds	32	5,324	(4,303)	(1,021)	-	-
Net movement in funds		6,209	(6,889)	11,447	(6,361)	4,406
Reconciliation of funds:						
Total Funds brought forward 1 March 2020		50,618	33,688	71,764	86,355	242,425
Total funds carried forward at 28 February 2021		56,827	26,799	83,211	79,994	246,831

Trust Statement of Financial Activities for the year ended 28 February 2022

		Unrestricted Funds		Restricted Funds		2021/22 Total
	Notes	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
		£000s	£000s	£000s	£000s	£000s
Income and endowments from:						
Donations and legacies						
Donations from membership subscriptions		14,691	-	-	-	14,691
Appeals and donations	3	1,162	-	1,698	-	2,860
Legacies	4	3,848	-	1,115	-	4,963
Investment income	5	1,161	-	4,149	-	5,310
Income from charitable activities						
Income from membership subscriptions		3,238	-	-	-	3,238
Grants	6	524	-	674	-	1,198
Property and other income	7	5,591	-	107	-	5,698
Other income	9	1,723	-	480	-	2,203
Total income and endowments		31,938	-	8,223	-	40,161
Expenditure on:						
Costs of raising funds						
Membership and recruitment		952	-	-	-	952
Publicity and fundraising	10	5,254	-	138	64	5,456
Expenditure on charitable activities						
Membership and recruitment		366	-	-	-	366
Property operating expenditure	11	27,396	-	210	-	27,606
Conservation, repairs and improvements	12	6,484	-	3,356	-	9,840
Other expenditure	14	638	-	4	-	642
Total expenditure		41,090	-	3,708	64	44,862
Net income/(expenditure) before investment gains		(9,152)	-	4,515	(64)	(4,701)
Net gains/(losses) on investment assets	5	(894)	-	1,990	3,721	4,817
Net income/(expenditure) before transfers		(10,046)	-	6,505	3,657	116
Transfers between funds	32	2,080	-	(2,080)	-	-
Net movement in funds		(7,966)	-	4,425	3,657	116
Reconciliation of funds:						
Total funds brought forward 1 March 2021		57,772	26,799	83,211	79,994	247,776
Total funds carried forward at 28 February 2022		49,806	26,799	87,636	83,651	247,892

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The comparative figures for each Fund are shown on page 50 and in the notes to the Financial Statements on pages 54 to 90 which form part of these Financial Statements.

Trust Statement of Financial Activities

for the year ended 28 February 2021

	Notes	Unrestricted Funds		Restricted Funds		2020/21 Total
		General Funds	Designated Funds	Restricted Funds	Endowment Funds	
		£000s	£000s	£000s	£000s	£000s
Income and endowments from:						
Donations and legacies						
Donations from membership subscriptions		11,202	-	-	-	11,202
Appeals and donations	3	3,094	-	1,274	-	4,368
Legacies	4	3,071	-	239	-	3,310
Investment income	5	2,709	-	4,709	-	7,418
Income from charitable activities						
Income from membership subscriptions		4,057	-	-	-	4,057
Grants	6	19	-	4,307	-	4,326
Property and other income	7	4,136	-	41	-	4,177
Other income	9	3,164	-	134	-	3,298
Total income and endowments		31,452	-	10,704	-	42,156
Expenditure on:						
Costs of raising funds						
Membership and recruitment		986	-	-	-	986
Publicity and fundraising	10	3,934	154	225	191	4,504
Expenditure on charitable activities						
Membership and recruitment		356	-	-	-	356
Property operating expenditure	11	19,821	2,432	3,794	-	26,047
Conservation, repairs and improvements	12	3,815	-	553	-	4,368
Other expenditure	14	3,321	-	161	-	3,482
Total expenditure		32,233	2,586	4,733	191	39,743
Net (expenditure) before investment gains		(781)	(2,586)	5,971	(191)	2,413
Net gains/(losses) on investment assets	5	3,962	-	6,497	(6,170)	4,289
Net income/(expenditure) before transfers		3,181	(2,586)	12,468	(6,361)	6,702
Transfers between funds	32	5,324	(4,303)	(1,021)	-	-
Net movement in funds		8,505	(6,889)	11,447	(6,361)	6,702
Reconciliation of funds:						
Total funds brought forward 1 March 2020		49,267	33,688	71,764	86,355	241,074
Total funds carried forward at 28 February 2021		57,772	26,799	83,211	79,994	247,776

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Consolidated Balance Sheet

as at 28 February 2022

	Notes	2021/22 £000s	2020/21 £000s
Fixed Assets			
Tangible Assets	20	25,840	26,215
Heritage Assets	21	271	271
Intangible Assets	22	159	313
Investment Assets	5	188,661	194,266
Total Fixed Assets		214,931	221,065
Current Assets			
Stock	23	1,054	1,665
Debtors	24	6,857	11,569
Cash and Bank	35	38,665	22,967
Total Current Assets		46,576	36,201
Creditors: Amounts falling due within one year	25	(9,116)	(7,468)
Net Current Assets		37,460	28,733
Total Assets less Current Liabilities		252,391	249,798
Creditors: Amounts falling due after more than one year	25	(1,752)	(1,847)
Provision for Liabilities	27	(1,658)	(1,120)
Net Assets	28	248,981	246,831
The Funds of the Group			
Restricted Funds			
Endowments	29	83,651	79,994
Other Restricted Funds	30	87,636	83,211
Total Restricted Funds		171,287	163,205
Unrestricted Funds			
Designated – Tangible Fixed Assets	31	26,799	26,799
Other Designated Funds	31	-	-
Total Designated Funds		26,799	26,799
General Income		50,895	56,827
Total Unrestricted Funds		77,694	83,626
The Funds of the Group		248,981	246,831

The Financial Statements were approved by the Board of Trustees on 29 June and signed on behalf and authorised for issue by:



Sir Mark Jones,
Chairman, 29 August 2022

Trust Balance Sheet

as at 28 February 2022

	Notes	2021/22	2020/21
		£000s	£000s
Fixed Assets			
Tangible Assets	20	25,840	26,215
Heritage Assets	21	271	271
Intangible Assets	22	159	313
Investment Assets	5	188,661	194,266
Total Fixed Assets		214,931	221,065
Current Assets			
Stock	23	100	99
Debtors	24	7,548	13,590
Cash and Bank	35	36,579	22,582
Total Current Assets		44,227	36,271
Creditors: Amounts falling due within one year	25	(7,860)	(6,630)
Net Current Assets		36,367	29,641
Total Assets less Current Liabilities		251,298	250,706
Creditors: Amounts falling due after more than one year	25	(1,748)	(1,810)
Provision for Liabilities	27	(1,658)	(1,120)
Net Assets	28	247,892	247,776
The Funds of the Group			
Restricted Funds			
Endowments	29	83,651	79,994
Other Restricted Funds	30	87,636	83,211
Total Restricted Funds		171,287	163,205
Unrestricted Funds			
Designated – Tangible Fixed Assets	31	26,799	26,799
Other Designated Funds	31	-	-
Total Designated Funds		26,799	26,799
General Income		49,806	57,772
Total Unrestricted Funds		76,605	84,571
The Funds of the Trust		247,892	247,776

The Financial Statements were approved by the Board of Trustees on 29 June 2022 and signed on behalf and authorised for issue by:



Sir Mark Jones,
Chairman, 29 August 2022

Consolidated and Trust Cash Flow Statement for year ending 28 February 2022

	Notes	Group		Trust	
		2021/22 £000s	2020/21 £000s	2021/22 £000s	2020/21 £000s
Cash used in operating activities	34	(242)	(308)	(1,943)	(1,974)
<i>Cash flows from investing activities:</i>					
Purchase of assets		(1,866)	(1,135)	(1,866)	(1,135)
Returns from investments		5,310	6,072	5,310	7,418
Receipts from sales of assets		2,074	458	2,074	458
Purchase of investments		(150,247)	(47,369)	(150,247)	(47,369)
Sale of investments		160,669	50,228	160,669	50,228
Cash provided by investing activities		15,940	8,254	15,940	9,600
<i>Cash flows from financing activities:</i>					
Repayment of borrowings		-	-	-	-
Cash used in financing activities		-	-	-	-
Increase in cash in the year	35	15,698	7,946	13,997	7,626
Cash and cash equivalents at beginning of year		22,967	15,021	22,582	14,956
Cash and cash equivalents at end of year	35	38,665	22,967	36,579	22,582

The Notes on pages 54 to 90 form part of these Financial Statements.

Notes to the Financial Statements

1. Accounting Policies

The Trust operates under the National Trust for Scotland Order Confirmation Acts 1935 to 1973 and the National Trust for Scotland (Governance etc) Act 2013. The National Trust for Scotland for Places of Historic Interest or Natural Beauty is registered as a charity in Scotland with charity registration number SC007410, and its principal office and place of business at Hermiston Quay, 5 Cultins Road, Edinburgh, EH11 4DF. The charitable purpose of the Trust may be summarised as the promotion of the preservation of, access to and enjoyment of places of historic interest or natural beauty.

The National Trust for Scotland has one wholly owned subsidiary undertaking, National Trust for Scotland Enterprises Ltd, the results of which are consolidated with those of the Trust. The Company's principal activities are the running of retail, catering, holiday cottages, hospitality and other sundry trading activities at the National Trust for Scotland properties.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows and included in note 2:

Basis of Preparation

The accounts (Financial Statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and related information sheets and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and sections 6 & 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

The National Trust for Scotland ("the Trust") meets the definition of a public benefit entity under FRS 102.

