



**GEORGE HERIOT'S TRUST**

**Consolidated Financial Statements  
and Governors' Report**

**for the year ended 31 July 2025**

**Charity number: SC011463**

**GEORGE HERIOT'S TRUST**  
**CONSOLIDATED FINANCIAL STATEMENTS AND GOVERNORS' REPORT**  
**for the year ended 31 July 2025**

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**GEORGE HERIOT'S TRUST**  
**Governors' Report**  
**for the year ended 31 July 2025**

The Governors present their annual report and the consolidated financial statements for the year ended 31 July 2025. The report has been prepared in accordance with current statutory reporting requirements for charities in Scotland.

**OBJECTIVES AND ACTIVITIES**

Objectives

George Heriot's Trust was established in 1624 under the Will of George Heriot, jeweller and goldsmith to King James VI and I, who left the residue of his estate:

*for and towardis the funding and erecting of ane hospittill within the said towne of Edinburgh in perpetuitie and for and towardis the purchasing of certane landis in perpetuitie to belong unto the said hospittill to be imployit for the maintenance relief bringing up and educatioune of Puire fatherless bairnes friemens sones of that Towne of Edinburgh.*

The George Heriot's Trust Scheme 2017 (amended June 2024) describes the Trust's charitable purposes.

- a) the advancement of education, particularly the education and advancement of children and young people;
- b) the advancement of the arts, heritage, culture and science;
- c) the advancement of public participation in sport;
- d) the provision of recreational facilities, or the organisation of recreational facilities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended; and
- e) the advancement of citizenship and community development.

The Trust has various powers as set out in the Trust Scheme, including the power to:

- a) maintain and educate children ("Foundationers") whose mother and/or father has died and who meet, financial, entrance and residence criteria;
- b) to run, supervise, manage, operate, maintain, furnish, equip, promote and develop schools, and educational activities and establishments of all kinds, including George Heriot's School ("the School");
- c) to establish, manage and administer, trusts, funds, bursaries, foundations, endowments and similar, to provide financial and other assistance for the advancement of the Trust Purposes.

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**Activities**

The Trust's principal activities continue to be the provision of education at George Heriot's School, an independent day school for 4-18 year old young people, including the provision of a supported education for Foundationers at the School.

The School's aims are:

**For pupils**

- to benefit from every learning opportunity and value scholarship
- to be positive, work hard and always seek to do their best
- to feel safe, secure, valued and happy
- to be responsible and self-disciplined in attitude and action
- to become well-rounded, confident, and sympathetic individuals and citizens
- to leave Heriot's as thoughtful, outward-looking, environmentally conscious citizens

**For staff**

- to be proactive in upholding the Heriot's ethos
- to be effective in sustaining Heriot's commitment to excellence
- to feel valued and supported in their work
- to show high levels of commitment and motivation and professionalism

**For parents/guardians**

- to be partners with the School in promoting their children's learning and care
- to feel that they are valued members of the Heriot's community, whose comments and concerns are listened to and expeditiously handled.

Heriot's core strengths centre upon our ethos, opportunity, and achievement.

**Ethos**

Heriot's is sector-leading for ensuring wellbeing, equality and inclusion. Our individualised approach focuses on the pupil, creating confident, resilient and kind young people able to thrive at school and become a force for good in society.

**Opportunity**

Heriot's offers an extensive breadth of curriculum and co-curricular experiences, challenging and inspiring young people to discover their passions whilst developing independence and confidence in a nurturing and caring environment.

**Achievement**

Heriot's is sector-leading in raising pupil attainment and achievement. Our academic results are uniformly in the top three Schools in Scotland with pupils progressing to their university of choice across the UK and abroad. Pupils consistently experience success at National and International levels within academia, sports and the expressive arts.

Measures of success include excellent academic results; continued high levels of demand at key entry points; provision of both Foundation and bursarial support for as many pupils as possible; success in curricular and co-curricular activities; excellent participation rates in a wide range of activities, positive parental, pupil, and staff feedback and the outstanding inspection results from Education Scotland in 2024.

Education Scotland Inspectors assess schools against four quality indicators, with 6 being the highest grade and awarded only if deemed as an example of best practice across schools in Scotland. Below is a summary of the gradings and relevant statements made by the Inspectorate.

Heriot's was delighted to receive a rating of 6 (excellent) for ensuring wellbeing, equality and inclusion for children and young people and a rating of 6 (excellent) for raising attainment and achievement.

Teaching, learning and assessment received a rating of 5 (very good) from the Inspection team, as did Leadership of change.

## GEORGE HERIOT'S TRUST

### Governors' Report

for the year ended 31 July 2025

Education Scotland commented 'Children and young people are highly motivated and have a great respect for learning. They are proud of their school and enjoy positive relationships with staff and their peers.

Most recently, in December 2025, Heriot's is proud to have won the Sunday Times' Scottish Independent Secondary School of the Year for Academic Excellence award. This award illustrates the breadth and depth of the academic programme at the School and the quality of the relationships between staff and pupils that is a core feature of Heriot's.

#### Whole School Report

In accordance with the requirements of the Governors' Report the statements below demonstrate adherence to the Trust's purposes and principal activities at a strategic level. For a full and comprehensive report that details the educational activities of the School for Session 2024-25, a Standards and Quality report is produced. This is accessible on the School website.

#### Strategic Development

The outcomes from the School's research and enquiry groups, wider consultation with stakeholders, and self-evaluation practices, culminated in the creation of Heriot's Strategic Plan 2025 – 2030+. The strategy has prioritised the key educational and business objectives for the next 5+ years and has incorporated specific strategic targets, for example, within Sport, STEM+ and Sustainability, as well as more future focused objectives on creativity and employability. The accumulation of data, analysis and recommendations made by the enquiry groups has been complimented by the input of different community members including Governors, parent, and pupil groups.

Pilot schemes trialed in the Junior School on Inquiry Based Learning, Metaskills, and Digital passports, have been identified as key themes within the School Strategy. These will now extend into the Senior School under the headings of Pupil Agency, Digital Wellbeing, and Skills. Importantly, the Strategy details clear objectives on our curriculum design. There is a particular focus on being 'One School', building a progressive educational experience from Nursery to Senior 6.

Whilst predominantly focusing on educational matters, the Strategic plan has been designed as a four-column structure: Education, Business, Sustainability, and Force for Good. Each column has a list of objectives that in turn have been broken down into a series of 5-year projects, indicating key milestones for completion. Each column has a specific set of outcomes that will determine what success looks like.

Underpinning the four columns is a section on Enablers that focusses on key aspects of the school and the business that will help facilitate and drive the implementation of the plan. A prime example is our investment in people. Later on, in this report the development and care for our staff, pupils, and community is evident through a range of initiatives and support. Enablers encompass other areas such as the advancement of technology, communication, organisational alignment and customer insights.

#### Environmental factors – Economic

As an Independent School, external economic factors impact the School, predominantly through an increase in our operational costs. The election of a Labour Government and their manifesto pledge of imposing VAT on School fees became the key focus of this Session. The additional 20% hike in fees significantly challenged the affordability of an Independent education in the Edinburgh market and brought a substantial but unknown threat to the School roll. Across the UK, debate surrounded whether schools would pass on the full charge or a percentage of VAT. After considerable research and debate, the Governors and School Executive established the position on the management of VAT as follows:

- A) A VAT bursary would be awarded on a means-tested basis to families that required support for Sessions 2024/25 and 2025/26. The bursary award would be tapered in the second year but still provides further time for families to reorganise their finances.
- B) The School would pass on the full 20% VAT additional cost but would not impose a fee rise for the following three Sessions and thereafter track inflation (with the caveat of significant changes to roll and income).
- C) We would establish finance protocols that maximised recoverable VAT.

The combination of the first two features was intended to provide stability for families in their financial planning.

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Indications were that this approach was well received given that the projected roll for Session 2025/26 was very similar to Session 2024/25.

**Business Efficiencies and Controls**

In response to the challenging economic climate, early implementation of the Business section of the Strategic Plan commenced. A rigorous analysis of our business function was conducted by our Finance Team (complimented by School Executive and Governor input) which co-created a set of objectives to improve business efficiencies and budget controls across the School. Imperative in this process was the assurance that these measures, individually or collectively, did not affect the educational product and pupil experience.

Business models have subsequently been established to forecast the impact of variables on our finances to assist our financial management and budget setting for future years.

**Whole School: Academic overview**

Session 2024-25 saw the completion of many aspects of the Whole School Improvement Plan (WSIP) 2022-2025+. The plan was designed to address specific curriculum goals and operational matters but also to build future capacity for School improvement. The areas identified for the latter have subsequently been built into the School's future strategy. Any outstanding matters from the WSIP will be tied off in Session 2025/6, captured under the appropriate Strategic column.

Specific targets completed, include the standardisation of Self-evaluation practices across the school and the review of HGIOS4 (How Good is Our School) Quality indicators as part of our quality assurance procedures. The Academic Leadership Team conducted a broad assessment across all QIs and those requiring greater attention e.g. QI 3.3 – Increasing Creativity and Employability - have been given greater prominence in our future strategy.

Established projects, such as the development of Equality and Diversity have been completed. Now embedded in our curriculum, they continue to be refined and updated for currency and relevance.

