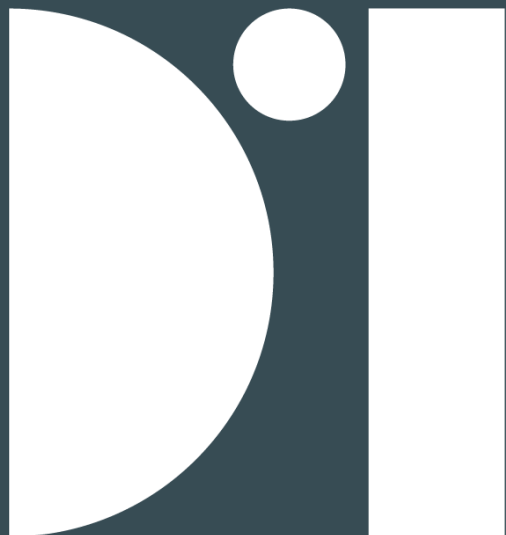




THE DONALDSON TRUST

The National Body for Neurodiversity

Governors of The Donaldson Trust

Trustees' Report and Financial Statements for the Year
Ended 31 March 2026

The Donaldson Trust (Governors of the Donaldson Trust) is a registered charity
in Scotland, number SCO17417

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

Contents

Report of the Governors of the Donaldson Trust	3
Statement of Trustees' Responsibilities in Respect of The Governors' Report and the Financial Statements	23
Independent Auditor's Report to the Governors of the Donaldson Trust	24
Statement of Financial Activities	27
Balance Sheet	28
Cash Flow Statement	29
Notes to the Accounts	30 to 42

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

The Governors of the Donaldson Trust present their annual report for the year ended 31 March 2026 together with the financial statements for the year and confirm that the latter comply with the requirements of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990, the Trust Deed and the Charities SORP (FRS102) and the Charities Accounts (Scotland) Regulations 2006.

OBJECTIVES AND ACTIVITIES

Our purpose is to affect societal change to value neurodiversity, by encouraging understanding, driving excellent practice related to neurodiversity, and amplifying neurodivergent voices.

Our vision is a society in which neurodivergent people are understood, accepted, treated fairly and valued.

Our Key Activities

- specialist education to children and young people with complex additional support needs at the Sensational Learning Centre, a school for children and young people aged 5 to 18.
- wellbeing support to young people aged 12-18 in our Vibe service.
- skills development opportunities for neurodivergent adults aged 16 and over in our Gate service.
- highly individualised support to young people and adults in our Treehouse service.
- awareness and understanding of neurodiversity through our training, advice and education work with employers, individuals and other groups.
- income generation and engagement with communities and external organisations through fundraising.
- influencing policy and external engagement work that drives societal change and promotes inclusion and understanding of neurodivergent people.
- memberships and collaboration with external organisations including care and education providers.

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

Education

We provide specialist education to neurodivergent children and young people with complex additional support needs at our Sensational Learning Centre, a grant aided special school for children and young people aged 5 to 18. The school offers a safe, inclusive and nurturing environment in which pupils are supported to achieve academically, socially and emotionally through a personalised, rights-based and person-centred approach. Communication is central to our practice, and we provide an environment where individual communication needs are recognised, supported and valued.

Wellbeing

Vibe, a Care Inspectorate service, supports neurodivergent young people in an environment where they feel safe and secure in order to improve their wellbeing and when ready to re-engage with learning. Through our person-centred planning approach young people are supported to achieve a state of mind where they can learn and live more fully. Vibe offers a modern alternative approach to balancing wellbeing and skills development to ensure the best possible outcomes for those who engage with the service.

Adult Services

Gate is our Care Inspectorate registered wellbeing and skills development service for neurodivergent people aged 16 and above. It enhances the skills of trainees and improves their wellbeing. By building confidence and resilience Gate helps trainees achieve their agreed goals and ambitions through a person-centred approach.

Treehouse, also registered with the Care Inspectorate is an individualised, person-centred service which provides an individualised service to adults requiring intensive non-residential support within a 'home-style' setting.

Neurodiversity Training and Consultancy

'Connect' delivers training, advice and consultancy to employers and staff teams while continuing to develop new, innovative content. This increases opportunities, access and acceptance of neurodivergent people and their families.

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

Influencing

The Trustees established the policy, influencing and external engagement function in 2024. The function continues to increase its impact on driving societal change, providing capacity and expertise to amplify the voices of those we support and the wider neurodiversity community.

ACHIEVEMENTS AND PERFORMANCE

The Trust

2025/26 was the seventh year of our Ten-Year Strategy and the Trustees' have taken opportunity to work with the new Chief Executive and Directors to set up annual delivery plans to support our objectives and to begin to review our Strategy. This work was supported through two successful Board Strategy Days in November 2025 and January 2026.

Scottish Child Abuse Inquiry (SCAI) Phase 9

The Trust provided evidence during August 2025 for the SCAI and Trustees formed a SCAI Committee to support this work. The new Chief Executive listened to all evidence presented at the hearing and has brought forward reports to Trustees and colleagues for learning, improvement and reflection.

Donaldson's recognise the failings of the past and are truly sorry. Donaldson's wish to acknowledge the deep harm and lifelong impact suffered by those who were abused in their care.

The Inquiry has served to reinforce and strengthen Donaldson's commitment to keep safe children and young people and support them within a culture that ensures their voices are always heard.....Donaldson's thank the survivors whose courage has helped them face their past honestly. They will endeavour to honour that courage by ensuring that Donaldson's is a place of safety, care and trust.

(Extract from Donaldson's Closing Statement provided at the Inquiry – October 2025)

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

Service Delivery

Sensational Learning Centre

The Sensational Learning Centre provides a safe, inclusive and empowering environment that respects and nurtures neurodivergent pupils, enabling them to reach their full potential academically, socially and emotionally. We promote neurodiversity as a strength, cultivate positive understanding of diverse learning and thinking styles and models an inclusive education approach.

Key achievements:

In line with our core commitment to health and wellbeing, we continue to meet the educational, social, emotional, and wellbeing needs of the pupils we support. Pupils benefited from a wide range of wellbeing and enrichment opportunities including swimming, Lego therapy, speech and language therapy, sensory music initiatives, yoga and community visits. Partnerships with external agencies, including play therapy, also contributed meaningfully to pupils' emotional wellbeing, communication development and self-expression.

The school's secondary offer has continued to expand with a structured secondary curriculum introduced, increasing access to National 3 subjects with the appointment of specialist English and Maths teachers. Wider achievement and vocational opportunities were made available through sensory cooking, gardening, the Duke of Edinburgh's Award, enterprise activities, volunteering and community-based experiences.