Monetary amounts in these financial statements are in £ sterling and rounded to the nearest whole £1,000 except when otherwise indicated.

Going Concern

The financial statements are prepared on a going concern basis and under the historical cost convention (as modified by the revaluation of investment properties and listed investments to market value) and in accordance with applicable accounting standards in the United Kingdom, which have been consistently applied. The going concern basis is considered appropriate due to the strength of the Trust's balance sheet, which would allow the Trust to continue to operate in the event that there was either a significant reduction in income or an unexpected increase in costs, or both.

The Board is required to assess the Trust's viability over a period greater than 12 months from the date of signing, and in keeping with the way that the Board views the development of the Trust over the long term, a period of three years is considered appropriate for business planning, measuring performance and remunerating at a senior level. The Trust moved to a regular three-year Financial planning cycle as part of its development of a longer-term corporate strategy and a three-year Operating plan was approved by the Board in December 2021. At present the assessment of viability continues for a 12-month period to the end of June 2023. Given the ongoing global political and economic uncertainty resulting from the COVID pandemic, we experienced further volatility and business disruption impacting our performance in 2021/22 and adapted our activities to mitigate the financial risk this created for the Trust. The extension of Government restrictions, particularly within the hospitality and

visitor sector, saw us experience delays to the opening of our properties beyond their usual date of 1st March. Most of our built heritage portfolio opened by April 30th 2021, with others opening through May and June 2021.

For 2022/23 we believe that the recovery will continue in this year and do not expect to yet return to pre-pandemic visitor or income levels.

For the current financial year 2022/23, the Trust forecasts a consolidated Operating Deficit of £16.0 million, SOFA deficit of £13.0 million. The deficit increase of £14.6 million on 2021/22 reflects an allocation of £17.0 million for priority project spend planned in year one of the three-year Financial Plan. The 10-year corporate strategic vision has been developed in parallel to the three-year budget, and planned activities are prioritised against those objectives to ensure we support and deliver them. The overall goals have been to agree on our priorities collaboratively, and to create a financially sustainable operating model with the right level of resources to support. Financially, it is also important that commercial and operating income is maximised, and that the conditions are created to drive a growth in fund-raising income by providing a longer-term planning horizon.

Total Trust income is projected to grow to £56.0 million in 2022/23. We anticipate membership growth of 9% over three years and strong commercial growth driven by Retail, Catering and Holiday Income.

In terms of reserves, the Trusts policy to maintain a prudent level of unrestricted general reserves provides a level of financial resilience that has helped the Trust remain financially viable through this challenging period. We continue to monitor this and align the liquidity position with the Trusts overall Investment Strategy. The move to a longer-term planning horizon along with the Trusts new 10-year Corporate Strategy will ensure that the continuance of the Trust's Charitable aims, and objectives are sustainable.

The Trust's closing cash and bank balance at 28 February 2022 was £38.7 million, which is unrestricted, and in addition the unrestricted fund investments held were valued at £11.8 million and were predominantly listed (i.e. easily sold) investment classes. This level of unrestricted liquid or near liquid assets (totalling £50.4 million) demonstrates that these are sufficient to cover its projected expenditure commitments should the estimated £56.0 million income not be achieved for 2022/23.

Basis of Consolidation

The Trust holds 100% of the issued share capital of National Trust for Scotland Enterprises Limited.

The results include those of the National Trust for Scotland, and those of National Trust for Scotland Enterprises Ltd (Enterprises), the wholly-owned subsidiary of the Trust. Uniform accounting policies are adopted throughout the group and any profits or losses arising on intra-group transactions are eliminated in the Consolidated Statement of Financial Activities.

Income Recognition

With the exception of membership subscriptions, income is recognised when the Trust has legal entitlement, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Membership Subscription Income

The element of annual membership subscriptions which is not regarded as a donation is treated as income from charitable activities. This is deferred and released to the Statement of Financial Activities over the period to which the membership subscription relates. The element which is deemed to be a donation and its associated gift aid is recognised on receipt and reported within Donations and Legacies in the Statement of Financial Activities.

Life membership subscriptions and any associated gift aid are recognised in 15 equal annual instalments and allocated to donations and legacies and income from charitable activities, within the Statement of Financial Activities, in line with the level of active life memberships.

Appeals and Donations

Appeals and donations are recognised as income when the donated cash is received or when receipt of the donation meets the Charities SORP (FRS102) tests of entitlement, probability and measurement. Donations of non-cash assets and investments are included as income when title to these assets transfers to the Trust, and income is recognised at the appropriate fair value at the point of transfer of title. Gift Aid thereon is accounted for on a receivable basis and is added to restricted funds or unrestricted funds as appropriate.

Where the use of the income has been restricted in accordance with the donor's wishes, appeals and donations income is credited to an appropriate fund (Accounting Policy for Funds and Reserves on pages 55-56) until it can be spent for the purpose for which it was given. When a new Heritage Asset is gifted to the Trust, where practical, these are included in income at their Fair Value. No value has been placed on heritage assets historically gifted to the Trust in accordance with the National Trust's policy on heritage assets.

Grants

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Trust has entitlement to the funds; performance conditions attached to the grants have been met; it is probable that the income will be received; and the amount can be measured reliably.

Where terms or conditions have not been met, or uncertainty exists as to whether they can be met, then the relevant income is not recognised in the year but is deferred and included in the balance sheet as deferred income.

Legacies

Legacies are accounted for as income either upon receipt or when receipt of the legacy meets the Charities SORP (FRS102) tests of entitlement, probability and measurement. Pecuniary legacies are recognised following formal notification from the Estate, whereas residuary legacies are only recognised in line with the following assessments:

- *Entitlement* to a legacy is evidenced when a charity has sufficient evidence that a gift has been left to them and the executor of the estate is satisfied that the assets in question will not be required to satisfy claims in the estate.
- Receipt is normally *probable* when:
 - i) There is a grant of probate;
 - ii) The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
 - iii) Any conditions attached to the legacy have been fulfilled or are within the charity's control.
- The legacy should be recognised at the *estimate of fair value* of the legacy income receivable based on the income available. If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated, then it is held as a contingent asset until all the conditions for income recognition can be fulfilled (note 37).

Where the use of the income has been restricted in accordance with the benefactor's wishes, legacies income is credited to an appropriate fund (see Accounting Policy for Funds and Reserves on pages 55-56) until it can be spent for the purpose for which it was given. No value is placed on heritage assets bequeathed to the Trust in accordance with the National Trust's policy on heritage assets.

Investment income

Investment income is recorded in the period in which it is earned.

The Trust's investment income includes the distribution of earnings from Enterprises which pays all its taxable profits for the reporting period to its parent charity (i.e. the Trust) under the Gift Aid Scheme. In line with the amended FRS 102, this Gift Aid income is only recognised on receipt of this distribution or when there is a legal obligation established.

Property and other income

Income reported under this heading includes charitable trading activities (catering, holidays and car parks), rents and admission fees, all of which are recognised in the period to which they relate. Admission fees are included based on the point at which the sale is made.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Depending on the nature of the related expenditure, irrecoverable VAT is either charged to the appropriate expenditure heading or it is capitalised.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party; it is probable that settlement will be required; and the amount of the obligation can be measured reliably. The Consolidated Statement of Financial Activities defines costs in three specific categories:

- *Cost of raising funds* - costs which are associated with the generation of income from sources other than from undertaking charitable activities and includes trading, investment management costs, membership, fundraising and an allocation of support costs.
- *Expenditure on charitable activities* – costs incurred by the charity in the delivery of its charitable activities, and includes membership, property operations, conservation, repairs and improvements and an allocation of associated support costs.
- *Other expenditure* – items not falling into any other heading. Examples of this will be the cost of restructuring or significant investment on back-office system and process (e.g. Transforming the Trust project - Phase 2) which are anticipated to significantly change the support operating model.

Allocation of support costs

Support costs are those costs which do not relate directly to a single activity. These include back-office costs, finance, personnel, ICT and governance costs. Governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity and costs linked to its strategic management. Support costs have been allocated between cost of raising funds and expenditure on charitable activities. The analysis of support costs and the bases of allocation are shown in Note 13.

Pension schemes

The Trust operates a defined contribution scheme through a Group Personal Pension Scheme and National Employment Savings Trust (NEST) and are charged in the year they are incurred. Further detail is provided in Note 16.

Employee benefits

The group contributes to a group personal pension scheme, the assets of which are administered by Standard Life. It is a defined contribution scheme. All contributed costs are accounted for on the basis of charging the cost of providing pensions over the period when the charity benefits from the employees' services. The charity has no further liability under the scheme. Short term benefits including holiday pay are recognised as an expense in the period in which the service is received. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Contribution of volunteers

No amounts have been included in these financial statements to reflect the value of services provided free of charge to The National Trust for Scotland by volunteers. An estimate of the value of hours of volunteer time from which the Trust has benefited is included in Note 16.

Operating leases

The annual rental for leases which are classified as operating leases are charged as expenditure to the Statement of Financial Activities on a straight-line basis over the lease term.

VAT

The Trust is registered for VAT, with partial exemption due to the nature of incoming resources. Expenditure is stated inclusive of any irrecoverable input tax.

Taxation

The Trust is a Scottish registered charity and is recognised as such by HMRC for UK taxation purposes. As a result, there is no liability for UK taxation on any of its income or capital gains in respect of charitable activities.

The trading activities of the Trust are undertaken by Enterprises which then gift aids its taxable surpluses in the form of a distribution to the Trust and hence no taxation is incurred.