The Sustainability drive continues to focus across our curriculum and campus, and the appointment of a Whole School Coordinator for Session 2025/6 will now provide more focused resource to draw down targets from the Sustainability Strategy column that will be actioned by staff, pupils, and community groups.

Finally, multiple research projects focusing on a range of education matters were completed. Examples of the topics covered included empowered learning (Interdisciplinary learning, Inquiry based learning and Project based challenges), Skill profiling and exploration in the use of AI. The outcomes fed into our Heriot's Strategic Plan 2025-2030+.

Given the critical importance of our IT infrastructure, further investment was made with the upgrade of our dual 2Gb high speed internet facility. Investment in specific software programmes continued with the implementation of PowerBI used for presenting and analysing data. Efficiencies through the use of software extended to our HR and Payroll function. A major achievement was the successful implementation of a new Management Information System – iSAMS. The core modules for admissions and academic use were the first to be targeted. Staff, whether user or operational, were provided with appropriate training throughout the second half of the year before integrating business modules over the course of the next 12-24 months.

Investment in high quality hardware continued with the 1:1 pupil device rollout entering its 3<sup>rd</sup> year, the rolling programme of upgrading portable devices for staff and the upgrade of Junior School interactive boards.

This all aligned with our focus on Digital Literacy as one of the three key priorities in our future academic Strategy.

The review of Governance Committee structures and Terms of Reference, interfacing with the relevant School Executive groups and personnel, was completed along with a review of our Risk Register.

Significant investment has been made in Cybersecurity. Training for staff on this and GDPR is well underway.

The School's Campus Plan is being developed with identification of 5 significant Estate projects of which 2 have progressed to detailed plans. These projects complement the smaller scale enhancements of Learning and Teaching spaces (e.g. the Junior School Stem+ room) and ongoing repair and renovations across our buildings.

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A review of the Foundation was completed this Session. This was a significant and important piece of work. A major change was the removal of the income threshold of £45,000 and we have introduced a tiered model of support, where any family living within Edinburgh and the locality who has lost a parent may apply for their child to join the school as a Founder. Where financial support is requested, applicants will be required to complete an annual means-tested household income sheet and provide information of their financial circumstances, providing fairness and accuracy in the disbursement of funds. Governors will consider the salary of a single parent for Foundation applicants, as well as other sources of household income, for example relatives and partners, Trust funds, shares and savings.

Places for Founders will be offered within a tiered support system, ranging from 100% fee remission plus sundries, to an offer of a place that will entitle a pupil and their family to access pastoral and bereavement care without financial support.

This allowed all eligible families to enter the Foundation and gives access to specific support from our Foundation coordinator. Another key outcome was a change to the type of financial support received by Founders.

**Financial Assistance with School Fees**

***Means tested Remissions***

Fee remission is provided to Founders from P6 to S6 who require assistance with payment of school fees and who have lived within the EH, KY or FK postcodes for at least 5 years, or whose parents have had a significant and long-standing link with the City of Edinburgh. Foundation applicants are given priority for places in the School. At the date of this report, there are 49 pupils in receipt of full remission from fees as Founders. Founders can also receive support with associated costs of schooling such as books, travel, uniforms, music lessons and curricular trips.

The Trust currently supports a further 82 pupils from P6 to S6 through means tested bursaries providing remission for all or a proportion of their school fees, including 21 pupils who receive 100% remission. Included within the 100% remissions are one Syrian refugee pupil who has been awarded the Dulkanovic Bursary, named after a refugee pupil granted a place at Heriot's during the First World War, and one Ukrainian refugee supported by the School's own bursary funds.

Means-tested remissions are available to new applicants for entry to the School and to existing pupils whose family circumstances have changed. Bursaries are awarded annually, and updated assessments are carried out for each annual application.

A detailed independent assessment of financial circumstances is undertaken by external consultants for both Foundation and Bursarial applicants; analysis is then shared with the School, the Finance Director and Principal for review. This information is then given to the Bursaries, Foundation and Scholarships Committee of the Board of Governors; it is this body that decides on fair and equitable distribution of available funds. Azets, Accountants and Auditors were the external consultants used for Session 2024/25 and 2025/26 bursary and foundation awards. Detailed independent assessment for both applications relating to Session 2026/27 onwards will be carried out by Bursaries Administration Limited.

The following table sets out the number of means-tested awards provided by the Trust in a range of value bands over the last 2 years: -

	2023-24		2024-25	
0-24%	0	0%	13	10%
25-49%	13	12%	19	15%
50-74%	13	12%	14	11%
75-99%	10	10%	11	9%
100% <sup>1</sup>	69	66%	71	55%
<b>Total</b>	<b>105</b>	<b>100%</b>	<b>128</b>	<b>100%</b>

<sup>1</sup> includes Founder award

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The School offered a total of 128 bursaries and Foundationer awards for the 2024-25 Session. The School's focus remains on increasing accessibility to the School by widening the availability and impact of support given.

The School holds a small reserve of Bursary funds to support existing parents whose circumstances change materially during the year, for example through illness or loss of employment.

In total, £1,674,496 was provided in support of the Foundation and Bursary schemes in 2024-25.

***Non means tested remissions***

Fee remission is also provided to children of staff members (based on their employment), fourth and subsequent members of current pupil families (although those with children in the School before the 2019-20 Session remain entitled to a third child discount) and through a small number of competitive entrance scholarship and expressive arts awards. 13 of these awards carry remission of 25-50% of the fee with the remaining 12 providing a 10% fee remission. The total amount of scholarships, Foundation, bursaries, remissions and discounts in the period was £2,575,766.

**Operational Performance of the School**

During the year, George Heriot's School was led by its Principal, Gareth Warren, Kirstie Macdonald, Director of Governance Risk and Compliance and Lynda Fyffe, Director of Finance. They were supported by the Head of the Junior School, Alastair Morrison (left 10 October 2025) and the Head of the Senior School, Paul Fairclough (left 31 July 2025).

Subsequently, Mr Alastair Anderson joined the School on 1<sup>st</sup> August 2025 as the new Head of Senior School and following the resignation of Mr Alastair Morrison, Mrs Kirsten O'Hagan, previously Deputy Head of Junior School, has taken the position as Head of Junior School (Acting) for the remainder of Session 2025/26.

The number of pupils in the School at the start of Session 2024-25 was **1,657** as follows:

Nursery	32
Junior School	578
Senior School	1,047

**School Fees for 2024-25 (excluding VAT)**

Nursery	£11,620
Junior School (P1 and P2)	£11,620
Junior School (P3 – P7)	£14,108
Senior School	£17,426

**School Fees for 2024-25 (including 20% VAT)**

Nursery*	£11,620
Junior School (P1 and P2)	£13,944
Junior School (P3 – P7)	£16,930
Senior School	£20,911

*\*Note: Nursery Fees for Session 2024-25 were not subject to VAT*

Pupil numbers for Session 2025-26 remain strong and notes of interest and applications for the coming Session continue to be positive. The School and Board is closely monitoring and tracking interest and applications.

As noted above, in the 2024-25 Session the Trust was able to continue the provision of the Foundation and means-tested Bursaries enabling 128 pupils to attend Heriot's whose families could not otherwise have afforded school fees. The Trust seeks to ensure that awards enable children whose families could not otherwise access education in the independent sector, to come to the School and that the awards reflect the families' abilities to pay.

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## **Resources**

### **Estates**

The programme of maintenance works continued focusing upon essential repairs and refurbishments including:

- The continuation of the rewiring of the Old Building.
- Repairs to the terrace and stairs.
- Replacement of rainwater goods on the School Hall building.
- Replacement of boilers and cold-water storage tanks at the Grandstand.

### **Information and Communication Technology**

The following IT updates have been provisioned over the summer:

- All pupils in S1, S2, S3 and S4 now have a managed laptop to support their learning on and offsite.
- Planning and testing of an approval process for the installation of applications on pupil 1:1 devices has been implemented.
- Security updates have been applied to the school Firewalls, Core and Edge wired and wi-fi networks to ensure compliance.
- The school VMware servers (53) have been updated with the latest firmware and security updates.
- As part of the school's ongoing hardware replacement strategy, the 28 new interactive touch screens have been installed in all Junior School classrooms. Support staff laptops have been renewed. All PCs and monitors in the Design and Technical Department have been updated.
- The IT Department have been investigating cyber-Security over the past 18 months. We have completed security audits with 2 external companies. The school has purchased a dedicated security monitoring system, to monitor 50+ servers and staff devices using an end point protection agent. There has also been ongoing work updating our M365 security policies to implement updated security procedures.

### **Community and Fundraising**

The new '*Force for Good*' committee met each term during the Session to identify and decide upon which charity partners the school would be working with for the 2025-2026 Session.

The decision to rationalise the number of charities supported by the School was based on research carried out by the Force for Good team as part of the enquiry group process. Staff and parent research feedback clearly identified a trend to focus on local not global charities, and preferably those which benefited children, community and bereavement-related causes.

Heriot's Force for Good strategy has been shaped by the social and civic legacy of the George Heriot's Trust in the 1800's, when over 100,000 boys and girls in Edinburgh benefitted from the free education offered by the 21 Heriot's "Out Schools" created by the Trust.

Today, Heriot's is known for developing good citizens who go out into the world as a force for good. Through the work of the Rights Respecting Groups, the Voluntary Service programme and the embedded School ethos of *distributing cheerfullie*, pupils develop a philanthropic consciousness of tolerance, resilience and kindness.