The school has continued to strengthen its focus on pupil voice and children's rights. Pupils contributed to planning and review meetings, influenced aspects of school life through the Pupil Council and were involved in decisions about learning, routines and the wider school environment. Colleague feedback highlights that rights-based practice and participation are increasingly embedded in day-to-day school life, supported by the school's progress in children's rights work and the achievement of the UNICEF Rights Respected School Award (RRSA) Bronze Award.

Curriculum and accreditation: four pupils achieved National 4 English, three achieved National 4 Numeracy, four achieved National 3 Applications of Maths, two achieved National 3 Biology, three achieved National 3 Business, and three achieved modules in National 3 Art and National 3 Chemistry.

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

Vibe

Vibe supports neurodivergent young people aged 12–18 to reengage with learning and move toward positive destinations in education, training, or employment, by helping them to develop emotional resilience, improved self-esteem, coping strategies, and building foundations for learning, academic engagement and successful post-school transitions.

Our approach builds confidence, wellbeing, and skills young people need to overcome barriers, helping to reduce the risk of long-term disengagement. We partner with education establishments to support young people to reconnect with learning and take meaningful steps toward a brighter future.

The service was registered with the Care Inspectorate in April 2025 as a Support Service for up to 30 young people.

Key Achievements:

- Curriculum & Accreditation: supported young people in achieving a range of qualifications including Higher English, National 5 Maths, and National 3 and 4 assessments in core subjects.
- School Integration: in the period three young people returned to full-time education while another successfully transitioned to a new school and is attending full time. Two young people returned to their mainstream school during the senior phase to achieve qualifications.
- Health and wellbeing: delivered a broad programme of activities including a range of indoor and outdoor sporting and enrichment opportunities, local community visits and trips to Dynamic Earth. Creative and wellbeing activities included pottery, arts and crafts, yoga and mindfulness, creative writing, maths, gardening and live music events.
- Skills-based and vocational learning: young people developed important life skills including cooking, budgeting and financial management. One young person pursued their passion for music and is now performing as part of a band.
- One young person successfully completed a lifeguard course. Enterprise and community engagement: young people led the creation of products to sell at the Donaldson's Christmas Market, at a local community Christmas market and during Neurodiversity Celebration Week. Young people embraced regular visits to local community resources including Linlithgow Pottery, the Linlithgow Tool Library and

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

taking part in the Linlithgow Marches. One young person established a badge making enterprise with another developing a slime-making enterprise.

- Positive destinations: one young person is moving on to university, another is accessing Open University courses with several others preparing to return to their mainstream school. One young person is on the Move On programme and another is seeking employment after successfully gaining a lifeguard qualification.

Adult Services

Our services for adults comprise Gate and Treehouse, which operate under a joint Care Inspectorate registration.

Gate

Gate supports neurodivergent young adults, aged 16+, to work towards positive outcomes, with a focus on improving wellbeing. Gate supports individuals to gain new skills, access activities and plan for future transitions.

Key achievements:

- Therapeutic engagement: continued access to therapy dog Luna, and development of new sensory space co-designed with the people supported.
- Creative expression and participation: trainees produced and performed their annual pantomime, and actively supported activities during Neurodiversity Celebration Week, the Linlithgow Marches and Christmas Fayre events.
- Vocational and Life Skills: trainees planned and made the Christmas lunch, created a new garden space, attended weekly fitness sessions, and explored the local community with weekly visits to cafes and garden centres, helping to boost confidence, resilience, and personal development.
- Positive transitions: supported several trainees into positive destinations, reflecting growth in confidence and readiness for the next stage of life.

Treehouse

Treehouse is a specialist wellbeing service for neurodivergent adults aged 16+ who require an individualised programme and bespoke environment to

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

support and improve their wellbeing, skills development and independence. A range of activities delivered by Treehouse Wellbeing Practitioners are designed to match individual interests and skills and content is continuously evaluated to ensure it is relevant, meaningful and stimulating.

Key achievements:

- Health and wellbeing: a focus on improved physical health achieved through swimming, water play and daily walks. Continue to improve personal hygiene and healthy eating. Increased engagement in outdoor activities such as gardening and exploring nature within the campus grounds to improve wellbeing.
- Achievement and attainment: three trainees gained formal recognition through completion of SQA courses and qualifications across a range of subjects, including life skills and creative arts, resulting in seven awards achieved. During the year four trainees continued their SQA work with 10 awards achieved in May 2026. Developed vocational and life skills in areas such as performing arts, food preparation, and household tasks.
- Skills Development: enhanced creativity through music and arts, and strengthened practical skills in gardening, tool use, and completing DIY tasks to construct a range of practical items. Improved problem-solving and teamwork through clue-solving activities.
- Contribution and responsibility: fostered a sense of ownership and responsibility through volunteering and undertaking studio maintenance tasks. Participated in community and seasonal events, including Mothers' Day, Christmas Fayre and Neurodiversity Celebration Week, promoting social inclusion and emotional development.

The Board of Trustees would like to express their gratitude to all staff and volunteers who have worked to make our services such welcoming and valued resources to those requiring support.

External training and consultancy

We continued to build on our work to increase awareness, understanding and acceptance of neurodiversity through Connect, our training, advisory and consultancy service. Our Connect Team has been in front of over 3000

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

employees working for a diverse range of public and private sector employers.

Activities in the year helped to challenge stigma and shift attitudes and supported organisations to create neuro-inclusive environments across workplaces, health and care settings, and education establishments, both at home and internationally. During the year our Introduction to Neurodiversity programme was CPD accredited.

Training and consultancy was delivered to a diverse range of UK employer organisations as they recognised the benefits to their business, staff and customers of being neuroinclusive.

We provided support to organisations including:

- Women in Data; providing advice on their 2025 flagship event at the O2 in London, sponsoring their quiet streaming room, presented to over 300 delegates and hosted a stand at the conference.
- BBC 6 Music; providing advice and guidance on their project focusing on neurodivergent artists for a podcast series, advising on scripts, environmental and sensory experiences, working with the production company in advance of each episode.
- BBC Operation Ouch; collaboration on their CBBC program Operation Ouch with consultancy for their production during 2026.
- Network Rail; providing consultation and engagement on the upgrade of London's Euston Station.

Advice was provided to a wide range of organisations including:

- Scottish Veterans Charity
- Lasswade Athletics Club
- Linlithgow Athletics Club
- Riding for the Disabled

Influencing and engagement

During the year our influencing and external engagement work has seen an increase in parliamentary engagement, contributions to ongoing relevant policy debates, cross-sector relationship-building and events participation. There have been a number of meetings with Scottish Government's education team for Additional Support for Learning.