Tangible Fixed Assets

A fixed asset is typically something long lasting and owned by the Trust. A Tangible Fixed Asset is an asset that has a physical form e.g. machinery, buildings and land.

Recognition of a Tangible Fixed Asset

Tangible Fixed Assets are assets that will be:

- i) used by the Trust in the **generation of income for more than one year** and
- ii) the purchase cost and/or the total costs incurred to produce the asset **are more than £5,000**.

Where these criteria are met the purchase costs and/or costs incurred to produce the asset will be recorded in the balance sheet of the Trust rather than in operational or conservation costs.

Where refurbishment and major repair costs are incurred for the purpose of income generation the criteria noted above are considered to determine if the costs should be capitalised on the balance sheet.

Valuation and depreciation of Tangible Fixed Asset

Tangible Fixed Assets are recorded at the historic purchase cost or costs of production less accumulated depreciation. Tangible Fixed Assets costs are depreciated on a straight-line basis in line with their estimated useful lives to ensure their values are accurately reflected in the financial statements.

Capital asset category	Expected useful life
Buildings	30 years
Renewable energy equipment*	20 years
Building fit-outs	10 – 15 years
Fixtures and fittings*	5 -20 years
Motor vehicles	4 years
Computer equipment	4 years

**Included in Fixtures & fittings in note 20*

Depreciation is first charged in the calendar month of acquisition or on the bringing into use of the asset, whichever is the later.

Assets under construction are not depreciated until completed and placed into service or use.

Heritage Assets

Heritage assets are defined as tangible and intangible assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

The Trust's charitable purpose is to promote the preservation of, and access to Scotland's Heritage and as a result, a large majority of assets held may fall under the definition of heritage assets.

The Trust accounts for its heritage assets in line with FRS 102 and these fall into two categories:

Land and buildings

Heritage Assets in the form of land and buildings are not generally capitalised on the balance sheet. Following the introduction of FRS102, the Board of the National Trust for Scotland reviewed the position and confirmed that the capitalisation of heritage assets at that point would result in a distorted view of the Trust's financial position. These assets are not assets in the normal sense, since any value placed on them would more than be offset by a liability, being the obligation to maintain them.

Many of the Trust's Heritable Land and Building Assets have been gifted or bequeathed since the inception of the Trust and as a result it is not possible to establish a cost or valuation for these assets and these are therefore not recorded on the balance sheet.

Where refurbishment and major repairs costs are incurred predominantly for conservation of Heritable Assets and/or to improve access to the Heritable Asset these costs will not be capitalised and instead will appear as conservation and repairs costs in the SOFA in the financial year in which the expenditure was incurred. In most cases the original cost is not capitalised and to capitalise the conservation of these costs would result in a distorted view of the Trust's financial position.

When a new Heritable Asset is purchased and it has a cost of acquisition these acquisition costs will be recognised on the Balance Sheet if they meet the criteria for capitalisation of Tangible Fixed Assets, otherwise they will appear as expenses in the SOFA. When a new Heritable Asset is gifted to the Trust, where practical these are recognised at their Fair Value in the Balance Sheet if they meet the criteria for capitalisation of Tangible Fixed Assets, otherwise they will appear as expenses in the SOFA. Heritage land and buildings are not depreciated.

Any acquisition of new land or buildings should follow the Trust's *Conservation Property Acquisition and Disposals Policy*, a copy of which is available on request.

Any disposals of land and buildings must be considered by the Disposals Committee and the Board of Trustees and any proceeds from the disposal of a Heritable Asset should be recognised through the gains and losses within the SOFA, together with the derecognition of any carrying amount in the balance sheet.

Collections

Over time the Trust has amassed various collections of furniture, paintings, books, fine china and artefacts. These collections, of substantial heritage significance, are generally recorded within a database which is updated as new collections are acquired. As these items have accumulated over a considerable period of time, it is not possible to establish a cost or valuation for these assets and these are therefore not recorded on the balance sheet.

In accordance with FRS102 and the SORP the Trust does not carry out valuations of the Collections. There are around 350,000 individual items. When a new Heritable Asset in the form of a Collection is purchased, its costs will be recognised on the Balance Sheet at this amount if it meets the criteria for capitalisation of Tangible Fixed Assets, otherwise they will appear as expenses in the SOFA.

The purchase or disposal of collections must be in line with the policies outlined in the Trust's *Developing Collections: A Policy to Reflect and Enrich Lives* and any proceeds from the disposal of a Heritage Asset would

be recognised through the gains and losses within the SOFA, together with the derecognition of any carrying value in the balance sheet.

Where refurbishment and major repairs costs are incurred predominantly for conservation of Heritage Assets to improve access to the Heritage Asset these costs will not be capitalised in line with the Heritage Assets Policy.

Where refurbishment and major costs to a Heritage Asset are incurred predominantly to increase income generation the costs are capitalised despite the work being carried out on a Heritage Asset. An example could be when the interior of holiday cottages or commercial operations such as retail or catering outlets are refurbished. These units are often located in heritage assets which themselves are not capitalised in line with the Heritage Asset policy. However, since the primary purpose of these refurbishments is income generation the costs of the refurbishments (if in excess of £5,000) are capitalised.

Intangible Fixed Assets

Intangible assets are non-monetary assets which are without physical substance that are controlled by the Trust and are transferrable. Examples include computer software, trademarks and internet domains. Intangible Fixed Assets are Intangible Assets that will be:

- i) used by the Trust in the generation of income for more than one year; and
- ii) the purchase cost and/or the total costs incurred to produce the asset are more than £5,000.

Where these criteria are met the purchase costs and/or costs incurred to produce the asset will be recorded in the balance sheet of the Group rather than in operational or conservation costs.

Valuation and amortisation of Intangible Fixed Assets

Intangible Fixed Assets are stated at their historical cost and amortised on a straight-line basis over their expected useful lives with adjustments made for impairment as required.

Capital asset category	Expected useful life
Website development	4 years

Amortisation is first charged in the calendar month of acquisition or on the bringing into use of the asset, whichever is the later, and amortisation is charged to publicity and fundraising costs, as the asset relates to the Trust website.

Costs associated with software with annual licence or subscriptions are not capitalised as they will provide no benefit to the Trust without incurring the next years licence or subscription being paid.

Investments

The Trust holds substantial funds for endowments, restricted and designated purposes and the Board of Trustees is assisted by the Investment Committee on the management of the equity and other investments represented by these funds.

Investments are shown at fair value which is normally the bid price for quoted investments. Unquoted investments are shown at the Board of Trustees' valuation on advice. Investment properties are included at valuation based on a comparable, open market, existing use. A quinquennial external desktop valuation cycle is in place (last external valuation March 2018). Between the external valuations, an annual valuation review is undertaken by the Trust's own professionally qualified surveyors. These valuations have been assessed based on trends and known changes in occupation and in line with RICS assumptions. Additions are shown at cost with the exception of gifts which are shown at valuation on the date of gift. The movement in valuation of investments is shown in the Consolidated Statement of Financial Activities and comprises both realised and unrealised gains and losses.

The investment held in the subsidiary (National Trust for Scotland Enterprises Limited) is held at cost.

Stock

Stock is stated at the lower of purchase cost or net realisable value other than farm stocks which are stated at valuation. In relation to retail stock that is deemed to be end of life and not sellable at any price, the stock is written off and disposed of. Stock consists of retail and catering trading stock, livestock, publications and raw materials. Stock is valued on a first-in first-out (FIFO) basis.

Cash and Cash Equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

Capital contributions

Capital contributions from Landlords are treated as deferred income and are released to the Statement of Financial Activities over the initial lease period.

Provision for Liabilities

A provision for a liability is established for an obligation as a result of a past transactions or events that exists at the balance sheet date.

Recognition of a Provision:

An obligation will be established as a provision where there is:

- i) a present obligation (legal or constructive) as a result of a past event,
- ii) it is probable that a transfer of economic benefits will be required to settle the obligation e.g. the Trust will have to make a payment to a third party to settle the obligation, and
- iii) a reliable estimate can be made of the amount of the obligation.

If the above criteria are met, then the Trust will establish a Provision for Liabilities and disclose this within the notes to the Financial Statements.

Financial instruments

The Trust applies the provisions of *Section 11 'Basic Financial Instruments'* and *Section 12 'Other Financial Instruments Issues'* of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provision of the instrument and are offset only when the Trust currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

A financial asset represents financial resources available to the charity and examples include financial investments in shares or bonds, debtors and cash.

Debtors: Trade and other debtors which are receivable within one year are initially measured at the transaction price. They are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade and other debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities

Creditors: Trade and other creditors payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Funds and reserves

The Trust's **Charity Funds** are a consolidation of around 345 individual funds and are divided into two distinct categories: Unrestricted and Restricted as set out below:

Charity Funds

Unrestricted Funds

The use of these funds has not been restricted to a particular purpose by donors or their representatives.

General Income Fund (GIF)

To provide a reserve to finance central infrastructure, provide access to large project funding for properties with insufficient reserves themselves.

This fund may also provide working capital for properties with no restricted funds of their own with operational deficits and provide financial protection against uncertainty or unexpected events and is available to use at the discretion of the Trustees in furtherance of the Trusts objectives.

Designated Funds

Have been allocated by the Trustees for particular purposes.

Where specific planned activities are identified as requiring significant funding, proposals will be made to the Board to designated Unrestricted Funds for use for a particular project or commitment.

These include the Fixed Asset Reserve.

Restricted Funds

These funds have been restricted to a particular purpose by donors.