The school will create partnerships to build lasting relationships with key local charities which fit within the newly defined focus on children, community, sustainability and bereavement. Charity partnerships will be thriving relationships active across the school.

As part of this, we will grow active participation in the Voluntary Service programme across different year groups, to embed the School motto of helping others and offering opportunities to pupils to contribute to this purpose through service.

Heriot's will continue to develop partnerships with schools, colleges and universities in Edinburgh, sharing resources and expertise for the advancement of education.

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### **Fundraising**

The Development Team, for the 2024-25 Session, has delivered revenue of £574,747.

The main drivers in income were greater donor stewardship, the annual ASK, the Bursary Today campaign, regular donations to the F400 endowment campaign, and the receipt of a number of legacies. The Trustees wish to express their sincere gratitude for all donations and legacies received during the year. These contributions play a vital role in supporting the Trust's work and ensuring its continued success.

### **Sponsorship**

The 2024/25 Session included a two-year commitment from STOATS to sponsor the boys' and girls' first hockey teams and a one-year Sponsorship of the 1<sup>st</sup> XV rugby team by Graham + Sibbald.

### **Commercial Activities**

The Heriots Centre for Sport and Exercise Limited (HCSE) continues to offer sports and leisure facilities to the School during school hours and to the general public outside these periods. Whilst the School continued to pay for the use of the facilities, HCSE's external lettings have continued to grow modestly year-on-year by approximately 4% (£3k). The current operating loss remains broadly in line with the prior year.

The total income generated through Heriot Enterprises Limited (HE) also increased over the period, driven primarily by lettings at Goldenacre and premises hire during the Fringe Festival. We aim to develop long-term partnerships that deliver sustainable revenue year on year. The School is exploring opportunities to increase revenue generation, with careful forward planning to ensure these initiatives align with resource availability during holiday periods and do not distract from essential site maintenance or the School's core functionality. Looking ahead, this approach will allow us to maximise the use of our facilities and create sustainable income streams that support the School's long-term vision.

### **Parental Engagement**

The parental body continues to engage with the School through a number of different means; the Parents' Association (GHSPA), the Thrift Shop and the Junior and Senior School Liaison Groups. The primary objective of the George Heriot's School Parents' Association (GHSPA) is to support the School through arranging social events for families (the Heriot's Ball is one example), supporting School events, and organising fundraising activities. Separate to the GHSPA, the Thrift Shop continues to provide an excellent service for families by selling second-hand uniforms, with subsequent earnings donated to the School to support educational activities and objectives. Finally, the Liaison Groups provide the mechanism for parents to express their views as to the running of the School with the Governing Body and Executive and provide a forum to discuss future School developments.

The Trustees are grateful to all the parents that volunteer their time to support each of the above groups as well as wider school activities and aims.

### **Former Pupil Volunteer Engagement**

Former pupils have spoken to specific Senior School classes and continue to offer support. A careers mentor list of 57 former pupils who have offered their services as career mentors. The *Inspirational Speakers* event in March 2025 for S1 and S2 pupils was a huge success, featuring 8 speakers in the fields of film production, acting, Cardiovascular and Diabetes, Sustainable Engineering, Credit rating, Olympian rowing, business entrepreneurship and life coaching. It is hoped the Careers Department will take this event on for Careers Week in 2026.

### **Financial**

Year on year, the School seeks to generate a small trading surplus, to maintain its reserves at the level of three months operating costs and to provide additional funds to be invested in larger strategic projects on a periodic basis, to ensure Heriot's continues to improve its education provision through enhancements to the estate. During the year, the group generated a total net surplus of £1,598,226, with the main contributory factors being donation income of £574,747, and gains on the investment portfolio of £510,138. This surplus is not freely available to the

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group in its entirety, with £1,064,640 being restricted or endowed for the Group's charitable purposes. The remaining unrestricted surplus is £533,586 which, after adjusting for unrestricted donations of £36,087, unrestricted investment income of £272,728 and unrestricted gain on investments of £119,230 leaves an unrestricted surplus from trading activities of just £105,541, less than 1% of the trading income for the group.

Gross fee income of £26,495,752 (2024 £25,021,585) was £1,474,167 (2024 £2,227,638) ahead of the previous year, due to a strong demand for places. The value of means-tested remissions increased to £1,674,496, representing 6.3% of gross fees. Total remissions increased to £2,575,766, equating to 9.7% of gross fees, resulting in net fees of £23,919,986, 5.9% above the previous year.

Other income and investment income increased significantly by 25% and 10% respectively.

Other income includes income received from Catering, Wrap Around Care, Pipe Band subscriptions, and HCSE external lettings. Visiting Music Teachers (VMT) have been engaged as workers by the School since September 2021 and the income from music lessons and subsequent payments made to VMTs are cost neutral.

Donation income decreased by 48% to £574,747, of which £538,660 was allocated to restricted and endowment funds.

Overall, this resulted in the Group's total income increasing 4.9% from £25,874,642 to £27,153,198.

Total expenditure increased by 7.4%. Salary costs increased by 6.9% due to the increase to employers' national insurance contributions from 13.8% to 15% effective from April 1<sup>st</sup> and the scale point increases for both teaching and support staff. Premises costs also increased in the year by 5.6% due to continued investment in the estate.

There was a cash balance of £8,176,844 (2024 £15,200,872) at the balance sheet date. The 2024 balance was largely due to a higher than usual number of parents choosing to pay their fees for Session 2024-25 prior to the year-end date. Unrestricted net current assets have decreased by 12.6% on the prior year to £3,603,683 (2024 £4,121,127).

### ***Principal Funding Sources***

The principal recurring funding sources of the Trust are School fees and other School income. The School also receives donation income.

### **Investments**

#### ***Powers of Investment***

The investment powers of the Governors are defined by the Trust Scheme, which permits the purchase and realisation of any heritable property for the Trust Purposes and gives the Trustees the power to exercise all the powers of investment and others conferred upon trustees under the laws of Scotland and to employ professional advisers and investment managers.

#### ***Investment, Objective and Risk Appetite***

The Trust's objectives for its investments are to generate both long-term income and capital growth as a protection against inflation. The Governors have agreed that a medium level of risk will apply to all the funds in the Trust portfolio, with the exception of funds likely to be required within a short term, where the objective is income bias with a low degree of risk.

The Governors keep under review the investment risks and rewards in the current state of the market and having taken professional advice on the matter, all available retained funds held for the medium and long term are put into the Discretionary portfolio with a view to achieving an annual target which exceeds the current rate of inflation. Cash not required for day-to-day operations is placed on deposit for appropriate periods and/or invested appropriately to enable short-term access, as advised by the investment managers. The Governors confirm that all the Funds under their management have assets available to meet all current obligations.

### **Risk**

Investment Parameters are agreed with the Investment Manager, Brewin Dolphin, which supports the investment objectives and risk profile set by the Governors. These parameters are reviewed annually. There was no change to the parameters in the year.

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***Performance Management and Review***

Criteria for performance management, comparative statistics and quarterly reporting have been agreed with the Investment Manager and are reviewed by the Finance & Resources Committee bi-annually. Comprehensive reports are prepared for the quarters ending March, June, September, and December.

***Management Fees***

The fees for investment management have been discussed and approved by the Governors' Investment Sub-Committee and are included in the Discretionary Investment Management Parameters.

***Investment Performance***

The Trust's main portfolio and the B fund portfolio generated returns of 2.2% and 2.4% respectively over the 12-month period against market value. The overall portfolio market value generated a surplus of £510,138.

***Reserves***

The Governors' policy is to meet ongoing expenditure from School fees on an annual basis. Designated Reserves are created for specific projects, and it is expected that these funds (except for the JF Brown Fund which is designated to support future enhancement of the School) will be expended in the next 3-5 years. Total funds are £72,264,861, comprising unrestricted funds of £60,164,234 (of which £3,543,007 is designated) and restricted and endowed funds of £12,100,627. Group free reserves, being unrestricted general funds not tied up in fixed assets or loans, totaled £3,011,548 (2024 £2,934,489).

Announcements in the Chancellor's Autumn budget in October 2024 put pressure on the independent schools' sector with the removal of the exemption of VAT on independent school fees from January 2025 and increases to national insurance costs from April 2025. The Governors recognise that the Trust needs to support all our families and give parents certainty going forward. Thus, the Board has decided it would not impose a fee rise for the following three sessions, to maintain the base fees at their current level for; Sessions 2025-26, 2026-27 and 2027-28 but has applied the statutory 20% VAT in line with current regulations.

It is hoped that this three-year fee freeze will provide parents with the cost stability they seek and allow families to plan their finances. From August 2028, it is expected that fees will increase annually, in line with inflation. This strategy is naturally dependent on the School roll remaining stable, and there being no further significant external factors impacting our business model.

At the date of this report, pupil numbers remain strong. The Senior Management Team constantly assesses the appropriateness of budget assumptions, through the monitoring of existing pupil numbers, demand for places at Heriot's and the general demand for independent school places within its catchment area. Changing economic and political factors could impact these assumptions. The School is not exposed to exchange rate risks, but salary and other costs inflation will have an inevitable impact on School fees if budgeted surpluses and cash flow, and therefore future investment in the School, are not to be adversely affected.