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

Notable parliamentary engagement included:

- Miles Briggs MSP visiting our campus to find out more about our work and to discuss neurodiversity issues affecting people in Scotland.
- Daniel Johnson, MSP, campus visit and discussion on the Restraint and Seclusion in Schools (Scotland) Bill.
- Jeremy Balfour MSP, who sought our input on amendments he moved on the Schools (Residential Outdoor Education) (Scotland) Bill
- An on-campus evidence-gathering session by the Scottish Parliament's Education, Children and Young People Committee, led by Convenor Douglas Ross, MSP, in connection with their scrutiny of the Restraint and Seclusion in Schools (Scotland) Bill.
- Our Head of Learning Services provided Evidence to the Scottish Parliament's Equalities, Human Rights and Civil Justice Committee, as part of their inquiry on neurodivergence.
- Response to the Scottish Parliament's Health, Social Care and Sport Committee's

Our external engagement and collaborative work included the following:

- participated in an existing forum of autistic and learning disability charities, which includes Scottish Autism and Enable, to ensure coordinated responses to developments around the Learning Disabilities, Autism and Neurodivergence Bill (LDAN).
- working with the other Grant Aided Special Schools to form a new coalition to influence Scottish Government policy and seek opportunities for collaboration.
- continuing contribution to expert panels on relevant themes, including the Scottish Government's LDAN Bill panel and the ScotRail's Stakeholder Equality Group.
- hosting a workshop on wellbeing and inclusion for eighty delegates at SCVO The Gathering.
- hosted exhibition stands at the SCVO The Gathering, exhibiting at several other conferences throughout the year, including at the Health and Social Care Alliance's annual conference.
- arranged new organisational memberships, including with Human Rights Consortium and Scottish Child Law Centre.
- hosted visits from West Lothian College and the City of Edinburgh Council

Responding to relevant public consultations continues and during the year

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

we responded to a range of key themes, including:

- His Majesty's Chief Inspector of Education's (HMIE) consultation on proposed changes to school inspections.
- a Scottish Government consultation on proposals to update school premises regulations.
- Scottish Government consultation on the Restraint and Seclusion in Schools (Scotland) Bill.
- Scottish Social Services Council (SSSC) expanding the register.
- City of Edinburgh Council consultation on the third sector support review.
- a Health, Social Care and Sport Committee Call for Views in connection to their inquiry on support and assessment pathways for autistic people and people with ADHD.
- on proposed change to the statutory guidance underpinning legislation on the Additional Support for Learning regime.

Our People and Culture

Engagement in a 'one team' culture was a key priority during 2025/26 and included our first annual team conference and team training events. Our new suggestion scheme and colleague forum continues to be well supported. Our regular team Pulse surveys have been useful in identifying areas for improvement. The Trustees are delighted to note that nearly 96% of our colleagues believe Donaldson's is a great place to work.

PLANS FOR THE FUTURE

Our plans are currently driven by the ten-year strategy covering the period 2019– 2029. In February 2024 the Trustees had set the following strategic goals for the period to March 2027 (supported by strategic enablers):

- **Services:** improve the quality and outcomes delivered by services while increasing delivery at our campus at Linlithgow and planning for the opening of new service locations nationally.
- **External training and consultancy:** develop, launch and grow our workplace training and consultancy service and through new partnerships improve the accessibility to advice and guidance on neurodiversity.

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

- **Influencing and engagement:** commission and widely publicise research, contribute to national and local policy and influence practice through leadership relevant to our vision and purpose.

During 2025/26 the Trustees' have taken time to understand and reflect upon the increasingly challenging environment for special education and social care and the funding challenges facing our local authority partners. Therefore, In June 2026 Trustees approved a new ambitious five-year strategy for engagement consultation with Donaldson's colleagues and key stakeholders in the second half of 2026.

Funds have been set aside by the Trustees to increase our capacity to ensure that our ambitions can be realised. As we draw down funds, and with the ongoing uncertainty and potential ending of GASS funding by March 2029, the Trustees have carefully reviewed the Board's risk appetite. Trustees recognise the need to allocate an increase in upfront investment through use of reserves to deliver a new Strategy that will substantially increase our reach and impact to support neurodivergent children, young people and families and deliver long term financial sustainability. We will also be ensuring we have a future ready workforce.

FINANCIAL REVIEW

For 2025/26 the Trust is reporting an increase in funds of £367,300 (2024/25: increase of £28,480). The financial performance at operational level is in line with expectations, being a deficit of £308,912 (2024/25: deficit of £147,283) before investment gains/losses and revaluation. In the year our investments saw gains totalling £676,212 (2024/25: gain of £175,764).

Total income of £3,680,341 is £167,161, 4.3%, lower than that for 2024/25. The main source of funding is the education revenue grant from the Scottish Government of £1,947,616 (2024/25: £1,947,616). Income from fees was £1,268,413, being £171,598, 12%, lower than 2024/25.

Dividend income from investments of £211,009 is £11,687 higher than 2024/25. Bank interest of £108,459 is £32,533 lower than 2024/25. Donations at £28,292 were £1,394 lower than 2024/25. Income from trading and other activities is £1,467 higher than 2024/25.

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

Expenditure for 2025/26 was £3,989,253, a decrease of £5,553, 0.1%, compared to the previous year. Salary costs increased by £6,058 (2024/25: increase of £381,802). Other charitable activity costs increased by £158,937 with property costs reducing by £175,837 compared to 2024/25.

A total of £218,090 was spent on capital additions (2024/25: £135,166). A vehicle was sold during the year resulting in a gain on disposal of £10,000 (2024/25 – nil).

Investments

The Trust invests amounts not required for the operation or development of the charity and seeks to achieve a balanced approach to capital growth and investment income. The portfolio of investments is managed on a discretionary basis in line with our long-term objective set out in the investment policy.

The Trustees reviewed their investment objectives during the year and confirmed that the policy objective is to generate a total return of UK inflation (CPI) plus 3% per annum over a rolling five-year period. The return may be generated through a combination of income generation and capital growth.

Investment funds at 31st March 2026 totalled £11,489,372 (2024/25: £9,985,759). The portfolio is managed taking a moderate approach to risk. The Trust's investments produced income of £211,009 (2024/25: £199,322) which were reinvested into the fund. In the year, the investment portfolio increased by 15% (2024/25: increase of 8%).

The investment policy highlights the Trustees commitment to environmental, social, and governance considerations and the Trustees seek reassurances from the investment manager that funds held are suitable for a charitable organisation to hold. Reports are received on a quarterly basis with performance compared to a composite benchmark index and performance assessed over the long term. Performance is

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

monitored by the Finance and Audit Committee, and regular meetings are held with the investment manager, who also attends a minimum of one Board meeting each year, to review performance and discuss suitability of the investment policy in the context of the wider financial circumstances of the Trust.

Donations, Legacies and Grants

The Trust undertakes fundraising activities to support the work and development of the Trust. Donations and grants received in excess of £500 were as follows:

Spifox	£15,000
The Lady Marian Gibson Trust	£10,000
Westwood Charitable Trust	£5,000
New Park Educational Trust	£2,400
The W.M. Mann Foundation	£1,500
West Port Hotel	£1,460
Jenna Cunningham	£1,165
Foundation Scotland – Baillie Gifford	£1,000
The James Inglis Testamentary Trust	£1,000
St Andrews Links Team	£620

The Trustees would like to thank all those who have so generously volunteered their time or provided financial support to the Trust.