Endowment Funds

Typically arise when donors or grant giving bodies provide funds on the condition that they must be retained in order to generate investment income for the long term needs of the property or the restricted activity that the endowment is provided for.

Income arising on endowment funds is generally expendable and is distributed as income to funds in order to be spent.

Other Restricted Funds

These include gifts and legacies which have been given or bequeathed to the Trust to be used in accordance with the conditions of donors. Both the capital and the income may only be applied for the purpose for which the funds were donated.

A number of the Trust's properties held for conservation have established Restricted Funds that have been given to the Trust either by donors or grant-making bodies. The existence of these Restricted Funds places less reliance on Reserve requirements to maintain these properties and the Trust's policy is to seek adequate endowments for new acquisitions.

Transfers between Funds

Transfers may be made between funds for the following reasons:

- From restricted to unrestricted funds when restricted funds may be lawfully released (i.e. permission for the release has been given by the donor, or OSCR or Court approval has been given to release historic funds).
- Transfers from General Income Fund to Designated funds to support properties conservation and improvement requirements, as approved by the Board.
- Transfers from Designated to General Income Fund where previously Designated Funds are no longer required for the designated purpose, as approved by the Board.
- From unrestricted to restricted funds to cover a deficit on a restricted fund that may for example have been caused by investment losses.
- To reflect the increase in the book value of tangible fixed assets without specific designated or restricted funding.
- Transfers to reflect assets purchased with restricted funds, but not held for a restricted purpose.

The Board has adopted a formal **Reserves Policy**, as detailed in the Trustees' Report, on pages 26 to 27. "Free Reserves" are reserves available to spend freely on any charitable purpose. These are represented by Unrestricted Funds less Designated Funds, less Fixed Assets.

In the case of the Trust, free reserves are represented by the General Income Fund ("GIF") disclosed on the Trust's Balance sheet. Free reserves do not include Endowment Funds, Restricted Funds or Designated Funds.

Comparative financial information

The accounting policies adopted have been consistently applied in both the current and comparative period.

2. Critical accounting estimates and areas of judgement

In the application of the accounting policies, trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affected current and future periods.

The key areas that are deemed to be material for these financial statements are as follows:

- Accruing for income derived from legacies where complicated issues surrounding the measurement or the entitlement to income existed at the year-end in line with the accounting policy on legacies (page 56).
- An estimate of future costs in relation to property lease reinstatement obligations has been made based on an external adviser's assessment of these in relation to commitment and calculation (Note 27). Further an estimate for inflation has been adjusted to the dilapidations accrual to take account of time passed since the external survey was completed in June 2019. As we have experienced recent price increases and challenges through the impacts of Covid and Brexit on supply chain and resources, and the current inflation trends across Europe, we have taken the prudent view to increase the provision with guidance from the Trust's National Estates Manager.
- The valuation of investment properties is carried out by the Trust's National Estates Manager. This estimate is in line with the Trust's accounting policies (pages 54-63).

3. Appeals & donations

The income from appeals and donations was £2,860k (2020/21: £4,368k). Detailed comparative information for each separate class of fund is set out below:

Group and Trust	Unrestricted Funds		Restricted Funds		Total
	General Fund	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	£000s
2022	1,162	-	1,698	-	2,860
2021	3,094	-	1,274	-	4,368

4. Legacies

The income from legacies was £4,963k (2020/21: £3,310k). Detailed comparative information for each separate class of fund is set out below:

Group and Trust	Unrestricted Funds		Restricted Funds		Total
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	£000s
2022	3,848	-	1,115	-	4,963
2021	3,071	-	239	-	3,310

5. Investments and investment income

5.1 Reconciliation of Movement in Investments by Asset Class:

Group and Trust	Investment Asset Class			Total
	Investments	Deposits and Cash	Net Property Investments	
	£000s	£000s	£000s	£000s
Market Value as at 29 February 2020	188,007	2,830	1,999	192,836
Additions at cost	47,369	-	-	47,369
Disposal proceeds	(48,995)	-	-	(48,995)
Capital Events, Transfers & Movements	(719)	(514)	-	(1,233)
Realised gain/(loss)	(5,436)	-	-	(5,436)
Unrealised gain/(loss)	9,646	-	79	9,725
Market Value as at 28 February 2021	189,872	2,316	2,078	194,266
Additions at cost	150,247	-	-	150,247
Disposal proceeds	(160,365)	(304)	-	(160,669)
Capital Events, Transfers & Movements	-	-	-	-
Realised gain/(loss)	42,845	-	-	42,845
Unrealised gain/(loss)	(38,218)	-	190	(38,028)
Market Value as at 28 February 2022	184,381	2,012	2,268	188,661

The following table provides further information on the breakdown of Investments:

Group and Trust	2021/22	2020/21
	£000s	£000s
UK Listed Investment	130,359	110,717
Overseas Listed Investment	45,749	69,791
UK Unlisted Investments	8,274	9,364
Market Value	184,382	189,872

5.2 Detailed comparative information for each separate class of fund relating to the realised gains/(losses) from investment asset disposals and unrealised gains/(losses) from investment asset revaluation is set out below:

Group and Trust	Unrestricted Funds				Restricted Funds				Total	
	General Funds		Designated Funds		Restricted Funds		Endowment Funds			
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Unrealised gain/(loss) on investment revaluation	(1,234)	3,074	-	-	(27,074)	7,823	(9,750)	(1,082)	(38,067)	9,725
Realised gain/(loss) on investment disposal	310	258	-	-	29,064	(1,326)	13,471	(4,368)	42,845	(5,436)
Net gain/(loss) on investment assets	(933)	3,962	-	-	1,990	6,497	3,721	(6,170)	4,778	4,289

5. Investments and investment income (continued)

5.3 The following is a summary of the income arising from the Trust investments:

	Investment Income			
	Group		Trust	
	2021/22 £000s	2020/21 £000s	2021/22 £000s	2020/21 £000s
Income from Investments	5,304	6,053	5,304	6,053
Interest on Deposits and Cash	6	19	6	19
Distribution from Enterprises	-	-	-	1,346
Total Investment Income	5,310	6,072	5,310	7,418

5.4 A detailed comparative information for each separate class of fund for the Investment Income is set out below:

Group	Unrestricted Funds		Restricted Funds		Total
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	£000s
2022	1,156	-	4,149	-	5,305
2021	1,363	-	4,709	-	6,072

Trust	Unrestricted Funds		Restricted Funds		Total
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	£000s
2022	1,156	-	4,149	-	5,305
2021	2,709	-	4,709	-	7,418

5.5 Distribution from Enterprises

The Trust receives a distribution of earnings from its trading activities which are undertaken by National Trust for Scotland Enterprises Ltd SC095585 (Enterprises), its subsidiary undertaking, arising from an investment of £2 held within the National Trust for Scotland. This investment income is in the form of Gift Aid on taxable profits made by Enterprises. Gift Aid distributions are recognised in the year they are paid. During 2020/21, Enterprises did not generate a profit due to the exceptionally difficult trading environment because of the pandemic related restrictions and therefore there was no distribution from Enterprises to the Trust for period ending 28th February 2022. During the financial year 2021/22 Enterprises generated a profit; a decision to make a distribution will be recommended to the board to be paid in financial year 2022-23.

5.6 At the year end, the Trust held property deemed not to be 'of heritage significance'. In line with FRS 102 these properties have been included within Property investments above at a fair value of £2,268k (2020/21: £2,078k) as per internal valuations conducted by the Trust's National Estates Manager, at 28 February 2022, in line with the Trust's accounting policies (see pages 54 to 63). Included in investment properties is property with a value of £770k for which the Trust has granted an irrevocable undertaking to retain the property.

6. Grants

The trust received grants from the following bodies:

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s
Scottish Government	177	3,866	177	3,866
Historic Environment Scotland	243	166	243	166
Scottish Natural Heritage (NatureScot)	113	149	113	149
Local Authorities and Enterprise companies	1,058	277	665	145
Total for year ending 28 February	1,591	4,458	1,198	4,326

For both Group and Trust, £674k (2020/21: £4,307k) of the total grants received were restricted. The Group grants received includes £463k (2020/21: £132k) relating to Enterprises, see note 8 for further details.

7. Property and other income

Group	Unrestricted Funds				Restricted Funds				Total	
	General Funds		Designated Funds		Restricted Funds		Endowment Funds			
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Admissions	2,249	574	-	-	-	-	-	-	2,249	574
Rents	1,791	1,810	-	-	-	-	-	-	1,791	1,810
Other	1,126	1,352	-	-	107	41	-	-	1,233	1,393
Property & Other Income	5,166	3,736	-	-	107	41	-	-	5,273	3,777

Trust	Unrestricted Funds				Restricted Funds				Total	
	General Funds		Designated Funds		Restricted Funds		Endowment Funds			
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Admissions	2,249	574	-	-	-	-	-	-	2,249	574
Rents	1,791	1,810	-	-	-	-	-	-	1,791	1,810
Other	1,551	1,752	-	-	107	41	-	-	1,658	1,793
Property & Other Income	5,591	4,136	-	-		41	-	-	5,698	4,177

Other income, for the Group and Trust, includes income from event, produce and countryside activities sales as well as subsidies and commission.

8. Commercial activities

National Trust for Scotland Enterprises Ltd (Enterprises) is wholly owned by the Trust with share capital of £2. It is incorporated in Scotland (SC095585) and its results are consolidated with the results of the National Trust for Scotland in the group accounts. Enterprises' principal activities are the running of retail, catering, holiday cottages, hospitality and other sundry trading activities at Trust properties. All of these activities are unrestricted and, therefore, all income and expenditure is unrestricted. Unlike most of the Trust's income Enterprises does not enjoy exemption from taxation and distributes, under a gift aid scheme, the whole of its surpluses to the Trust.