Reforecasting and sensitivities work continues on a regular basis as fiscal events affect the sector and the wider economy. Based on our current forecasts, committed revenue and capital expenditure, current unrestricted cash reserves are sufficient to support the School should those sensitivities occur. The Governors are required to ensure that all funds, endowed or restricted, maintain a positive balance.

**GEORGE HERIOT'S TRUST**  
**Governors' Report**  
**for the year ended 31 July 2025**

**Structure, Governance and Management**

***Governing Document***

George Heriot's Trust is a charity, registered in the Scottish Charity Register number SC011463, and administered under the George Heriot's Trust Scheme 2017 (amended June 2024). The Trust owns and operates George Heriot's School.

***Governing Body***

The constitution of George Heriot's Trust comprises the Scheme and the Regulations (including Fund Regulations) which lay out matters of administration and Governance for the Trust including management of legated Funds and finances. They contain appropriate objectives and powers for the Trust, blending the history of the Trust with current law and modern governance best practice. The Governing Body may, from time to time in accordance with its own processes and applicable legal requirements, amend the Regulations.

Governor candidates for a vacancy will be sourced and proposed to the Board by a Nominations Committee based on criteria set by the Board for the position.

The methodology of appointing new Governors is designed to ensure that the Board of Governors always has an appropriate blend of knowledge, skills, and experience.

New Governors are introduced to the workings of the School, policies, procedures, safeguarding, and good governance practices, through a formal induction process which includes "welcome" meetings with the Chair and Convenors of Board Committees, the Principal and senior members of the Management Team. New and existing Governors are encouraged to attend training seminars organised by SCIS, AGBIS, OSCR and other bodies.

No Governor received any remuneration or reimbursement of expenses during the financial year. Details of related party transactions with Governors are set out in Note 26.

***Subsidiaries***

The Trust has two wholly owned subsidiary companies - Heriot Enterprises Limited which conducts letting of the School premises and the sale of merchandise, and The Heriot's Centre for Sport and Exercise Limited which operates the Heriot's Centre for Sport and Exercise under a non-exclusive license from the Trust. Whilst each Company has its own Board of Directors comprising a mix of Governors, Senior Management and external Directors, its operations and financial performance were overseen by the Board of Governors.

Heriot's Centre for Sport and Exercise Limited was registered as a charity with OSCR on 22 May 2014. Its charitable number is SC044874. Its charitable purposes are the advancement of education, the advancement of health, the advancement of public participation in sport, the provision of recreational facilities, and the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended.

The financial results of these companies (which are not significant in relation to the overall financial results of the Trust) are consolidated into these financial statements.

**GEORGE HERIOT'S TRUST**  
**Governors' Report**  
**for the year ended 31 July 2025**

***Organisational Management***

The Governors meet as a Board at least four times a year to oversee strategic direction, provide support and challenge, and seek assurance on the leadership and day-to-day management of the school. The Governing Body grants authority for detailed scrutiny to various Board Committees and sub-committees.

The Committee structure is currently under review to ensure good governance, as part of the review of the Scheme Regulations and the review of School strategy.

The key Committees during the 2024-25 Session were:

- Finance & Resources (incl. Remuneration, Investment, and Estates)
- Education (incl. Safeguarding)
- Named Governor For Safeguarding (Session 2025/26)
- Bursary, Foundation, and Scholarships
- People
- Charity, Philanthropy and Heritage
- Junior and Senior School Liaison Groups
- Complaints (convened when required)
- Nominations (convened when required)

One Governor is designated as Named Governor for Safeguarding. Dr Mary Bovill held this position for the majority of the reporting period. Dr Pauline Sangster took over this position towards the end of the reporting period.

Management of the School is delegated under the Trust Regulations to the Principal, who is supported from an educational perspective by the Senior School and Junior School Leadership Teams. Infrastructure and business management is overseen by the School's Senior Management Team for Session 2024-25 (comprising the Principal, Heads of Senior and Junior School, Deputy Head of Junior School, one Depute from the Senior School, Director of External Relations, Director of IT, Director of Estates, Director of HR, Director of Finance and Director of Governance Risk and Compliance).

As noted previously, during the reporting period 2024-25 the School was pleased to appoint a new Head of Senior School, Mr Alastair Anderson, who started his position on 1<sup>st</sup> August 2025.

***Remuneration Policy***

The Governors' Remuneration Committee (which is a sub-committee of the Finance and Resources Committee) sets and conducts periodic performance reviews and annual reviews of remuneration for the Principal. This is carried out with reference to independent school sector benchmarking.

***Risk Management***

The Board of Governors provides overall leadership and supervision of the Trust within a framework of prudent and effective controls which enables risk to be assessed and managed. The Governors are responsible for risk oversight and the School's Senior Management Team maintains a system of internal monitoring controls to safeguard the continuance of the Trust and its property. Key strategic and operational risks are recorded in a Whole School Risk Register which includes warning indicators that serve to highlight change in risk likelihood or impact. Each defined risk is reviewed by a member of the Senior Management Team, and the School has a dedicated Health and Safety Group tasked with assessing specific risks relating to Health and Safety Legislation and reports to the Board's Finance and Resources Committee.

A separate register of risks is maintained for the Heriot's Centre for Sports and Exercise Limited, a wholly owned subsidiary of the Trust. This is overseen by the HCSE Ltd Board.

The Governors are satisfied that risks are identified and reviewed, and that suitable controls and mitigation measures are in place.

**GEORGE HERIOT'S TRUST**  
**Governors' Report**  
**for the year ended 31 July 2025**

**Governors**

On 18 December 2024 Mark Strachan formally retired as a Governor. Ross McAuley, and Mary Bovill retired as Governors on 19 June 2025, and Vineet Lal retired as a Governor on 30 October 2025.

Following a robust recruitment process, Paul Rowllings was appointed as a new Governor on 19 June 2025.

Following the retirement of Mark Strachan as Vice-Chair, in March 2025 Louise Gibson and Alasdair Humphery were appointed as Joint Vice-Chairs.

The Governors, who are also the Charity Trustees, who served as at the date of this report and/or during the year, are:

<b>Governor Name</b>		<b>Committee</b>
Mrs Joyce Cullen <i>Chair</i>		All Committees
Professor Mark Strachan <i>Vice Chair</i>	Retired 18 December 2024	All Committees
Mrs Louise Gibson <i>Co-Vice Chair</i>	Appointed Co-Vice Chair 26 March 2025	People (Convenor), Finance and Resources All other Committees as Co-Vice Chair
Mr Alasdair Humphery <i>Co-Vice Chair</i>	Appointed Co-Vice Chair 26 March 2025	Finance and Resources, Estates Sub-Committee; Heriot Enterprises Limited All other Committees as Co-Vice Chair
Mrs Kate Cherry		Bursaries, Foundation & Scholarships (Convenor); Charities, Philanthropy and Heritage (Interim Convenor from November 2024 to November 2025); Education
Mr Vineet Lal	Retired 30 October 2025	Junior School Liaison Group (Convenor); Charity, Philanthropy and Heritage; Education
Mr Andrew McGeough		Finance and Resources (Convenor); Heriot Enterprises Limited; Heriot's Centre for Sport and Exercise Limited
Dr Pauline Sangster <i>Named Governor for Safeguarding</i>		Education (Convenor); Bursaries, Foundation & Scholarships; Named Governor for Safeguarding (Convenor from June 2025)
Mr Ross McAuley	Retired 19 June 2025	Senior School Liaison Group (Convenor); Finance and Resources
Mrs Nicola McLaughlan	Retired 14 November 2024	Charity, Philanthropy and Heritage (Convenor); Finance and Resources
Mr Paolo Alonzi		Finance and Resources; Investment Sub-Committee
Mr Bryan Sherriff		Finance and Resources, Estates Sub-Committee
Dr Mary Bovill	Joined 27 March 2024, Retired 19 June 2025.	Named Governor for Safeguarding (Convenor), Education
Mr Paul Rowllings	Appointed 19 June 2025	Finance and Resources; Charities, Philanthropy and Heritage (Convenor from November 2025); Heriot Enterprises Limited; Heriot's Centre for Sport and Exercise Limited

**Note:** Unless otherwise stated, Governors held office for the whole of the financial year.

**GEORGE HERIOT'S TRUST**  
**Governors' Report**  
**for the year ended 31 July 2025**

**Key Management Personnel**

Gareth Warren	Principal
Lynda Fyffe	Director of Finance
Kirstie Macdonald	Director of Governance, Risk and Compliance
Paul Fairclough	Head of Senior School (left 31 July 2025)
Alastair Morrison	Head of Junior School (left 10 October 2025)

**Key Trust Details**

Principal Office:	Lauriston Place Edinburgh EH3 9HE
Bankers:	Bank of Scotland, New Uberior House, Earl Grey Street, Edinburgh, EH3 9BN The Royal Bank of Scotland, 42 St Andrew Square, Edinburgh, EH2 2AD
Auditors:	Azets Audit Services, Quay 2, 139 Fountainbridge, Edinburgh EH3 9QG
Legal Agents [Solicitors]:	Morton Fraser, Quatermile Two, 2 Lister Square, Edinburgh EH3 9GL
Investment Managers:	RBC Brewin Dolphin, 144 Morrison Street, Edinburgh, EH3 8BR
Insurers:	Marsh Education Practice, 4 Milton Road, Haywards Heath, West Sussex, RH16 1AH
Charity number:	SC011463

**GEORGE HERIOT'S TRUST**  
**Governors' Report**  
**for the year ended 31 July 2025**

**Governors' Responsibilities For The Financial Statements**

The Governors are required by charity law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and Trust as at the Balance Sheet date and of its incoming resources and applications of resources, including income and expenditure, for the financial year. In preparing the financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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 accounts;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the School will continue in business.