Reserves

The Trustees ensure that sufficient unrestricted funds are available to meet its short-term financial obligations. The policy agreed by the Board is to hold not less than three months operational costs in reserve, equivalent to £1m based on 2025/26 expenditure.

At the 31st March 2026 actual free and available reserves, excluding the reserves represented by the book value of fixed assets, and excluding restricted and endowment reserves plus cash held for investment (note 9), totalled £1,721,160 (2024/25: £2,794,061).

The Trustees have considered this level of reserves and believe it to be

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

prudent and appropriate considering its ambitious plans and the ongoing uncertainty around the continuation of its core funding, GASS.

As noted in Plans for the Future and Risk Management sections, the Trustees have approved an upfront investment plan for the strategy, which is subject to ongoing review by the Board. This will result in a planned annual reduction in reserves over at least the next three years. This investment is needed to ensure the long-term sustainability of the charity.

Asset Management

During 2025 we commissioned a condition survey of the Linlithgow Campus together with the preparation of Planned Preventative Maintenance (PPM) and Reactive Maintenance schedules and Lifecycle costs, extending to a period of twenty years. The Trustees received the condition survey and associated schedules and have taken the recommendations and put in place a fully costed investment plan for the next five years maintenance requirements.

During the year the Trustees commissioned a report and valuation of the Linlithgow campus using the Depreciated Replacement Cost method, carried out by a suitable qualified person. Based on this the Trustees have agreed that an impairment to the carrying cost of the building and land is not required.

Health and Safety

During the year we procured external expert advice to carry out a comprehensive review of our Health & Safety management system. The findings provided assurance that a strong and effective health and safety culture is embedded within the organisation. Several recommendations were made that have been actioned, further strengthening the Trustees' commitment to ensuring colleagues, the people we support and all our visitors remain safe.

Risk Management

The Trustees carried out a substantive review of Strategic Risk Management during 2025 including governance arrangements.

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

The Trustees have processes in place to assess, monitor and manage the major risks facing the Trust. Each sub-committee of the Board is responsible for identifying the major risks affecting their area of interest and report these to the Board. In addition, the Board of Trustees considers all risks and agrees strategies to eliminate, reduce or manage each risk. In the year, the Board considered the following to be the main risks facing the Trust and ensured adequate mitigations are in place:

- failure to keep our people safe
- lack of future service models that will deliver sustainable long-term growth

To ensure we keep everyone safe, we continue to invest in the key roles of Safeguarding Lead and Adult and Child Protection Officers and the team of deputies that support this key function. All staff receive annual training as do the board of Trustees, and all safeguarding concerns are monitored by the Executive Team and when applicable escalated to external agencies and the Board of Trustees.

With the potential for withdrawal of GASS funding within the next three years the Trustees recognise the need to diversify our income streams to remain sustainable in the long term. The Trustees' new strategy takes this funding risk fully into account.

The Trustees are satisfied that the major risks have been identified and that all necessary actions are being taken to reduce the level of risk to the Trust. The Trustees will continue to seek improvements in risk management processes as well as acting to continually address risks the organisation faces.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees of the Donaldson Trust is a charity registered in Scotland. It originated from a bequest by James Donaldson, who died in 1830. The charity's governing document is the Deed of Trust 2024, copies of which are available on request from its principal office.

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

The Deed of Trust provides for a maximum number of twelve Trustees who form the Board of Trustees. The Board of Trustees, as the governing body, is responsible for the governance of the Trust, for setting the strategic direction, for managing the finances and overseeing the operational management of its activities.

All Trustees have Disclosure Scotland checks in line with the Protection of Vulnerable Groups (PVG) Scheme.

Trustees serve a three-year term and are eligible to be re-elected to serve a further three years. In exceptional circumstances a Trustee may be re-elected to a third three-year term, subject to a special meeting and two thirds majority vote of the other Trustees. This process was applied to extend the terms of some Trustees during the year to ensure business continuity at a time when the new Chief Executive joined the organisation. Trustees can be elected at any time during the year, and their term begins on their first day in office.

The Board of Trustees meet a minimum of four times each year. Three sub-committees support the Trust's governance and work. In addition, short-life committees are established as required. The three standing committees are:

Quality, People and Innovation (QPIC): provides policy guidance, oversight and scrutiny on all matters relating to the welfare and learning of children, young people and supported adults, service quality and development and employment and staff development.

Finance and Audit (FAAC): provides policy guidance, oversight and scrutiny on all matters relating to; governance; finance; internal control; audit; risk management; income strategy; investments; and business development activities

Nominations and Remuneration (N&RC): provides policy guidance, oversight and scrutiny on all matters relating to safeguarding, quality of

**REPORT OF THE GOVERNORS OF THE DONALDSON TRUST
FOR THE YEAR ENDED 31 MARCH 2026**

service; service improvements; new models of delivery, compliance of services, employer responsibilities and staff development.

Governance Effectiveness

During 2025/26, Trustees carried out a review of Board governance effectiveness, including the relationship with our Advisory Board. Succession planning is ongoing and notably the recruitment of our new Chair for September 2027 will be commencing later in 2026. Other work has included policy schedule and reviews, introduction of a new quality assurance function and reporting formats.

Remuneration of Key Management Personnel

The Trustees delegate day to day management of the charity to the Chief Executive. The Board of Trustees determine and set the pay for the Chief Executive. The Trustees recognise the need to ensure the charity is led by a professional, highly skilled and dedicated individual and sets the Chief Executive’s remuneration in line with the specific role and responsibility, taking account of market rates including that paid to others within similar organisations. The Chief Executive makes proposals to the Nominations and Remuneration Committee on pay policy for the whole organisation.

REFERENCE AND ADMINISTRATIVE

Details of the Trustees, who are also the Trustees of the Trust under Charity Law, who served during the year are listed below, including appointment and resignation dates.