A management charge of £425k (2020/21: £400k) was charged by the National Trust for Scotland for management services provided to Enterprises.

The Turnover and Net Contributions to Trust funds were:

Group	Turnover		Costs		Contribution	
	2021/22 £000s	2020/21 £000s	2021/22 £000s	2020/21 £000s	2021/22 £000s	2020/21 £000s
Retail	2,888	1,024	2,779	1,762	109	(738)
Catering	3,971	821	2,897	1,677	1,074	(856)
Holiday cottages	1,314	485	697	549	617	(64)
Cruises	-	-	-	-	-	-
Functions	274	13	474	287	(200)	(274)
Other income and events	604	495	209	130	395	365
Total	9,051	2,838	7,056	4,405	1,995	(1,567)

During 2021/22 the wages and salaries costs allocated to Enterprises was offset by an allocation of the related element of the HMRC's Coronavirus Job Retention Scheme Grant, £71k (2020/21 £885k). In addition, local government business recovery grants were awarded to compensate for loss of commercial income due to the COVID pandemic, £393k (2020/21 £132k).

After inclusion of the grants received and the management charge a profit before tax of £2,034k (2020/21: loss of £950k) and a profit after tax of £2,034k (2020/21: loss £769k) as recorded below. The loss in 2020/21 was funded by the Trust on a short-term basis and, has been recouped in full within financial year 2021/22.

Enterprise Profit/(Loss) before Tax	2021/22 £000s	2020/21 £000s
Contribution	1,995	(1,567)
Other Operating Income - Grants Received	464	1,017
Other Operating Expenditure - Management Recharge	(425)	(400)
Profit/(Loss) before Tax for year	2,034	(950)
Taxation credit	-	181
Profit/(Loss) after Tax for year	2,034	(769)

8. Commercial activities (continued)

The Net Assets/(Liabilities) of Enterprises are summarised as follows:

Enterprise Net Assets/(Liabilities)	2021/22 £000s	2020/21 £000s
Stock	954	1,566
Debtors	358	474
Amount due from parent	-	-
Cash and bank	2,086	385
Creditors	(1,918)	(875)
Amounts due to parent	(210)	(2,314)
Net Assets/(Liabilities)	1,270	(764)

9. Other income

Other income was £2,273k (2020/21: £4,183k). Detailed comparative information for each separate class of fund is set out below:

Group	Unrestricted Funds				Restricted Funds				Total	
	General Funds		Designated Funds		Restricted Funds		Endowment Funds			
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Gain on Sale of Assets	1,594	324	-	-	480	134	-	-	2,074	458
Coronavirus Job Retention Scheme	199	3,725	-	-	-	-	-	-	199	3,725
Other Income	1,793	4,049	-	-	480	134	-	-	2,273	4,183

Trust	Unrestricted Funds				Restricted Funds				Total	
	General Funds		Designated Funds		Restricted Funds		Endowment Funds			
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Gain on Sale of Assets	1,594	324	-	-	480	134	-	-	2,074	458
Coronavirus Job Retention Scheme	129	2,840	-	-	-	-	-	-	129	2,840
Other Income	1,723	3,164	-	-	480	134	-	-	2,203	3,298

During the year the National Trust for Scotland received support from the government under the Coronavirus Job Retention Scheme of £199k (2020/21: £3,725k). £71k of this support was received by the trading subsidiary, National Trust for Scotland Enterprises Ltd (2019/20: £885k). The scheme provides for the reimbursement of wages for employees who were placed on furlough leave. Reductions on prior year are the result of redundancies and changes to scheme terms during the year.

Other income (continued)

Under the scheme the National Trust for Scotland applied for the reimbursement in line with Government rules with changes in 2021 set out in the table below where June represents the terms covering 1st March 2021 to June 30th 2021 within the accounts.

	June	July	August	September
Government contribution: wages for hours not worked	80% up to £2,500	70% up to £2,187.50	60% up to £1,875	60% up to £1,875

The scheme was accessed by designating affected employees as furloughed or retained on paid leave of absence, notifying employees of these changes, submitting information about these employees and their earnings to HMRC.

10. Publicity and fundraising

Expenditure on publicity and fundraising was £5,456k (2020/21: £4,504k). Detailed comparative information for each separate class of fund is set out below:

Group and Trust	2021/22 £000s	2020/21 £000s
Salaries and wages	1,207	1,163
Marketing & Publications	2,562	1,771
Consultants and professional fees	420	475
Maintenance and equipment	32	63
Travel and subsistence	7	13
Other overheads (including depreciation)	360	312
Support costs (Note 13)	793	640
Governance costs (Note 13)	75	67
Total publicity and fundraising expenditure	5,456	4,504

The total publicity and fundraising expenditure can be analysed by fund as follows:

Group and Trust	Unrestricted Funds		Restricted Funds		Total £000s
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	
2022	5,254	-	138	64	5,456
2021	3,934	154	225	191	4,504

11. Property operating expenditure

Property operating expenditure consists of the following main areas of resources expended:

Group and Trust	2021/22 £000s	2020/21 £000s
Salaries and wages	10,252	11,150
Utilities	1,783	1,668
Maintenance and equipment	3,534	2,938
Insurance	1,011	940
Travel and subsistence	380	137
Other overheads (including depreciation)	4,089	3,406
Support costs (Note 13)	5,870	5,350
Governance costs (Note 13)	687	458
Total Property Operating Expenditure	27,606	26,047

The total property operating expenditure can be analysed by fund as follows:

Group and Trust	Unrestricted Funds		Restricted Funds		Total £000s
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	
2022	27,396	-	210	-	27,606
2021	19,821	2,432	3,794	-	26,047

12. Conservation, repairs and improvements

The Trust spent the following on conservation, repairs and improvements:

Group and Trust	2021/22 £000s	2020/21 £000s
Major projects	3,926	844
Routine conservation & repairs	3,802	1,580
Support costs (Note 13)	1,656	1,586
Governance costs (Note 13)	455	358
Total Conservation, Repairs & Improvements	9,839	4,368

The total Conservation, Repairs and Improvements Expenditure can be analysed by fund as follows:

	Unrestricted Funds		Restricted Funds		Total £000s
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	
2022	6,483	-	3,356	-	9,839
2021	3,815	-	553	-	4,368

Major projects vary year on year and as such spending will increase or decrease in accordance with the projects ongoing in the year.

13. Analysis of support and governance costs

The Trust initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. The other support costs, together with the governance costs, are allocated between fundraising activities and charitable activities. The basis of allocation is on the estimated time spent by the appropriate support service.

Group and Trust	2021/22					2020/21
	Admin & Other	Human Resources	Finance	ICT ¹	Total	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Membership and recruitment	24	102	58	179	363	271
Publicity and fundraising	296	23	294	179	792	640
Property operating expenditure	2,949	898	946	1,077	5,870	5,350
Conservation, repairs and improvements	1,032	63	293	269	1,657	1,586
Governance	1,124	20	171	90	1,405	1,042
Total Support & Governance Cost	5,425	1,106	1,762	1,794	10,087	8,889

¹ ICT stands for Information and Communications Technology.

Governance	2021/22	2020/21
	£000s	£000s
Membership and recruitment ²	188	159
Publicity and fundraising	75	67
Property operating expenditure	687	458
Conservation, repairs and improvements	455	358
Total Governance Cost Allocation	1,405	1,042

² Governance costs relating to membership and recruitment are allocated across cost of raising funds and charitable activities based on the percentage split of income.

14. Other expenditure

The Trust incurred other expenditure of £642k (2020/21: £3,482k). Detailed comparative information is set out below:

Group and Trust	2021/22 £000s	2020/21 £000s
Organisational, Systems & Process Change Projects	97	2,148
COVID Re-opening Adaptations	7	214
Lease Dilapidations Provision	538	1,120
Total Other Expenditure	642	3,482

Total Other Expenditure can be analysed by fund as follows:

	Unrestricted Funds		Restricted Funds		Total
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	£000s
2022	638	-	4	-	642
2021	3,321	-	161	-	3,482

The Trust incurred a total of £97k (2020/21: £2,148k) in improving systems and processes and supporting organisational change. Included in this figure is restructuring costs of £45k (2020/21: £2,028k) (note 16). Other expenditure also includes £42k (2020/21: £214k) for personal protective equipment (PPE) and other adaptations to enable a safe property opening during the pandemic.

A provision of £1,658k (2020/21: £1,120k) for the cost of dilapidations relating to the lease on the Trust HQ at Hermiston Quay in Edinburgh has been estimated. The movement of £538k since initial recognition in 2020/21 is included as other expenditure, note 27 provides further information.

15. Trustees' remuneration, benefits and expenses

No remuneration has been paid to members or former members of the Board of Trustees in respect of their duties as Board members. In addition, only £142 was reimbursed to 1 Board and Committee member (2020/21: £nil), this continues to reflect remote working and use of virtual meetings during the pandemic restrictions.

16. Analysis of staff costs and remuneration of key management personnel

16.1 The average number of employees on permanent and fixed term contracts including seasonal employees was 760 (2020/21: 790). On a full-time equivalent basis this becomes 469 (2020/21: 597). The average number of employees on permanent contracts was 528 (2020/21: 550) and the average number of employees on fixed term contracts was 232 (2020/21: 251). The peak number of staff employed during the year was 880 (2020/21: 1,429). All employees are employed by the Trust and costs relating to commercial activities are charged to the subsidiary company.