The Governors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the group and Trust and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Azets Audit Services have expressed their willingness to continue in office as auditor and will be proposed for re-appointment at the Board Meeting.

Approved by the Governors at their meeting of 16 December 2025 and signed on their behalf by



**Joyce Cullen**  
**Chair of Governors**

**GEORGE HERIOT'S TRUST**  
**Independent Auditor's Report to the Governors of George Heriot's Trust**  
**for the year ended 31 July 2025**

**Opinion**

We have audited the financial statements of George Heriot's Trust (the parent charity) and its subsidiaries (the group) for the year ended 31 July 2025 which comprise the Consolidated and Parent Charity Statement of Financial Activities; the Consolidated and Parent Charity Balance Sheet; the Consolidated and Parent Charity Statement of Cash Flows; and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2025 and of the group's and parent charity's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 audit 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 group's and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**GEORGE HERIOT'S TRUST**  
**Independent Auditor's Report to the Governors of George Heriot's Trust**  
**for the year ended 31 July 2025**

**Other information**

The other information comprises the information included in the Annual Report, 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 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 (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 Governors' Report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of 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 Governors 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 group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Governors either intend to liquidate the parent charity or to cease operations, or have no realistic alternative but to do so.

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

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

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**GEORGE HERIOT'S TRUST**  
**Independent Auditor's Report to the Governors of George Heriot's Trust**  
**for the year ended 31 July 2025**

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charity through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charity, including taxation, data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the group's legal advisors.

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

**GEORGE HERIOT'S TRUST**  
**Independent Auditor's Report to the Governors of George Heriot's Trust**  
**for the year ended 31 July 2025**

**Extent to which the audit was considered capable of detecting irregularities including fraud (continued)**

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**Use of our report**

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

Our audit work has been undertaken so that we might state to the parent charity's Governors, as a body, 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 parent charity and the parent charity's Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

**Azets Audit Services**  
**Statutory Auditor**  
Chartered Accountants  
Quay 2  
139 Fountainbridge  
Edinburgh  
EH3 9QG

Date: 19 December 2025

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**GEORGE HERIOT'S TRUST**  
**Consolidated Statement of Financial Activities**  
**for the year ended 31 July 2025**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2025 £	Total 2024 £
<b>Income and endowments from:</b>						
Donations and legacies	5	36,087	260,008	278,652	574,747	1,109,550
Income from charitable activities:						
School fees	6	23,919,986	-	-	23,919,986	22,585,607
Other income	7	2,173,306	-	-	2,173,306	1,738,413
Investment income	8	272,728	210,547	1,884	485,159	441,072
<b>Total</b>		<u>26,402,107</u>	<u>470,555</u>	<u>280,536</u>	<u>27,153,198</u>	<u>25,874,642</u>
<b>Expenditure on:</b>						
Raising funds	9	246,506	-	-	246,506	281,206
Charitable activities	10	25,741,245	77,359	-	25,818,604	23,994,524
<b>Total</b>		<u>25,987,751</u>	<u>77,359</u>	<u>-</u>	<u>26,065,110</u>	<u>24,275,730</u>
Net gain on investments		<u>119,230</u>	<u>23,680</u>	<u>367,228</u>	<u>510,138</u>	<u>929,380</u>
<b>Net income and movement in funds</b>		533,586	416,876	647,764	1,598,226	2,528,292
Total funds brought forward	21	<u>59,630,648</u>	<u>1,523,279</u>	<u>9,512,708</u>	<u>70,666,635</u>	<u>68,138,343</u>
<b>Total funds carried forward</b>	21	<u><u>60,164,234</u></u>	<u><u>1,940,155</u></u>	<u><u>10,160,472</u></u>	<u><u>72,264,861</u></u>	<u><u>70,666,635</u></u>

All activities relate to continuing operations.

The group has no recognised gains or losses other than as set out above.

**GEORGE HERIOT'S TRUST**  
**Trust Statement of Financial Activities**  
**for the year ended 31 July 2025**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2025 £	Total 2024 £
<b>Income and endowments from:</b>						
Donations and legacies	5	58,704	260,008	278,652	597,364	1,134,807
Income from charitable activities:						
School fees	6	23,919,986	-	-	23,919,986	22,585,607
Other income	7	2,097,887	-	-	2,097,887	1,689,014
Investment income	8	272,728	210,547	1,884	485,159	441,672
<b>Total</b>		<u>26,349,305</u>	<u>470,555</u>	<u>280,536</u>	<u>27,100,396</u>	<u>25,851,100</u>
<b>Expenditure on:</b>						
Raising funds	9	246,506	-	-	246,506	281,206
Charitable activities	10	25,686,974	77,359	-	25,764,333	23,948,383
<b>Total</b>		<u>25,933,480</u>	<u>77,359</u>	<u>-</u>	<u>26,010,839</u>	<u>24,229,589</u>
Net gain on investments		<u>119,230</u>	<u>23,680</u>	<u>367,228</u>	<u>510,138</u>	<u>929,380</u>
<b>Net income and movement in funds</b>		535,055	416,876	647,764	1,599,695	2,550,891
Total funds brought forward	21	<u>59,574,483</u>	<u>1,523,279</u>	<u>9,512,708</u>	<u>70,610,470</u>	<u>68,059,579</u>
<b>Total funds carried forward</b>	21	<u><u>60,109,538</u></u>	<u><u>1,940,155</u></u>	<u><u>10,160,472</u></u>	<u><u>72,210,165</u></u>	<u><u>70,610,470</u></u>

All activities relate to continuing operations.

The Trust has no recognised gains or losses other than the results for the period as set out above.

**GEORGE HERIOT'S TRUST**  
**Consolidated and Trust Balance Sheet**  
**as at 31 July 2025**

	Notes	Group		Trust	
		2025 £	2024 £	2025 £	2024 £
<b>Fixed assets</b>					
Tangible assets	13	60,686,317	60,717,636	60,665,187	60,717,636
Investments	14	13,450,433	12,090,054	13,450,433	12,090,054
		<u>74,136,750</u>	<u>72,807,690</u>	<u>74,115,620</u>	<u>72,807,690</u>
<b>Current assets</b>					
Stock		47,242	50,853	27,719	32,139
Debtors	15	630,919	303,439	675,404	347,048
Cash at bank and in hand		8,176,844	15,200,872	8,061,099	15,127,174
		<u>8,855,005</u>	<u>15,555,164</u>	<u>8,764,222</u>	<u>15,506,361</u>
Creditors: Amounts falling due within one year	17	(4,114,350)	(10,671,779)	(4,057,133)	(10,679,141)
<b>Net current assets</b>		<u>4,740,655</u>	<u>4,883,385</u>	<u>4,707,089</u>	<u>4,827,220</u>
Total assets less current liabilities		<u>78,877,405</u>	<u>77,691,075</u>	<u>78,822,709</u>	<u>77,634,910</u>
Creditors: Amounts falling due after more than one year	18	(6,612,544)	(7,024,440)	(6,612,544)	(7,024,440)
<b>Net assets</b>	20	<u>72,264,861</u>	<u>70,666,635</u>	<u>72,210,165</u>	<u>70,610,470</u>
<b>The funds of the Group/Trust:</b>					
Endowment funds		10,160,472	9,512,708	10,160,472	9,512,708
Restricted funds		1,940,155	1,523,279	1,940,155	1,523,279
Unrestricted funds					
General funds		56,621,227	56,202,240	56,566,531	56,146,075
Designated funds		3,543,007	3,428,408	3,543,007	3,428,408
<b>Total funds</b>	21	<u>72,264,861</u>	<u>70,666,635</u>	<u>72,210,165</u>	<u>70,610,470</u>

The financial statements were approved and authorised for issue on 16 December 2025 and signed on behalf of the Governors by:



**Joyce Cullen**  
**Chair of the Governors**

The notes on pages 24 to 53 form part of these financial statements

**GEORGE HERIOT'S TRUST**  
**Consolidated and Trust Statement of Cash Flows**  
**for the year ended 31 July 2025**

	Note	Group		Trust	
		2025 £	2024 £	2025 £	2024 £
<b>Net cash (used in)/provided by operating activities</b>	22	(5,851,342)	8,694,474	(5,919,801)	8,721,314
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		485,159	441,072	485,159	441,672
Purchase of tangible assets		(591,273)	(372,325)	(564,861)	(372,325)
Purchase of investments		(3,059,905)	(6,034,031)	(3,059,905)	(6,034,031)
Proceeds from sale of investments		2,200,794	5,474,683	2,200,794	5,474,683
Proceeds from sale of tangible assets		138,389	-	138,389	-
Finance costs paid		(314,244)	(299,987)	(314,244)	(299,987)
Net cash used in investing activities		(1,141,080)	(790,588)	(1,114,668)	(789,988)
<b>Cash flows from financing activities:</b>					
Repayment of finance leases		(244,902)	(183,679)	(244,902)	(183,679)
Finance leases taken out in the year		369,408	-	369,408	-
Repayments of loans		(424,990)	(2,219,165)	(424,990)	(2,219,165)
Bank loan taken out in the year		-	1,820,000	-	1,820,000
Receipt of endowment donations		260,008	741,370	260,008	741,370
Net cash (used in)/provided by financing activities		(40,476)	158,526	(40,476)	158,526
<b>Change in cash and cash equivalents in the reporting period</b>		(7,032,898)	8,062,412	(7,074,945)	8,089,852
Cash and cash equivalents at the beginning of the reporting period		15,311,026	7,248,614	15,237,328	7,147,476
<b>Cash and cash equivalents at the end of the reporting period</b>	23, 24	8,278,128	15,311,026	8,162,383	15,237,328

The notes on pages 24 to 53 form part of these financial statements

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**1. General information**

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the group's transactions are denominated. They comprise the financial statements of George Heriot's Trust and its subsidiary undertakings Heriot Enterprises Limited and The Heriot's Centre for Sport and Exercise Limited.