Name/committee membership	Appointment date
Sean Duffy Chair of the Board N&RC	August 2021 Re-elected August 2024
Richard Caldicott FAAC N&RC	December 2018 Re-elected December 2024
Gill Gorman	December 2018

REPORT OF THE GOVERNORS OF THE DONALDSON TRUST FOR THE YEAR ENDED 31 MARCH 2026

Vice Chair of the Board	Re-elected December 2024
Chair of N&RC	
QPIC	
Karen Anderson	September 2019
FAAC	Resigned 31 st August 2025
Jonathan Lee	December 2020
Chair of FAAC	Re-elected December 2023
Fiona Forrest-Anderson	December 2020
Chair of QPIC	Re-elected December 2023
N&RC	
Deborah Rodger	December 2020
QPIC	Re-elected December 2023
Lorraine Gilles	September 2023
QPIC	
Srishti Bakshi	September 2023
Sobia McGuire	November 2023
FAAC	
Christopher O'Donnell	March 2025
QPIC	
Peter Freer	June 2026
FAAC	

Delegated Authority

The Trustees delegate day to day management of the charity to the Chief Executive who is supported by an Executive Leadership Team. In 2025/26 the following key management staff was in place:

**REPORT OF THE GOVERNORS OF THE DONALDSON TRUST
FOR THE YEAR ENDED 31 MARCH 2026**

Lynn Wassell	Chief Executive
George Finnigan	Chief Operating Officer
Kate Clement	Director of People and Engagement
Sam King (resigned 31 st January 2026)	Director of Services

Registered Office: Preston Road
Linlithgow
West Lothian
EH49 6HZ

Details of professional advisors:

Bankers: Virgin Money
1 Bank Street
Falkirk
FK1 1NB

Auditor: CT Audit Limited
61 Dublin Street, Edinburgh
EH3 6NL

Investment Managers: Brewin Dolphin
144 Morrison Street Edinburgh
EH3 8BR

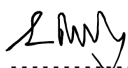
Solicitors: Burness Paull LLP
50 Lothian Road Festival Square Edinburgh
EH3 9WJ

**REPORT OF THE GOVERNORS OF THE DONALDSON TRUST
FOR THE YEAR ENDED 31 MARCH 2026**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The Trustees who were in office at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that he or she has taken all the steps that he or she ought to have taken as Trustees in order to make himself or herself aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Report was approved by the Trustees on the 23rd September 2026 and signed on its behalf by:



..... Sean Duffy
Chair

23rd September 2026

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE GOVERNORS' REPORT AND THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

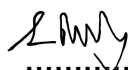
In preparing these financial statements, the Trustees are required to:

- * select suitable accounting policies and then apply them consistently.
- * make judgements and accounting estimates that are reasonable and prudent.
- * state whether applicable UK 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustees Investment (Scotland) Act 2005. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees responsibility also extends to the ongoing integrity of the financial statements contained therein.

On behalf of the Board



.....

Sean Duffy
Chair

23rd September 2026

Independent Auditor's Report to the Governors and Members of The Donaldson Trust

Opinion

We have audited the financial statements of The Donaldson Trust (the 'charity') for the year ended 31 March 2026 which comprise the Statements of Financial Activities, the Balance Sheet, the Cashflow 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2026 and of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Governors 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 Report of the Governors, other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of the Governors; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors 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 Governors 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 responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of Board of Governors' meetings throughout the year;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's Governors, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

CT Audit Limited

CT Audit Limited

61 Dublin Street

Edinburgh

EH3 6NL

Date: 24 September 2026

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

THE DONALDSON TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2026

	Notes	Unrestricted funds	Restricted funds	Endowment funds	2026	Unrestricted funds	Restricted funds	Endowment funds	2025
		£	£	£	£	£	£	£	£
INCOME									
Donations & legacies	3	22,697	5,595	-	28,292	24,686	5,000	-	29,686
Other trading activities	3	28,034	-	-	28,034	16,687	-	-	16,687
Investments	3	319,468	-	-	319,468	340,314	-	-	340,314
Charitable activities	3	3,228,616	75,931	-	3,304,547	3,399,223	61,592	-	3,460,815
Total income		3,598,815	81,526	-	3,680,341	3,780,910	66,592	-	3,847,502
EXPENDITURE									
Raising funds	4	85,621	-	-	85,621	76,027	-	-	76,027
Charitable activities	4	3,862,068	41,564	-	3,903,632	3,890,219	28,540	-	3,918,759
Total expenditure		3,947,689	41,564	-	3,989,253	3,966,246	28,540	-	3,994,786
Net gains on investments	9	-	-	676,212	676,212	-	-	175,764	175,764
Net income/(expenditure)		(348,874)	39,962	676,212	367,300	(185,336)	38,052	175,764	28,480
Transfers between funds	12	1,219,585	-	(1,219,585)	-	(2,340,634)	-	2,340,634	-
Net movement of funds		870,711	39,962	(543,373)	367,300	(2,525,970)	38,052	2,516,398	28,480
Reconciliation of funds									
Total Funds brought forward		5,835,985	41,104	12,162,925	18,040,014	8,361,955	3,052	9,646,527	18,011,534
Total Funds carried forward	12	6,706,696	81,066	11,619,552	18,407,314	5,835,985	41,104	12,162,925	18,040,014

The Statement of Financial Activities has been prepared on the basis that all income and expenditure are continuing operations.

The notes on pages 30 to 42 form part of these financial statements.

THE DONALDSON TRUST
BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2026

	Notes	2026 £	2025 £
Fixed assets	8	5,196,782	5,260,194
Investments	9	11,619,552	12,162,925
		16,816,334	17,423,119
 Current assets			
Debtors	10	304,494	204,475
Short term investments		-	0
Cash at bank and in hand		1,673,258	713,152
		1,977,752	917,627
 Creditors:			
Amounts falling due within one year	11	(386,772)	(300,732)
 Net current assets		1,590,980	616,895
 Net assets	13	18,407,314	18,040,014
 Funds			
Unrestricted funds	12	6,706,696	5,835,985
Restricted funds	12	81,066	41,104
Endowment funds	12	11,619,552	12,162,925
Total Funds		18,407,314	18,040,014

The financial statements were approved by the Board of Governors and authorised for issue on 23 September 2026 and are signed on its behalf by:



 Sean Duffy
 Chair

The notes on pages 30 to 42 form part of these financial statements.

THE DONALDSON TRUST
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2026

	Notes	2026 £	2025 £
Cash flows from operating activities:			
Net cash (used in) operating activities	17	(370,857)	(338,600)
Cash flow from investing activities:			
Dividends and interest from investments		319,468	340,314
Payment for tangible fixed assets		(218,090)	(135,166)
Proceeds from sale of fixed assets		10,000	120
Payment for investments		(4,564,835)	(2,401,939)
Movement in cash held for investment		2,046,986	(1,777,935)
Proceeds from sale of investments		3,737,434	1,839,240
Sale of fixed term deposits		-	2,000,000
Net cash provided by/(used in) investing activities		<u>1,330,963</u>	<u>(135,366)</u>
Change in cash, cash equivalents		960,106	(473,966)
Cash and cash equivalents at the beginning of the year		713,152	1,187,118
Cash and cash equivalents at the end of the year		<u><u>1,673,258</u></u>	<u><u>713,152</u></u>
Analysis of cash and cash equivalents:			
Cash and cash equivalents comprise:			
Cash at bank		648,216	686,831
Cash in hand		508	972
Short term investment deposits		<u>1,024,534</u>	<u>25,349</u>
		<u><u>1,673,258</u></u>	<u><u>713,152</u></u>

The notes on pages 30 to 42 form part of these financial statements.