Details of staff costs and emoluments for the year are as follows:

Group	2021/22	2020/21
	Total Permanent & Fixed Term	Total Permanent & Fixed Term
	£000s	£000s
Gross pay	18,114	20,604
Employers NI	1,659	1,745
Employers pension	839	839
Agency staff costs	-	-
Total	20,612	23,188

Trust	2021/22	2020/21
	Total Permanent & Fixed Term	Total Permanent & Fixed Term
	£000s	£000s
Gross pay	18,114	20,604
Employers NI	1,659	1,745
Employers pension	839	839
Agency staff costs	-	-
Total Staff Costs	20,612	23,188
Less: Recharge to NTSE	(2,763)	(2,743)
Total	17,849	20,445

16.2 Total pension contributions paid during the year for the Group were £658k (2020/21: £641k) to the defined contribution scheme and £180k (2020/21: £198k) to the National Employment Savings Trust (NEST) scheme. Total contributions paid during the year for the Trust were £643k (2020/21: £584k) to the defined contribution scheme and £137k (2020/21: £181k) to the NEST scheme. Pension contributions are treated as an operating cost and allocated by employee activity.

Analysis of staff costs and remuneration of key management personnel (continued)

- 16.3 In addition to its paid workforce the Trust also benefits from a committed group of volunteers who give their time to help at properties and in administrative offices, covering tasks ranging from visitor services to retail, events, gardening and learning through to environmental work like Ranger and footpath work.

During the year to 28 February 2022 these volunteers carried out a total of 71,348 hours (2020/21: 22,400 hours) of work which is a 319% increase on the previous year. This reflects the trust starting to recover from the impact of COVID although still significantly lower than pre-covid levels (2019/20: 168,448 hours). If translated at an indicative cost of £10 per hour (which is an average based on the wide range of skills utilised by volunteers in the organisation) then this effort equates to a value of £0.7 million (2020/21: £0.2million).

The Trust depends heavily on its volunteers and could not operate without their ongoing support. We are extremely grateful to them all for the time and energy they devote to the Trust.

- 16.4 The Trust considers its key management personnel to be the Leadership Team (as shown on page 37) led by the Chief Executive Officer. The employee benefits (exclusive of pension contribution) of key management personnel were £399k (2020/21: £512k). Pension contributions were £39k (2020/21: £41k) for these members of key management personnel.

The numbers of employees whose annual emoluments (including termination payments but excluding employer pension contributions) were above £60k are set out below:

	2022 Number of Employees	2021 Number of Employees
Between £60,000 and £69,999	10	9
Between £70,000 and £79,999	3	6
Between £80,000 and £89,999	7	6
Between £90,000 and £99,999	-	2
Between £100,000 and £109,999	1	2
Between £110,000 and £119,999	-	-
Between £120,000 and £129,999	-	1
Between £130,000 and £139,999	1	-
Between £140,000 and £149,999	-	-
Between £150,000 and £159,999	1	-

- 16.5 Redundancy and termination payments of £45k (2020/21: £2,028k) were made or contractually committed to during the year and have been included in other expenditure (note 14). Redundancy costs are recognised in the year for employees who have received written notification within the financial year confirming their redundancy. There were no ex-gratia payments included in these amounts.

17. Operating lease commitments

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

	2021/22		2020/21	
	Land & Buildings	Other Assets	Land & Buildings	Other Assets
	£000s	£000s	£000s	£000s
Within one year	428	112	356	57
Between one and five years	963	109	1,130	72
After five years	-	-	-	-
Total	1,391	221	1,486	129

During the year expenses incurred of 522k (2020/21: £578k) were made in respect of operating leases.

18. Auditor's remuneration

Remuneration for audit services for the year to 28 February 2022 was £66k (2020/21: £81k) for the Group and £53k (2020/21: £66k) for the Trust.

19. Non-audit services

In common with many other organisations of a similar size, entities related to the Trust's auditors prepare and submit corporation tax and other related returns to the tax authorities. They have also provided services to complete a VAT health check to ensure compliance. Total fees for non-audit, one-off services at 28 February 2022 amounted to £33k (2020/21: £18k).

20. Tangible fixed assets

Group and Trust	Tangible Fixed Assets						Total £000s
	Assets under Construction	Motor Vehicles	Buildings	Building Fit-Outs	Computer Equipment	Fixtures & Fittings	
	£000s	£000s	£000s	£000s	£000s	£000s	
Cost and Valuation							
as at 1 March 2021	1,119	2,604	24,482	15,888	4,181	6,423	54,697
Additions	1,693	166	-	7	-	-	1,866
Disposals	-	(130)	-	-	-	-	(130)
Transfers	(2,656)	-	2,172	28	-	456	-
At 28 February 2022	156	2,640	26,654	15,923	4,181	6,879	56,433
Cumulative Depreciation							
At 1 March 2021	-	2,507	8,486	8,840	4,180	4,469	28,482
Charge for the Period	-	91	870	911	1	368	2,241
Disposals	-	(130)	-	-	-	-	(130)
At 28 February 2022	-	2,468	9,356	9,751	4,180	4,837	30,593
Net Book Value at 28 February 2022	156	172	17,298	6,172	-	2,042	25,840
Net Book Value at 28 February 2021	1,119	97	15,996	7,048	1	1,954	26,215

The Trust had Capital Commitments of £156k against Assets at the financial year end (2020/21: £1.2m). This all relates to the finalisation of the Gladstone's Land redevelopment project.

21. Heritage assets

21.1 At 28 February 2022 the Trust owned a variety of places for the access and benefit of the nation, including, properties, major gardens, historic burghs, countryside, island groups, national nature reserves, Munros and a Dual World Heritage Site.

These assets have been acquired since the formation of the Trust and many have been gifted or bequeathed to the Trust during that period. It is therefore not possible to give a total acquisition cost for the heritage portfolio nor would such a figure be meaningful.

The heritage assets owned by the Trust fall into two categories:

- 1) land and buildings, and
- 2) collections.

For the reasons explained in the accounting policy on heritage assets, neither of these categories are capitalised in the balance sheet, unless purchased.

Land and buildings

Land and buildings includes areas of countryside, islands, castles, museums, houses, farms, gardens and estates. The total insurance reinstatement value of our historic buildings is £1,388 million. (2020/21 £1,277 million).

Collections

The museum collections are extensive and include furniture, paintings, porcelain, domestic items, decorative arts, costume, photography and social history collections. Many of our properties also hold extensive library collections, and some have historic archives. The Trust also cares for its own corporate archive.

The Trust estimates that these collections contain around 300,000 individual items acquired at various points during its 90-year history. The bulk of the art, objects and books collections are on display in the properties run by the Trust, whilst the archives and some more delicate items are in storage. Examples of the significant collections held by the Trust include:

- The Beckford collection of exceptional small scale objets de vertu, silver and porcelain housed in Brodick Castle.
- The portrait collection, including works by Batoni, Romney, Gainsborough, Opie, Lawrence and Hoppner at Fyvie Castle. The castle also contains one of the largest private collections of Raeburns in the world as well as an equally impressive collection of fine furniture, tapestries, arms and armour.
- The Arms collection at Culzean Castle which includes one of the most important collections of 18th century and early 19th-century flintlock pistols in the world.
- The exceptional collection of 20th-century Scottish paintings given to the Trust by Douglas Hutchison in 1999 and which is currently hung in the Eisenhower Apartments at Culzean Castle.

The Trust maintains a collections management database of items. There are around 140,500 entries covering the museum collections, of which approximately 8,400 are records of objects on long- or short-term loan to the Trust. The archives are also catalogued in a separate database module, and a proportion of the book collections are catalogued in the book module. The database holds a valuation figure for approximately 27,700 of the entries in the museum database and the total sum of these valuations is referenced below.

Heritage assets (continued)

The collections valuations cover a broad time period with the earliest dating from the early 1960's and emanate from three separate sources:

- Professional valuations carried out on certain items under a rolling programme of insurance valuation. This programme ceased in 2005.
- Acquisition costs where items have been purchased separately – in these cases, the cost of purchase is recorded as the valuation.
- Insurance valuations undertaken for specific purposes (e.g. when a painting is loaned to another institution for a temporary exhibition).

Given the age of the recorded valuations and the lack of valuations available for the majority of items the overall valuation figure for collections is likely to be significantly understated. The cost of obtaining valuations for the 112,800 records that lack valuation is not thought to be commensurate with the benefit to users of these accounts. Based on the details currently held however the Trust estimates that the collections it holds have a total value in excess of £139 million. This figure remains the same as last financial year as there has been no active programme of valuing collections this year.

21.2 The value of Heritage Assets included in the Balance Sheet, and associated in year movements are set out in the table below:

Group and Trust

Cost and Valuation

As at 1 March 2021

At 28 February 2022

Heritage Assets	
Property	Total
£000s	£000s
271	271
271	271

21.3 The Trust has acquired new items in accordance with its acquisition policy and also disposed of assets too. In the last 5 years the costs of acquisitions and values of disposals have been as follows:

	Acquisitions		Disposals	
	Land and Buildings	Collections	Land and Buildings	Collections
	£000s	£000s	£000s	£000s
2021/22	-	14	1,736	-
2020/21	-	89	438	-
2019/20	121	-	2,174	-
2018/19	-	-	847	-
2017/18	150	-	434	-

Heritage assets (continued)

21.4 The Trust has made the following disposals of heritage assets during the year:

	2021/22 £000s	2020/21 £000s
Land and Buildings		
Balmblae Cottage	351	-
Bennet House	279	-
Grieves Cottage	165	-
Millwright's Cottage	120	-
Miller's Cottage	150	-
Rose Cottage	4	-
Blackpotts	401	-
Gardener's Cottage	250	-
Paddock, St Abbs	15	-
Port An Eorna- Croft Balmacar	1	-
Old Faskally, Killiecrankie	-	165
The Glebe, Kilmelford (Arduaine)	-	138
Land at Kintail	-	113
Croft 9, Balmacara	-	1
Croft, Dubhaird	-	1
Hesperid	-	3
Haa of Aywick	-	17
Total Disposals of Heritage Assets	1,736	438

This represents the sales value less legal fees incurred in making the sale.