The objectives of George Heriot's Trust are detailed in the Governors' Report on page 1.

The principal activity of Heriot Enterprises Limited is the promotion of the interests and welfare of George Heriot's Trust through the sale of goods and services.

The principal activity of The Heriot's Centre for Sport and Exercise Limited is to advance health, education and public participation in sport generally as well as the provision of recreational facilities or the organisation of recreational activities.

George Heriot's Trust is an unincorporated charity, recognised as a charity for tax purposes by HMRC and registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC011463. Details of the principal address can be found on page 14 of these financial statements.

**2. Principal accounting policies Basis of preparation**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) '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)', the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

George Heriot's Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Governors to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the group's financial statements unless otherwise stated.

**Basis of consolidation**

The consolidated financial statements incorporate the results of the George Heriot's Trust and its subsidiary undertakings, Heriot Enterprises Limited and The Heriot's Centre for Sport and Exercise Limited on a line by line basis.

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**2. Principal accounting policies (continued)**

**Going concern**

Having given consideration to the net assets position, cash flow and budgets for the forthcoming period, the Governors are of the opinion that the group and parent charity can continue to meet its obligations as they fall due for the foreseeable future. As a consequence, the Governors have prepared the financial statements under the going concern assumption.

**Recognition and allocation of income**

Income is recognised when the group has legal entitlement to the funds, the receipt is probable, and the amount can be measured reliably. Where practicable, income is related to the operating activity of the group.

Where there are performance conditions attached to any donations, income is recognised when the conditions have been met or when meeting the conditions are within the group's control and there is sufficient evidence that they have been or will be met.

Income from school fees and other charitable activities is recognised in line with the performance of the service. Income received in advance of the school year is deferred to the relevant period.

Investment income is recognised upon receipt.

Income received by the group in an agency role, together with the related expenditure, is excluded from the financial statements in accordance with the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities.

**Recognition and allocation of expenditure**

Expenditure is recognised on an accruals basis as a legal or constructive liability is incurred. Where VAT cannot be recovered it is reported as part of the expenditure to which it relates. All expenditure is classified directly to the operating activity of the group.

- Expenditure on raising funds comprises those costs which are associated with the generation of income from sources other than the charitable activity.
- Expenditure on the charitable activity comprises those costs incurred in running the School and includes both the direct costs and the support costs relating to this activity.
- Governance costs, which are included within expenditure on charitable activities, include those costs associated with meeting the constitutional and statutory requirements of the group and include professional fees and costs linked to the strategic management of the group.

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**2. Principal accounting policies (continued)**

**Funds**

Unrestricted funds are school fees and other incoming resources generated for the objects of the group without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the Board of Governors for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowment funds are resources received by the Trust held as capital where income generated is expended on purposes which meet the criteria of the fund.

**Hire purchase contracts and leases**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the group. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant period rate of charge on the net obligation outstanding each period.

**Operating leases**

Operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

**Tangible fixed assets**

Items of equipment are capitalised and written off over their expected useful lives. Equipment costing under £1,000 is not capitalised and is written off to revenue when the expenditure is incurred. All fixed assets are initially recorded at cost.

Gifts or bequests of pictures and trophies are not included in the financial statements unless a fair value can be measured or estimated reliably.

**Depreciation**

Tangible fixed assets are initially measured at cost, and are subsequently measured at cost net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

- Land is not depreciated, in line with accounting practice
- Furniture & equipment 3 to 10 years
- Motor vehicles 5 years

Buildings are reviewed annually for impairment, and the Governors consider that their useful economic lives and residual values are such that any depreciation would not be material.

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**2. Principal accounting policies (continued)**

**Investments**

Investments in securities are measured initially at cost and subsequently at fair value at each reporting date. Fair value is taken as the mid-market value of the investment by the investment manager at the reporting date. Realised and unrealised gains and losses are recognised in the Statement of Financial Activities in the year in which they arise.

In the Trust financial statements, the investment in the subsidiary undertaking is held at cost less impairment.

**Debtors**

Fee debtors are amounts due for pupils attending the school in respect of their tuition fees. Fee debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

Prepayments are valued at the amount prepaid at the year-end date. Other debtors are recognised when the income recognition criteria have been met but monies have not been received at the year-end.

**Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and balances with banks which are readily convertible into cash.

**Creditors**

Creditors are recognised where the group 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.

Trade creditors are obligations to pay for goods or services that have been acquired. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less. If not, they are presented as creditors falling due after one year. Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

**Pension costs**

The Trust contributes to the Scottish Teachers' Superannuation Pension Scheme ("The Scheme") at rates set by the Scheme Actuary and advised to the Board of Governors by the Scheme Administrator. The Scheme is a multi-employer defined benefit pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Trust. Therefore, in accordance with FRS 102, the scheme is accounted for as a defined contribution scheme. The Trust also contributes to a defined contribution occupational pension scheme for support staff. Contributions to both schemes are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the schemes.

**Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**2. Principal accounting policies (continued)**

**Financial assets and financial liabilities**

Financial instruments are recognised in the Statement of Financial Activities when the group becomes a party to the contractual provisions of the instrument. Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 and 12 of FRS 102. The group only enters into basic financial instruments. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at the market rate of interest for a similar debt instrument.

At the end of each reporting period, basic financial instruments are measured at the amortised cost using the effective interest rate method.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the group has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

**3. Critical judgements and estimates**

In preparing the financial statements Governors make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The Governors are satisfied that accounting policies are appropriate and applied consistently. Key sources of accounting estimation have been applied to the depreciation rates and residual values which are deemed to be appropriate for the class of asset.

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**4. Comparative Statement of Financial Activities**

**2024 Group**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £
<b>Income and endowments from:</b>				
Donations and legacies	188,306	179,874	741,370	1,109,550
Income from charitable activities:				
School fees	22,585,607	-	-	22,585,607
Other income	1,738,413	-	-	1,738,413
Investment income	235,715	205,357	-	441,072
<b>Total</b>	<u>24,748,041</u>	<u>385,231</u>	<u>741,370</u>	<u>25,874,642</u>
<b>Expenditure on:</b>				
Raising funds	281,206	-	-	281,206
Charitable activities	23,874,643	119,881	-	23,994,524
<b>Total</b>	<u>24,155,849</u>	<u>119,881</u>	<u>-</u>	<u>24,275,730</u>
Net gain on investments	238,461	38,141	652,778	929,380
<b>Net income and movement in funds</b>	<u><u>830,653</u></u>	<u><u>303,491</u></u>	<u><u>1,394,148</u></u>	<u><u>2,528,292</u></u>

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**4. Comparative Statement of Financial Activities (continued)**

**2024 Trust**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £
<b>Income and endowments from:</b>				
Donations and legacies	213,563	179,874	741,370	1,134,807
Income from charitable activities:				
School fees	22,585,607	-	-	22,585,607
Other income	1,689,014	-	-	1,689,014
Investment income	236,315	205,357	-	441,672
<b>Total</b>	<u>24,724,499</u>	<u>385,231</u>	<u>-</u>	<u>25,851,100</u>
<b>Expenditure on:</b>				
Raising funds	281,206	-	-	281,206
Charitable activities	23,828,502	119,881	-	23,948,383
<b>Total</b>	<u>24,109,708</u>	<u>119,881</u>	<u>-</u>	<u>24,229,589</u>
Net gain on investments	<u>238,461</u>	<u>38,141</u>	<u>652,778</u>	<u>929,380</u>
<b>Net income and movement in funds</b>	<u><u>853,252</u></u>	<u><u>303,491</u></u>	<u><u>1,394,148</u></u>	<u><u>2,550,891</u></u>

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**5. Donations and legacies**

**Group**

<b>2025</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2025 Total £</b>
Sundry donations	36,087	260,008	278,652	574,747

<b>2024</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total £</b>
Sundry donations	188,306	179,874	741,370	1,109,550

**Trust**

<b>2025</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2025 Total £</b>
Heriot Enterprises Limited	22,617	-	-	22,617
Sundry donations	36,087	260,008	278,652	574,747
	<u>58,704</u>	<u>260,008</u>	<u>278,652</u>	<u>597,364</u>

<b>2024</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total £</b>
Heriot Enterprises Limited	25,257	-	-	25,257
Sundry donations	188,306	179,874	741,370	1,109,550
	<u>213,563</u>	<u>179,874</u>	<u>741,370</u>	<u>1,134,807</u>