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS

1. GENERAL INFORMATION

The Donaldson Trust is a charitable trust governed by the Deed of Trust 2024 and is a registered charity with the Office of the Scottish Charity Regulator. The charity number, address of the charity's principal office and the nature of its principal activities is set out in the Reference and Administrative section of the Governors' Report.

The presentation currency of these financial statements is GBP. The level of rounding is to the nearest GBP.

2. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention, modified to include the revaluation of investments, and in accordance with accounting standards, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the terms of the charity's founding deed and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015). The principal accounting policies, which have been adopted on a consistent basis within that convention, are set out below.

The Donaldson Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going Concern

The charity's activities and principal risks are described in the Governors Report. In preparing these financial statements, budgets have been examined and the funds of the charity reviewed. In reviewing budget stress testing assumptions, the Governors have a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future.

Our main income streams relate to GASS and local authority, with GASS being confirmed for 2026/27 and an expectation this will continue in 2027/28. There is no indication that funding from local authorities will be withdrawn. Services income is planned to grow in the next twelve months.

Expenditure will increase in line with our growth plans over the next twelve months. Our reserves position, which show available funds of £13.2m, being three years of the current budget year expenditure, provides assurance that this will not negatively impact our reserves position, with our reserves policy being maintained throughout 2026/27 and beyond.

The Governors having a reasonable expectation that we have adequate resources to cover our financial commitments for a period of at least twelve months from date of approval of the financial statements and believe that the use of the going concern basis of accounting is appropriate.

c) Income

Income is recognised when the charity has entitlement to the funds, 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.

Government income and Grants

Income from government and other grants, whether 'capital' grants or 'revenue' grants is recognised when the charity has entitlement to the funds, any 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 and is not deferred.

Legacies and donations

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Interest and dividends

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Dividends are accrued when the shareholder's right to receive payment is established. Measurement is at the fair value receivable, which will normally be the transaction value.

Other income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Trust.

NOTES TO THE ACCOUNTS (continued)

d) Expenditure

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. Expenditure is classified under the following activity heading:

- Expenditure on charitable activities consist of directly attributable salary costs for teaching and support staff, the supply of teaching resources, training of teaching and support staff and all expenditure relating to the provision of education and other services provided, expenditure attributable to the provision of neurodiversity training, and consultancy and the costs expended on influencing activity

Irrecoverable VAT

The Trust is registered for VAT. Irrecoverable VAT is charged as a cost to the SOFA.

Redundancy and termination costs

Redundancy and termination payments are recognised in the year to which they relate.

Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date. If the expected settlement date of the termination payments is twelve months or more after making the provision and the effect would be material, the present value of the obligation will be calculated using an appropriate discount rate.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Trusts charitable activities.

These costs have been allocated between costs of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 4a.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accrual basis and is allocated directly to expense headings.

Governance costs comprise the costs of providing strategic development for future planning, external audit, and any legal advice received for complying with constitutional and statutory requirements training the Governors.

e) Tangible fixed assets and depreciation

Tangible fixed assets

Building improvements and extensions costing more than £5,000 and furniture and equipment costing more than £500 are capitalised and carried in the balance sheet at historical cost.

The charity is responsible for keeping all buildings, fixtures and fittings in fit and useful condition. The costs for doing so are written off as and when incurred.

The property encompassing all land and buildings, is carried on a depreciated replacement costs basis, based upon a valuation completed by an independent valuer.

Depreciation

Depreciation is provided on all tangible fixed assets, with the exception of land where no depreciation is charged, at rates calculated to write off the costs less estimated residual value on each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Property	- 30 years
Property Fixtures and Fittings	- 10-15 years
Fixtures and Fittings	- 2-5 years
Information Technology	- 2-5 years
Vehicles	- 3-5 years

The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.

Tangible fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

f) Pensions

Pension contributions are made to approved pension schemes (see note 14). In accordance with FRS 102, these are charged to the Statement of Financial Activities in the year in which they are incurred.

g) Investments

Investments are stated at market value at the balance sheet date. Realised gains and losses on disposals in the year and unrealised gains and losses on investments at the balance sheet date are included in the Statement of Financial Activities.

h) Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

i) Cash and cash equivalents

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

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid after taking account of any trade discount due.

k) Creditors and provisions

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

l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

m) Funds

Unrestricted funds

Comprise those funds which the Governors are free to use in accordance with the charitable objectives.

Restricted funds

Funds that can only be used for restricted purposes within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Restricted funds are created on receipt of capital grants and released over the useful life of the asset. Revenue grants received for a restricted purpose are treated as restricted funds and the income released when the associated costs are incurred.

Endowment fund

Investments are held as fixed assets and are revalued at the balance sheet date and the gain or loss taken to the Statement of Financial Activities. Normally in any one financial year the Governors can expend up to 10% of the Endowment Fund. This can be increased to an amount agreed by the Governors by passing a resolution with a majority of two-thirds.

n) Key judgements and estimates

To be able to prepare financial statements in accordance with FRS 102, the Governors are required to make judgements, estimates and assumptions that affect the application of policies and reported amounts. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. The areas involving a degree of judgement significant to the view given by these statements are:

- Accrued income: dividends (see Interest and dividends sub-section within the Income policy above)
- Accruals and provisions: costs not yet invoiced (see Creditors and provisions policy above)
- Depreciation and impairment (see Tangible fixed assets and depreciation policy above)
- Allocation of support costs (see Allocation of support costs sub-section within the Expenditure policy above).

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

3. INCOME	Donations and Legacies	Other trading activities	Investment Income	Income from Charitable Activities	2026	Donations and Legacies	Other trading activities	Investment Income	Income from Charitable Activities	2025
	£	£	£	£	£	£	£	£	£	£
Dividends	-	-	211,009	-	211,009	-	-	199,322	-	199,322
Donations	28,292	-	-	-	28,292	29,686	-	-	-	29,686
Bank interest	-	-	108,459	-	108,459	-	-	140,992	-	140,992
Fees from Local Authorities	-	-	-	1,268,413	1,268,413	-	-	-	1,440,011	1,440,011
Education revenue grant from Scottish Government	-	-	-	1,947,616	1,947,616	-	-	-	1,947,616	1,947,616
Capital and other grants from Scottish Government	-	-	-	49,273	49,273	-	-	-	49,933	49,933
Other Grants	-	-	-	17,569	17,569	-	-	-	5,045	5,045
Other educational income	-	-	-	21,676	21,676	-	-	-	18,210	18,210
Premises hire	-	100	-	-	100	-	10,326	-	-	10,326
Other income	-	17,934	-	-	17,934	-	6,241	-	-	6,241
Proceeds on sale of fixed assets	-	10,000	-	-	10,000	-	120	-	-	120
	28,292	28,034	319,468	3,304,547	3,680,341	29,686	16,687	340,314	3,460,815	3,847,502
Unrestricted funds	22,697	28,034	319,468	3,228,616	3,598,815	24,686	16,687	340,314	3,399,223	3,780,910
Restricted funds	5,595	-	-	75,931	81,526	5,000	-	-	61,592	66,592
Total	28,292	28,034	319,468	3,304,547	3,680,341	29,686	16,687	340,314	3,460,815	3,847,502