22. Intangible fixed assets

Group and Trust	Web & Digital Development £000s	Assets under Development £000s	Total £000s
Cost and Valuation			
At 1 March 2021	616	100	716
At 28 February 2022	616	100	716
Cumulative Amortisation			
At 1 March 2021	403	-	403
Charge for the Period	154	-	154
At 28 February 2022	557	-	557
Net Book Value at 28 February 2022	59	100	159
Net Book Value at 28 February 2021	213	100	313

23. Stock

	Group		Trust	
	2021/22	2020/21	2021/20	2020/21
	£000s	£000s	£000s	£000s
Retail stocks	954	1,566	-	-
Farm stocks	100	99	100	99
Total Stock	1,054	1,665	100	99

The value of stocks expensed during the year was £66k (2020/21: £nil). The value of stock written off during the year was £28k (2020/21: £154k).

24. Debtors

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s
Trade debtors	2,129	786	1,992	624
Other debtors including tax recoverable	1,583	6,686	2,240	6,679
Prepayments and accrued income	3,145	4,097	3,106	3,973
Amounts due from subsidiary undertakings	-	-	210	2,314
Total Debtors	6,857	11,569	7,548	13,590

25. Creditors

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s
Trade creditors	1,945	2,064	1,770	1,969
Other creditors	193	164	193	164
Taxation and social security	447	470	447	403
Accruals	4,695	2,965	4,085	2,728
Deferred income	1,698	1,674	1,227	1,235
Life members account	138	131	138	131
Creditors: amounts falling due within one year	9,116	7,468	7,860	6,630
Other creditors	15	18	15	18
Deferred income (see note 26)	789	942	785	905
Life members account	948	887	948	887
Creditors: amounts falling due after more than one year	1,752	1,847	1,748	1,810

25. Creditors (continued)

The Creditors: amounts falling due after more than one year are further analysed as follows:

	Group		Trust	
	2021/22 £000s	2020/21 £000s	2021/22 £000s	2020/21 £000s
Between one and two years				
Life members account	130	123	130	123
Other creditors	15	18	15	18
Deferred income	77	84	73	47
Between two and five years				
Life members account	341	321	341	321
Deferred income	114	289	114	289
Between five and fifteen years				
Life members account	477	443	477	443
Deferred Income	598	569	598	569
Total	1,752	1,847	1,748	1,810

26. Deferred income

26.1 Deferred income, for the purpose of this note, is calculated as follows:

	Group		Trust	
	2021/22 £000s	2020/21 £000s	2021/22 £000s	2020/21 £000s
Creditors : Amounts falling due within one year				
Deferred income	1,698	1,674	1,227	1,235
Life members account	138	131	138	131
Creditors : Amounts falling after more than one year				
Deferred income	789	942	785	905
Life members account	948	887	948	887
Total Deferred Income	3,573	3,634	3,098	3,158

Membership income is deferred and released to the Consolidated Statement of Financial Activities (SoFA) over the period to which the membership relates. Other deferred income relates to holiday cottages, functions and wayleaves.

26.2 The movements in Deferred Income can be analysed as follows, noting that Membership for the purpose of this table is the combination of deferred annual membership income and the Life members account income:

Group & Trust	Deferred Income					
	Membership Income		Other Income		Total	
	Group £000s	Trust £000s	Group £000s	Trust £000s	Group £000s	Trust £000s
As at 1 March 2021	2,109	2,109	1,525	1,049	3,634	3,158
Amounts released during the year	(145)	(145)	(1,595)	(128)	(1,740)	(273)
Amounts deferred during the year	213	213	1,466	-	1,679	213
As at 28 February 2022	2,177	2,177	1,396	921	3,573	3,098

27. Provision for Liabilities

The following table provides an analysis of the Provisions for Liabilities:

Group and Trust	Total £000s
<i>Provision for Liabilities</i>	
At 1 March 2021	1,120
Additional provision in year	538
At 28 February 2022	1,658

The provision above has been recognised in accordance with the Trust's accounting policy for the provision of liabilities (page 61). The provision is for obligations relating to the Trust's Edinburgh headquarters at Hermiston Quay which arise from a full repairing and insuring lease which commenced in April 2010. Under the lease the Trust has obligations for (a) the repairing of any damage requiring repair, maintenance, re-instatement, decoration or cleaning irrespective of cause and (b) to keep all lighting, heating, ventilation, drainage system, water supply, gas, firefighting equipment and other machinery provided by the landlord to be in good working order/repair.

An external surveyor, TFT, was engaged to undertake an assessment of the dilapidations assessment and they provided a comprehensive report in June 2019 detailing the cost of these obligations and it is this information that has been used as the basis of the estimated obligation liability. The assessment of the total dilapidations' liability to the first break clause within the lease was determined by the surveyor at £1.5 million. This estimate has been increased in line with current unprecedented inflation levels to £2.1 million.

As the lease dilapidations' liability is affected by the length of the lease, the obligation has been calculated based on the assumption that the Trust will be a tenant of the property until at least the first break clause in 2025. The value of the obligation included in the provision created in 2020/21 assumes that the total dilapidations liability is being accrued smoothly throughout the period of the lease, and therefore for the period to 28 February 2022, twelve fifteenths of obligation has been included in Other Expenditure based on an assumed lease period of fifteen years.

The exact amount of the obligation will be influenced by the outcome of any negotiations with the landlord, which will be informed by the ongoing use and any adjustments to the office building, and the changes in construction costs and associated inflation as well as negotiations with landlord.

28. Analysis of net assets among funds

Group fund balances at 28 February 2022 are represented by:

Group	Unrestricted Funds		Restricted Funds		Total
	General Income Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	£000s
Fixed Assets	-	26,270	-	-	26,270
Investments	21,780	492	82,740	83,649	188,661
Net current assets	32,525	37	4,896	2	37,460
Creditors due after more than one year	(1,752)	-	-	-	(1,752)
<i>Provision for Liabilities</i>	(1,658)	-	-	-	(1,658)
At 28 February 2022	50,895	26,799	87,636	83,651	248,981
<i>Fixed Assets</i>	-	26,799	-	-	26,799
<i>Investments</i>	33,566	-	80,708	79,992	194,266
<i>Net current assets</i>	26,228	-	2,503	2	28,733
<i>Creditors due after more than one year</i>	(1,847)	-	-	-	(1,847)
<i>Provision for Liabilities</i>	(1,120)	-	-	-	(1,120)
At 28 February 2021	56,827	26,799	83,211	79,994	246,831

Trust fund balances at 28 February 2022 are represented by:

Trust	Unrestricted Funds		Restricted Funds		Total
	General Income Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	£000s
Fixed assets	-	26,270	-	-	26,270
Investments	21,780	492	82,740	83,649	188,661
Net current assets	31,432	37	4,896	3	36,368
Creditors due after more than one year	(1,748)	-	-	-	(1,748)
<i>Provision for Liabilities</i>	(1,658)	-	-	-	(1,658)
At 28 February 2022	49,806	26,799	87,636	83,652	247,893
<i>Fixed assets</i>	-	26,799	-	-	26,799
<i>Investments</i>	33,566	-	80,708	79,992	194,266
<i>Net current assets</i>	27,136	-	2,503	2	29,641
<i>Creditors due after more than one year</i>	(1,810)	-	-	-	(1,810)
<i>Provision for Liabilities</i>	(1,120)	-	-	-	(1,120)
At 28 February 2021	57,772	26,799	83,211	79,994	247,776

29. Endowment funds

The following endowment funds individually exceed 5% of the total of such funds as at 28 February 2022:

Group & Trust	2020/21	Resources Expended	Changes in Fair Value	Transfers	2021/22
Fund	£000s	£000s	£000s	£000s	£000s
Mar Lodge Estate	15,796	(13)	735	-	16,518
Newhailes	8,087	(6)	376	-	8,457
Threave	4,686	(4)	218	-	4,900
Fyvie Castle	4,037	(3)	188	-	4,222
Other funds	47,388	(38)	2,204	-	49,554
At 28 February	79,994	(64)	3,721	-	83,651

As At 29th Feb 2021:

Group & Trust	2019/20	Resources Expended	Changes in Fair Value	Transfers	2020/21
Fund	£000s	£000s	£000s	£000s	£000s
Mar Lodge Estate	17,052	(38)	(1,218)	-	15,796
Newhailes	8,729	(19)	(623)	-	8,087
Threave	5,059	(11)	(362)	-	4,686
Fyvie Castle	4,358	(10)	(311)	-	4,037
Other funds	51,157	(113)	(3,656)	-	47,388
At 28 February	86,355	(191)	(6,170)	-	79,994

The income from these funds is used to support the named properties.