**6. School fees receivable**

**Group and Trust**

<b>2025</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2025 Total £</b>
Gross school fees	26,495,752	-	-	26,495,752
Scholarships, bursaries, remissions and discounts	(2,575,766)	-	-	(2,575,766)
	<u>23,919,986</u>	<u>-</u>	<u>-</u>	<u>23,919,986</u>

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
for the year ended 31 July 2025

**6. School fees receivable (continued)**

**Group and Trust (continued)**

<b>2024</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total £</b>
Gross school fees	25,021,585	-	-	25,021,585
Scholarships, bursaries, remissions and discounts	(2,435,978)	-	-	(2,435,978)
	<u>22,585,607</u>	<u>-</u>	<u>-</u>	<u>22,585,607</u>

**7. Other income**

**Group**

<b>2025</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2025 Total £</b>
Wrap Around Care	519,406	-	-	519,406
Refectory	729,586	-	-	729,586
Acceptance fees	96,060	-	-	96,060
Pipe Band fees	104,384	-	-	104,384
Hire of facilities and equipment	136,850	-	-	136,850
Other	587,020	-	-	587,020
	<u>2,173,306</u>	<u>-</u>	<u>-</u>	<u>2,173,306</u>

<b>2024</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total £</b>
Wrap Around Care	508,740	-	-	508,740
Refectory	654,702	-	-	654,702
Acceptance fees	101,125	-	-	101,125
Pipe Band fees	115,952	-	-	115,952
Hire of facilities and equipment	111,951	-	-	111,951
Other	245,943	-	-	245,943
	<u>1,738,413</u>	<u>-</u>	<u>-</u>	<u>1,738,413</u>

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**7. Other income (continued)**

**Trust**

<b>2025</b>	<b>Unrestricted funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2025 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wrap Around Care	519,406	-	-	519,406
Refectory	729,586	-	-	729,586
Acceptance fees	96,060	-	-	96,060
Pipe Band fees	104,384	-	-	104,384
Heriot's Centre for Sport and Exercise Ltd	66,814	-	-	66,814
Other	581,637	-	-	581,637
	<u>2,097,887</u>	<u>-</u>	<u>-</u>	<u>2,097,887</u>

<b>2024</b>	<b>Unrestricted funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2024 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wrap Around Care	508,740	-	-	508,740
Refectory	654,702	-	-	654,702
Acceptance fees	101,125	-	-	101,125
Pipe Band fees	115,952	-	-	115,952
Heriot's Centre for Sport and Exercise Ltd	61,431	-	-	61,431
Other	247,064	-	-	247,064
	<u>1,689,014</u>	<u>-</u>	<u>-</u>	<u>1,689,014</u>

**8. Investment income**

<b>Group</b>	<b>Unrestricted funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2025 Total</b>
<b>2025</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank interest	209,745	-	3	209,748
Dividends	62,983	210,547	1,881	275,411
	<u>272,728</u>	<u>210,547</u>	<u>1,884</u>	<u>485,159</u>

<b>2024</b>	<b>Unrestricted funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2024 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank interest	167,701	-	-	167,701
Dividends	68,014	205,357	-	273,371
	<u>235,715</u>	<u>205,357</u>	<u>-</u>	<u>441,072</u>

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**8. Investment income (continued)**

**Trust**

<b>2025</b>	<b>Unrestricted funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2025 Total £</b>
Bank interest	209,745	-	3	209,748
Dividends	62,983	210,547	1,881	275,411
	<u>272,728</u>	<u>210,547</u>	<u>1,884</u>	<u>485,159</u>
	<u><u>272,728</u></u>	<u><u>210,547</u></u>	<u><u>1,884</u></u>	<u><u>485,159</u></u>
<b>2024</b>	<b>Unrestricted funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2024 Total £</b>
Bank interest	168,301	-	-	168,301
Dividends	68,014	205,357	-	273,371
	<u>236,315</u>	<u>205,357</u>	<u>-</u>	<u>441,672</u>
	<u><u>236,315</u></u>	<u><u>205,357</u></u>	<u><u>-</u></u>	<u><u>441,672</u></u>

**9. Expenditure on raising funds**

**Group and Trust**

<b>2025</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2025 Total £</b>
<b>Development</b>				
Wages and salaries (note 12)	208,100	-	-	208,100
Other	38,406	-	-	38,406
	<u>246,506</u>	<u>-</u>	<u>-</u>	<u>246,506</u>
	<u><u>246,506</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>246,506</u></u>
<b>2024</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total £</b>
<b>Development</b>				
Wages and salaries (note 12)	187,410	-	-	187,410
Other	93,796	-	-	93,796
	<u>281,206</u>	<u>-</u>	<u>-</u>	<u>281,206</u>
	<u><u>281,206</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>281,206</u></u>

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**10. Expenditure on charitable activities**

<b>Group</b>				
<b>2025</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Endowment funds</b>	<b>2025 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>School operating costs</b>				
Wages and salaries (note 12)	19,275,439	-	-	19,275,439
Teaching costs	642,558	-	-	642,558
Welfare costs	384,711	-	-	384,711
Premises	2,523,456	-	-	2,523,456
Support costs for schooling	851,587	3,414	-	855,001
Depreciation (note 13)	494,448	-	-	494,448
	<u>24,172,199</u>	<u>3,414</u>	<u>-</u>	<u>24,175,613</u>
Bank loan interest	314,244	-	-	314,244
Governance costs (note 11)	1,254,802	73,945	-	1,328,747
	<u>25,741,245</u>	<u>77,359</u>	<u>-</u>	<u>25,818,604</u>
	<u><u>25,741,245</u></u>	<u><u>77,359</u></u>	<u><u>-</u></u>	<u><u>25,818,604</u></u>
<b>2024</b>	<b>Unrestricted Funds</b>	<b>Restricted funds</b>	<b>Endowment funds</b>	<b>2024 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>School operating costs</b>				
Wages and salaries (note 12)	18,186,769	-	-	18,186,769
Teaching costs	623,291	-	-	623,291
Welfare costs	403,035	-	-	403,035
Premises	2,389,825	-	-	2,389,825
Support costs for schooling	568,726	48,918	-	617,644
Depreciation (note 13)	413,575	-	-	413,575
	<u>22,585,221</u>	<u>48,918</u>	<u>-</u>	<u>22,634,139</u>
Bank loan interest	299,987	-	-	299,987
Governance costs (note 11)	989,435	70,963	-	1,060,398
	<u>23,874,643</u>	<u>119,881</u>	<u>-</u>	<u>23,994,524</u>
	<u><u>23,874,643</u></u>	<u><u>119,881</u></u>	<u><u>-</u></u>	<u><u>23,994,524</u></u>
<b>Trust</b>				
<b>2025</b>	<b>Unrestricted Funds</b>	<b>Restricted funds</b>	<b>Endowment funds</b>	<b>2025 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>School operating costs</b>				
Wages and salaries (note 12)	19,275,439	-	-	19,275,439
Teaching costs	642,558	-	-	642,558
Welfare costs	384,711	-	-	384,711
Premises	2,474,467	-	-	2,474,467
Support costs for schooling	851,587	3,414	-	855,001
Depreciation (note 13)	489,166	-	-	489,166
	<u>24,117,928</u>	<u>3,414</u>	<u>-</u>	<u>24,121,342</u>
Bank loan interest	314,244	-	-	314,244
Governance costs (note 11)	1,254,802	73,945	-	1,328,747
	<u>25,686,974</u>	<u>77,359</u>	<u>-</u>	<u>25,764,333</u>
	<u><u>25,686,974</u></u>	<u><u>77,359</u></u>	<u><u>-</u></u>	<u><u>25,764,333</u></u>

**GEORGE HERIOT'S TRUST**  
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**10. Expenditure on charitable activities (continued)**

**Trust (continued)**

<b>2024</b>	<b>Unrestricted Funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total £</b>
<b>School operating costs</b>				
Wages and salaries (note 12)	18,186,769	-	-	18,186,769
Teaching costs	623,291	-	-	623,291
Welfare costs	403,035	-	-	403,035
Premises	2,343,684	-	-	2,343,684
Support costs for schooling	568,726	48,918	-	617,644
Depreciation (note 13)	413,575	-	-	413,575
	<u>22,539,080</u>	<u>48,918</u>	<u>-</u>	<u>22,587,998</u>
Bank loan interest	299,987	-	-	299,987
Governance costs (note 11)	989,435	70,963	-	1,060,398
	<u>23,828,502</u>	<u>119,881</u>	<u>-</u>	<u>23,948,383</u>

**11. Governance costs**

**Group and Trust**

<b>2025</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2025 Total £</b>
<b>Governance costs</b>				
Wages and salaries (note 12)	831,668	-	-	831,668
Audit fees	29,775	-	-	29,775
Other fees paid to auditor	30,176	-	-	30,176
Professional fees	287,597	-	-	287,597
Support costs for schooling	-	73,945	-	73,945
Other	75,586	-	-	75,586
	<u>1,254,802</u>	<u>73,945</u>	<u>-</u>	<u>1,328,747</u>
<b>2024</b>				
	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total £</b>
<b>Governance costs</b>				
Wages and salaries (note 12)	635,682	-	-	635,682
Audit fees	28,350	-	-	28,350
Other fees paid to auditor	18,416	-	-	18,416
Professional fees	258,609	-	-	258,609
Support costs for schooling	-	70,963	-	70,963
Other	48,378	-	-	48,378
	<u>989,435</u>	<u>70,963</u>	<u>-</u>	<u>1,060,398</u>

**GEORGE HERIOT'S TRUST**  
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**12. Staff costs**

<b>Group and Trust 2025</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2025 Total £</b>
Wages and salaries	15,500,370	-	-	15,500,370
National insurance	1,749,117	-	-	1,749,117
Pension contributions	3,021,060	-	-	3,021,060
Agency costs	44,660	-	-	44,660
	<u>20,315,207</u>	<u>-</u>	<u>-</u>	<u>20,315,207</u>
<b>2024</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>2024 Total £</b>
Wages and salaries	14,721,269	-	-	14,721,269
National insurance	1,539,881	-	-	1,539,881
Pension contributions	2,726,663	-	-	2,726,663
Agency costs	22,048	-	-	22,048
	<u>19,009,861</u>	<u>-</u>	<u>-</u>	<u>19,009,861</u>

Staff costs include termination payments totalling £135,818 (2024: £8,859) which were funded from general reserves.