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

4. EXPENDITURE

	Notes	Activities Undertaken £	Supports Costs (Note 4a) £	Total 2026 £	Total 2025 £
Charitable activities					
Salaries		2,244,085	271,728	2,515,813	2,515,941
Other charitable activities costs		429,676	342,162	771,838	612,901
Premises		540,643	46,658	587,301	763,138
Governance	5	15,200	13,480	28,680	26,779
		3,229,604	674,028	3,903,632	3,918,759
Raising funds					
Fundraising activity		49,481	-	49,481	39,062
Investment management fee		36,140	-	36,140	36,965
		85,621	-	85,621	76,027
Total expenditure		3,315,225	674,028	3,989,253	3,994,786

At 31 March 2025

	Activities Undertaken £	Supports Costs (Note 4a) £	Total 2025 £	Total 2024 £
Charitable activities				
Salaries	2,239,044	276,897	2,515,941	2,173,201
Other charitable activities costs	318,490	294,411	612,901	580,761
Premises	722,991	40,147	763,138	785,806
Governance	14,300	12,479	26,779	31,385
Total expenditure	3,294,825	623,934	3,918,759	3,571,153
Raising funds				
Fundraising activity	39,062	-	39,062	-
Investment management fee	36,965	-	36,965	37,997
	76,027	-	76,027	37,997
Total expenditure	3,370,852	623,934	3,994,786	3,609,150

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

4. EXPENDITURE (continued)

4a. SUPPORT COST ALLOCATION

	Salaries	Other Charitable Costs	Premises	Governance	2026	Total 2025
	£	£	£	£	£	£
Support Costs						
IT	-	189,219	25,803	4,388	219,410	164,722
HR	271,728	-	-	5,545	277,273	282,548
Finance	-	152,943	20,855	3,547	177,345	176,664
	271,728	342,162	46,658	13,480	674,028	623,934

At 31 March 2025

	Salaries	Other Charitable Costs	Premises	Governance	Totals 2025	Total 2024
	£	£	£	£	£	£
Support Costs						
IT	-	142,056	19,371	3,295	164,722	128,454
HR	276,897	-	-	5,651	282,548	233,911
Finance	-	152,355	20,776	3,533	176,664	167,878
	276,897	294,411	40,147	12,479	623,934	530,243

Allocations based on staff numbers for Premises and Governance.

All Management support cost have been allocated to Salaries.

Expenditure on Charitable Activities was £3,903,632 (2025: £3,918,759) of which £3,862,068 was unrestricted (2025: £3,890,219) and £41,564 was restricted (2025: £28,540).

5. GOVERNANCE COSTS

	2026	2025
	£	£
Professional fees	15,200	14,300
Support costs (note 4a)	13,480	12,479
	28,680	26,779

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

6. STAFF COSTS

	2026	2025
	£	£
Wages and salaries	2,062,301	2,067,912
Redundancy costs	3,327	36,772
Social security	248,086	190,740
Pension contributions	247,347	259,579
	<u>2,561,061</u>	<u>2,555,003</u>

The key management personnel are the Chief Executive Officer, the Chief Operating Officer, the Director of People and Engagement and the Director of Services whose employee benefits totalled £420,482 (2025: £394,023).

The average number of full time equivalent employees in the year was:	2026	2025
	No.	No.
Teaching staff	5	5
Other staff	<u>50</u>	<u>53</u>
	<u>55</u>	<u>58</u>

The number of employees whose emoluments exceeded £60,000, excluding pension and NI, was:

	2026	2025
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-
£80,000 - £89,999	-	1
£90,000 - £99,999	1	1
£100,000 - £109,999	-	-
£110,000 - £119,999	<u>1</u>	<u>-</u>

Retirement benefits accrued for one of the members of staff above in a defined benefit scheme (SPPA), who left employment during the year.

7. AUDITOR'S REMUNERATION

	2026	2025
	£	£
Audit fee	<u>15,200</u>	<u>14,300</u>

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

8. TANGIBLE FIXED ASSETS

	Property £	Property Fixtures and Fittings £	Fixtures and Fittings £	Information Technology £	Vehicles £	Total £
Cost						
Balance at 1 April 2025	19,549,147	1,442,094	455,246	261,606	64,721	21,772,814
Additions	-	113,525	6,165	39,371	59,029	218,090
Disposals	-	-	-	(32,521)	(22,834)	(55,355)
Balance at 31 March 2026	19,549,147	1,555,619	461,411	268,456	100,916	21,935,549
Accumulated depreciation						
Balance at 1 April 2025	14,834,908	1,022,619	407,276	205,376	42,441	16,512,620
Charge for the year	142,300	72,377	14,695	33,878	18,252	281,502
Depreciation on disposals	-	-	-	(32,521)	(22,834)	(55,355)
Balance at 31 March 2026	14,977,208	1,094,996	421,971	206,733	37,859	16,738,767
Net book value						
At 31 March 2026	4,571,939	460,623	39,440	61,723	63,057	5,196,782
At 31 March 2025	4,714,239	419,475	47,970	56,230	22,280	5,260,194

Included within property is £1,300,000 (2025: £1,300,000) of land which is not depreciated.

9. INVESTMENTS

	2026 £	2025 £
Market Value at 1 April	9,985,759	9,247,296
Less: Disposals at opening market value	(3,346,731)	(1,775,203)
Add: Acquisitions at cost	4,564,835	2,401,939
Unrealised gains	285,509	111,727
Market value at 31 March	11,489,372	9,985,759
Cash held for investment	130,180	2,177,166
Total investments	11,619,552	12,162,925
Historical cost of listed investments as at 31 March	10,228,718	8,975,445
Realised gains	390,703	64,037

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

10. DEBTORS

	2026	2025
	£	£
Trade debtors	162,295	139,956
Prepayments and accrued income	137,323	53,938
Other debtors	4,876	10,581
	<u>304,494</u>	<u>204,475</u>

11. CREDITORS

	2026	2025
	£	£
Trade creditors	145,001	78,233
Pension creditors	29,326	36,401
Other tax and social security	47,538	47,329
Accruals and deferred income	164,907	138,769
	<u>386,772</u>	<u>300,732</u>

Deferred Income

	2026	2025
	£	£
Opening balance at 1st April	4,593	7,511
Released in year	(4,593)	(7,511)
Deferred in year	6,400	4,593
Closing balance at 31st March	<u>6,400</u>	<u>4,593</u>

Accruals and deferred income includes an amount of £5,456 (2025: £695) for the delivery of training which relates to the next financial year and £944 (2025: £3,898) for Pupil Equity Funding from the Scottish Government received in 2025/26 to be expended in 2026/27.