30. Other restricted funds

The Trust has over 230 specifically restricted funds of which the following restricted funds individually exceed 5% of the total of such funds as at 28 February 2022:

Group & Trust	2020/21	Incoming Resources	Resources Expended	Changes in Fair Value	Transfers	2021/22
Fund	£000s	£000s	£000s	£000s	£000s	£000s
The Fawcitt Fund	4,379	62	(7)	113	-	4,547
Alexander Bequest	4,652	66	(8)	120	-	4,830
Unna Bequest	4,816	68	(8)	124	-	5,000
Property funds	32,332	5,788	(2,193)	736	(952)	35,711
Other funds	37,032	2,239	(1,492)	897	(1,128)	35,468
At 28 February	83,211	8,223	(3,708)	1,990	(2,080)	87,636

30. Other restricted funds (continued)

As At 29th Feb 2021:

Group & Trust	2019/20	Incoming Resources	Resources Expended	Changes in Fair Value	Transfers	2020/21
Fund	£000s	£000s	£000s	£000s	£000s	£000s
The Fawcitt Fund	3,949	85	(13)	358	-	4,379
Alexander Bequest	4,200	91	(20)	381	-	4,652
Unna Bequest	3,265	94	(14)	394	1,077	4,816
Property funds	26,166	4,435	(526)	2,373	(116)	32,332
Other funds	34,184	5,999	(4,160)	2,991	(1,982)	37,032
At 28 February	71,764	10,704	(4,733)	6,497	(1,021)	83,211

The **Fawcitt Fund** is "for the provision and support of properties of great natural beauty in Scotland to be preserved for the nation in precious memory of Norman and Ethel Fawcitt."

The **Alexander Bequest** is "to be used for the acquisition, curatorship, and management of the National Trust for Scotland's collections."

The **Unna Bequest** is "to provide funds to fulfil the eleven purposes as set out in the will for countryside properties". The merging of the income and the capital restricted funds for simplifying their management has resulted in this fund becoming greater than 5% of the total other restricted funds.

The Property funds comprises 94 property specific restricted funds, including property specific donations and grants received as well as the income generated from any property specific endowment fund.

Details of the transfers are shown in Note 32. It is anticipated that these funds will be utilised by the Trust as part of the programme of investment to its Strategy.

31. Designated funds

Group & Trust	2020/21	Incoming Resources	Resources Expended	Changes in Fair Value	Transfers	2021/22
Fund	£000s	£000s	£000s	£000s	£000s	£000s
Fixed Asset Reserve	26,799	-	-	-	-	26,799
St Kilda Sinking Fund	-	-	-	-	-	-
Other funds	-	-	-	-	-	-
At 28 February	26,799	-	-	-	-	26,799

As At 29th Feb 2021:

Group & Trust	2019/20	Incoming Resources	Resources Expended	Changes in Fair Value	Transfers	2020/21
Fund	£000s	£000s	£000s	£000s	£000s	£000s
Fixed Asset Reserve	28,250	-	(2,586)	-	1,135	26,799
St Kilda Sinking Fund	1,935	-	-	-	(1,935)	-
Other funds	3,503	-	-	-	(3,503)	-
At 28 February	33,688	-	(2,586)	-	(4,303)	26,799

The Fixed Asset fund relates to assets that have been capitalised and are included in Notes 20 - 22. Movements on the fund reflect additions, disposals and depreciation charged during the year. Details of the transfers are shown in Note 32.

32. Transfers between funds

The following table summarises the transfers between classes of funds:

Group & Trust	Unrestricted Funds		Restricted Funds		Total
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	
	£000s	£000s	£000s	£000s	
Capitalisation of Project Expenditure	952	-	(952)	-	-
Release of designated Funds	-	-	-	-	-
Other Transfers between funds	1,128	-	(1,128)	-	-
Net Transfers at 28 February 2022	2,080	-	(2,080)		-
Net Transfers at 28 February 2021	5,324	(4,303)	(1,021)	-	-

During 2021/22 the key reasons for transferring between classes of funds were:

- i) Capitalised expenditure which was transferred from Restricted to General Funds,
- ii) A reorganisation of restricted funds was completed which resulted in the movement of £1.1 million to the general income funds. This was approved under the OSCR restricted funds reorganisation process.

33. Financial instruments

The carrying amount of the Group's financial instruments at 28 February 2022 were:

	Group		Trust	
	2021/22 £000s	2020/21 £000s	2021/22 £000s	2020/21 £000s
Financial Assets:				
Debt instruments measured at amortised cost	6,302	10,888	6,779	12,908
Equity instruments measured at fair value	184,381	189,871	184,381	189,871
Total Financial Assets at 28 February	190,683	200,759	191,160	202,779
Financial Liabilities:				
Measured at amortised cost	6,809	5,157	6,033	4,846
Total Financial Liabilities at 28 February	6,809	5,157	6,033	4,846

34. Reconciliation of net movement in funds to net cashflow from operating activities

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s
Net income/(expenditure) before gains and losses on investment assets	(2,667)	117	(4,701)	2,413
Add back depreciation	2,395	2,577	2,393	2,577
Deduct net gain on disposal of assets	(2,074)	(458)	(2,074)	(458)
Deduct returns from investments (within investing activities)	(5,310)	(6,072)	(5,310)	(7,418)
(Increase)/ decrease in stock	611	30	1	17
(Increase)/ decrease in debtors	4,712	2,138	6,042	(966)
Increase/(decrease) in creditors	1,553	240	1,168	741
Increase/(decrease) in provision for liabilities	538	1,120	538	1,120
Net cash used in operating activities	(242)	(308)	(1,943)	(1,974)

35. Analysis of cash and cash equivalents and net debt

The following table provides an analysis of cash and cash equivalents:

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000s	£000s	£000s	£000s
Cash	38,665	22,967	36,579	22,582
Overdraft facility repayable on demand	-	-	-	-
Total cash and cash equivalents	38,665	22,967	36,579	22,582

The following table provides a breakdown of net debt:

Group	As at 1 March 2021 £000s	Cashflows £000s	Fair Value Movements £000s	As at 28 February 2022 £000s
Cash	22,967	15,698	-	38,665
Overdraft facility repayable on demand	-	-	-	-
Loans	-	-	-	-
Total Net Debt	22,967	15,698	-	38,665

Trust	As at 1 March 2021 £000s	Cashflows £000s	Fair Value Movements £000s	As at 28 February 2022 £000s
Cash	22,582	13,997	-	36,579
Overdraft facility repayable on demand	-	-	-	-
Loans	-	-	-	-
Total Net Debt	22,582	13,997	-	36,579

36. Related party transactions

The Trust has considered the disclosure requirements of the Statement of Recommended Practice – Reporting & Accounting by Charities (SORP FRS102) and of FRS 102. The Trust believes that the following related party transactions require disclosure:

All Trustees are members of the Trust and total donations without conditions made by Trustees to the Trust during the year were £0.5k (2020/21: £4.2k). There are no outstanding amounts due.

In 2021/22 the following transactions took place between the Trust and Enterprises, its wholly owned subsidiary:

- The provision of management services by the Trust covering payroll, finance, back-office support, legal and managerial support of £425k (2020/21: £400k).
- The provision of catering, retail, fixture and fittings and ICT assets by the Trust to allow the subsidiary to run its shops, cafes and holiday cottages of £232k (2020/21: £275k).
- No Gift Aid payment was made in 2021/22 by the subsidiary due to a loss made in 2020/21 creating no distributable reserves.

The Trust provides a treasury function for Enterprises and as at 28 February 2022 an amount of £210k was due to the Trust from Enterprises for transactions paid by the Trust through this function. In 2020/21, £2,314k was due to Enterprises from the Trust at the reporting date.

The Chief Executive of the National Trust for Scotland is ex officio a member of the Board of the National Trust for Scotland USA Foundation. During the year, the National Trust for Scotland USA Foundation made donations to the National Trust for Scotland of £245k (2020/21: £268k).

The above transactions are on an arms-length basis with no unusual terms/conditions and no guarantees.

37. Contingent Assets

The Trust has been notified that it is a beneficiary to a number of residuary legacies which have not yet been recognised as within the Financial Statements. The Trust's accounting policy for legacies (page 56) states that a legacy can only be recognised when entitlement is evidenced, receipt of funds is probable, and it is possible to estimate the fair value of the legacy income receivable. Once all three criteria are met the Trust will recognise this legacy income in the financial statements. For many of the notified residuary legacies it is the inability to estimate the legacy income receivable that prevents the income being recognised.

38. Post Balance Sheet Events

As part of the Trust's new Total Return Investment strategy the first call of a new investment in Adams Street, Senior Private Debt was made on the 29th of April 2022, this first call was for £11 million and was funded in part using £10 million previously divested from Mayfair PITCH. This £10 million is shown within Cash and Cash Equivalents as at 28th Feb 2022.

Reference and Administrative Details

Head Office

Hermiston Quay
5 Cultins Road
Edinburgh
EH11 4DF

Investment Managers

Mercer Limited
1 Tower Place
West London
EC3R5BU

Independent External Auditors

RSM UK Audit LLP
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

Internal Auditors

Grant Thornton UK LLP
7 Exchange Crescent
Conference Square
Edinburgh
EH3 8AN

Bankers

The Royal Bank of Scotland plc
West End Office
142/144 Princes Street
Edinburgh
EH2 4EQ

Trustees on the Board at the date of signing are:

Sir Mark Jones	Chairman
David Mitchell	Deputy Chair
Jayne MacLennan	Deputy Chair
David MacLellan	
Dr James Fenton	
David Caldwell	
Wendy Corrigan	

Shona Malcolm
Jill Miller
Stephen Mitchell
Professor Murray Pittock
Michael Spence
Ian Turnbull

Executive Officers at the date of signing are:

Philip Long	Chief Executive
Katerina Brown	Chief Operating Officer