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

12. RECONCILIATION OF MOVEMENT IN FUNDS

	Balance at 1 April 2025 £	Income £	Expenditure £	Transfers Between Funds £	Gains and Losses £	Balance at 31 March 2026 £
Unrestricted funds						
Ordinary	5,835,985	3,598,815	(3,947,689)	1,219,585	-	6,706,696
Restricted funds	41,104	81,526	(41,564)	-	-	81,066
Endowment funds	12,162,925	-	-	(1,219,585)	676,212	11,619,552
Total Funds	18,040,014	3,680,341	(3,989,253)	-	676,212	18,407,314

At 31 March 2024

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers Between Funds £	Gains and Losses £	Balance at 31 March 2025 £
Unrestricted funds						
Ordinary	8,361,955	3,780,910	(3,966,246)	(2,340,634)	-	5,835,985
Restricted funds	3,052	66,592	(28,540)	-	-	41,104
Endowment funds	9,646,527	-	-	2,340,634	175,764	12,162,925
Total Funds	18,011,534	3,847,502	(3,994,786)	-	175,764	18,040,014

Restricted funds are £81,066 (2025: £41,104) of which £72,117 relates to income received for capital expenditure and will be released over the useful life of the assets funded. £8,949 comprises a number of small donations received for specific charitable activities and these funds are revenue in nature and are expected to be utilised within the charities normal operating activities.

The Endowment Fund includes the original endowment from Mr Donaldson plus other amounts transferred into our investments over time.

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO THE ACCOUNTS (continued)

12. RECONCILIATION OF MOVEMENT IN FUNDS (continued)

Restricted fund analysis:

	Capital Grant	Other funds	Total
	£	£	£
Balance at 1 April 2025	31,059	10,045	41,104
Income	51,600	29,926	81,526
Expenditure	(10,542)	(31,022)	(41,564)
Balance at 31 March 2026	72,117	8,949	81,066

At 31 March 2024

	Capital Grant	Other funds	Total
	£	£	£
Balance at 1 April 2024	3,052	-	3,052
Income	36,600	29,992	66,592
Expenditure	(8,593)	(19,947)	(28,540)
Balance at 31 March 2025	31,059	10,045	41,104

Total transfers between funds in the year to 31 March 2026 were as follows:

	2026	2025
	£	£
Unrestricted general funds	1,219,585	(2,340,634)
Endowment funds	(1,219,585)	2,340,634

The transfer of funds from endowment funds to unrestricted general funds reflects the investment portfolio valuation with the difference on revaluation taken to unrestricted funds.

13. NET ASSETS BY FUND

At 31 March 2026

	Fixed assets	Investments	Net current assets	Total 2025
	£	£	£	£
Unrestricted funds	5,124,665	-	1,582,031	6,706,696
Restricted funds	72,117	-	8,949	81,066
Endowment funds	-	11,619,552	-	11,619,552
	5,196,782	11,619,552	1,590,980	18,407,314

At 31 March 2025

	Fixed assets	Investments	Net current assets	Total 2024
	£	£	£	£
Unrestricted funds	5,229,135	-	606,850	5,835,985
Restricted funds	31,059	-	10,045	41,104
Endowment funds	-	12,162,925	-	12,162,925
	5,260,194	12,162,925	616,895	18,040,014

**THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026**

NOTES TO THE ACCOUNTS (continued)

14. PENSIONS

a) The Donaldson Trust participates in the Scottish Teachers' Superannuation Scheme. The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary.

The valuation carried out as at 31 March 2020 confirmed that an increase in the employer contribution rate from 22.4% to 26.0% will be required from 1 April 2024 to 31 March 2027. In addition, member pension contributions since 1 April 2024 have been paid within a range of 7.35% to 12.14% and have been anticipated to deliver a yield of 9.6%.

b) The Donaldson Trust has no liability for other employers' obligations to the multi-employer scheme.

c) As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.

(d)(i) The scheme is an unfunded multi-employer defined benefit scheme.

(ii) It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where The Donaldson Trust is unable to identify its share of the underlying assets and liabilities of the scheme.

(iii) The employer contribution rate for the period from 1 April 2025 is 26% of pensionable pay. The employee rate applied is variable and is anticipated to provide a yield of 9.6% of pensionable pay.

(iv) While a valuation was carried out as at 31 March 2016, work on the cost control element of that valuation was suspended by the UK Government following the Court of Appeal judgments in the McCloud (Judiciary scheme) and Sargeant (Firefighters' scheme) cases, which found that the transitional protections introduced as part of the 2015 reforms unlawfully discriminated on the grounds of age. Following consultation and the introduction of statutory measures to remedy the discrimination, the UK Government confirmed that the cost control element of the 2016 valuations could be completed. In parallel, the Government Actuary was asked to review whether, and to what extent, the employer cost cap mechanism continues to meet its original policy objectives. The findings of that review were taken into account in the completion of the 2020 actuarial valuations, which were substantially delayed as a result of the McCloud remedy and wider economic changes. Employer contribution rates were implemented from 1 April 2024 following the completion of the 2020 valuations and will remain in force pending the outcome of the current 2024 valuation cycle, which is now underway.

(v) The Donaldson Trust's level of participation in the scheme is 0.01% based on the proportion of employer contributions paid in 2024-25 financial year.

THE DONALDSON TRUST
FOR THE YEAR ENDED 31ST MARCH 2026

NOTES TO ACCOUNTS (continued)

15. TOTAL COMMITMENTS

	2026	2025
	£	£
< 1 Year	3,115	4,880
Within 2 – 5 years	5,018	8,046
	8,133	12,926
Lease payments recognised as an expense	4,282	11,206

16. RELATED PARTY TRANSACTIONS

During the year Governor Sean Duffy received reimbursed travel expenses of £300 (2025: £248).

No Governors received remuneration in the year (2025: £nil).

The Professional indemnity insurance and Governors' and Officers' liability insurance is included as part of the Trust's insurance cover.

17. RECONCILIATION OF NET INCOMING RESOURCES TO THE NET CASH FLOW FROM OPERATIONS

	2026	2025
	£	£
Net income for the reporting period (as per the statement of financial activities)	367,300	28,480
Dividends and Interest from Investments	(319,468)	(340,314)
(Gains) on investments	(676,212)	(175,764)
(Profit)/Loss on disposal of fixed asset	(10,000)	3,983
Depreciation	281,502	259,746
Decrease/(Increase) in debtors	(100,019)	9,596
(Decrease)/Increase in short term creditors	86,040	(124,327)
Net cash (used in) operations	(370,857)	(338,600)

18. ULTIMATE CONTROLLING PARTY

The Donaldson Trust is governed by its Trust Deed. Day to day operations are delegated to the Executive Leadership Team.