The average number of employees in the year by headcount was:	<b>2025 Number</b>	<b>2024 Number</b>
Teaching	189	190
Support staff and administrative	261	264
	<u>450</u>	<u>454</u>

The earnings of the following number of employees exceeded £60,000:

	<b>2025 Number</b>	<b>2024 Number</b>
£60,000 - £69,999	29	28
£70,000 - £79,999	11	12
£80,000 - £89,999	10	6
£90,000 - £99,999	3	3
£100,000 - £109,999	2	2
£170,000 - £179,999	2	1

Forty-six (2024: Forty-seven) of the above employees are accruing benefits under the Scottish Teachers' Superannuation Pension Scheme.

**GEORGE HERIOT'S TRUST**  
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**12. Staff costs (continued)**

**Pension schemes**

The Trust contributes to two pension arrangements for its employees.

- (a) The 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 of 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 last four-yearly valuation was undertaken as at 31 March 2020. This valuation informed an increase in the employer contribution rate from 23.0% to 26.0% of pensionable pay from 1 April 2024 and an anticipated yield of 9.6% employees' contributions.
- (b) The 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 Trust is unable to identify its share of the underlying assets and liabilities of the scheme.
  - (iii) The employer contribution rate during the year was 26%. The employee rate applied is variable and it is anticipated to provide a yield of 9.6% of pensionable pay.
  - (iv) While a valuation was carried out as at 31 March 2020, it is not possible to say what deficit or surplus may affect future contributions.
  - (v) The Trust's participation in the scheme is 0.29% based on the proportion of employer contributions paid in 2023-24.

The total employer contributions paid to the scheme during the financial year were £2,563,108 (2024: £2,316,176). As at 31 July 2025 £nil (2024: £nil) was due to be paid to the scheme.

The Trust also contributes to a defined contribution occupational pension scheme for support staff. The total employer contributions paid to the scheme during the financial year were £457,952 (2024: £410,487). As at 31 July 2025 £354 (2024: £47,281) was due to be paid to the scheme.

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
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**13. Tangible fixed assets**

Group	Freehold land & buildings £	Furniture & equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 August 2024	59,466,947	4,574,942	31,302	64,073,191
Additions	-	591,273	-	591,273
Disposals	(65,955)	(629,225)	(9,000)	(704,180)
At 31 July 2025	<u>59,400,992</u>	<u>4,536,990</u>	<u>22,302</u>	<u>63,960,284</u>
<b>Depreciation</b>				
At 1 August 2024	-	3,343,208	12,347	3,355,555
Charge for the year	-	489,988	4,460	494,448
Released on disposal	-	(567,036)	(9,000)	(576,036)
At 31 July 2025	<u>-</u>	<u>3,266,160</u>	<u>7,807</u>	<u>3,273,967</u>
Net book value at 31 July 2025	<u>59,400,992</u>	<u>1,270,830</u>	<u>14,495</u>	<u>60,686,317</u>
Net book value at 31 July 2024	<u>59,466,947</u>	<u>1,231,734</u>	<u>18,955</u>	<u>60,717,636</u>
<b>Trust</b>				
	Freehold land & buildings £	Furniture & equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 August 2024	59,466,947	4,570,485	31,302	64,068,734
Additions	-	564,861	-	564,861
Disposals	(65,955)	(629,225)	(9,000)	(704,180)
At 31 July 2025	<u>59,400,992</u>	<u>4,506,121</u>	<u>22,302</u>	<u>63,929,415</u>
<b>Depreciation</b>				
At 1 August 2024	-	3,338,751	12,347	3,351,098
Charge for the year	-	484,706	4,460	489,166
Released on disposal	-	(567,036)	(9,000)	(576,036)
At 31 July 2025	<u>-</u>	<u>3,256,421</u>	<u>7,807</u>	<u>3,264,228</u>
Net book value at 31 July 2025	<u>59,400,992</u>	<u>1,249,700</u>	<u>14,495</u>	<u>60,665,187</u>
Net book value at 31 July 2024	<u>59,466,947</u>	<u>1,231,734</u>	<u>18,955</u>	<u>60,717,636</u>

Included in the above are leased assets with a cost of £976,409 (2024: £681,193) on which £440,613 (2024: £313,594) of accumulated depreciation has been charged to date. The depreciation charge for the year was £189,810 (2024: £83,169).

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
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**14. Investments**

	<b>Group and Trust</b>
	<b>£</b>
Market value of listed investments held at 31 July 2024	11,979,900
Additions	3,059,905
Disposals	(2,122,874)
Unrealised gain	432,218
	<hr/>
Market value of listed investments held at 31 July 2025	13,349,149
Cash held as part of investment portfolio (2024: £110,154)	101,284
	<hr/>
	<b>13,450,433</b>
	<hr/> <hr/>

**Unlisted equity investment in subsidiaries**

The Trust owns 100% of the 160,000 ordinary shares of £1 each in The Heriot's Centre for Sport & Exercise Limited, a charitable company registered in Scotland. The company's registration number is SC364937 (charity registration number SC044874) and the address of its registered office is George Heriot's School, Lauriston Place, Edinburgh, EH3 9EQ. Its primary purpose is to operate, under a non-exclusive licence from the Trust, The Heriot's Centre for Sport & Exercise for the provision of physical recreation.

The charitable company's turnover was £177,012 (2024: £174,195) and expenditure £196,500 (2024: £194,155), resulting in a deficit of £19,488 (2024: deficit of 19,960) for the year. The funds of The Heriot's Centre for Sport & Exercise Limited at 31 July 2025 were £14,059 (2024: £33,547). The carrying value of the investment in the subsidiary was reduced to nil in the Trust accounts in 2016.

The Trust controls Heriot Enterprises Limited a company limited by guarantee, which is registered in Scotland. The company's registration number is SC085405 and the address of its registered office is George Heriot's School, Lauriston Place, Edinburgh, EH3 9EQ. The company promotes the interests and welfare of George Heriot's Trust through the sale of goods and services. The Trust is the sole member of Heriot Enterprises Limited and the majority of board positions in the subsidiary are held by Trust Governors or employees.

The company's turnover was £70,823 (2024: £49,749) and expenditure £30,636 (2024: £27,132), resulting in a £40,187 profit for the year to 31 July 2025 (2024: profit of £22,617). In addition, a gift aid donation of £22,617 (2024: £25,257) was paid to the Trust. The aggregate capital and reserves of Heriot Enterprises Limited at 31 July 2025 was £40,187 (2024: £22,617).

**GEORGE HERIOT'S TRUST**  
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**15. Debtors**

	Group		Trust	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	56,136	34,022	53,615	6,898
Amounts due from subsidiary undertakings	-	-	73,905	73,131
Other debtors	60,193	22,641	39,452	22,641
Prepayments and accrued income	514,590	246,776	508,432	244,378
	<u>630,919</u>	<u>303,439</u>	<u>675,404</u>	<u>347,048</u>

The amounts due from subsidiary undertakings are unsecured and repayable on demand.

**16. Financial assets held at fair value**

	Group		Trust	
	2025 £	2024 £	2025 £	2024 £
Financial assets at fair value	<u>13,349,149</u>	<u>11,979,900</u>	<u>13,349,149</u>	<u>11,979,900</u>

Financial assets at fair value consist of listed investments held at market value.

**GEORGE HERIOT'S TRUST**  
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**17. Creditors (within one year)**

	Group		Trust	
	2025 £	2024 £	2025 £	2024 £
Bank loans	464,094	425,445	464,094	425,445
Trade creditors	779,052	171,503	756,854	167,916
Amounts due to subsidiary undertakings	-	-	2,155	32,858
VAT	455,503	3,664	445,652	3,072
Teaching and non-teaching superannuation	354	47,639	354	47,281
Accruals and deferred income	1,983,204	9,804,527	1,956,327	9,783,391
Hire purchase and lease creditors (Note 19)	153,528	80,765	153,528	80,765
Other creditors	278,615	138,236	278,169	138,413
	<u>4,114,350</u>	<u>10,671,779</u>	<u>4,057,133</u>	<u>10,679,141</u>

The amounts due to subsidiary undertakings are unsecured and repayable on demand.

**Deferred income (Group and Trust)**

School fees received in advance are deferred into the year in which they relate. The following amounts are included within accruals and deferred income:

	2025 £	2024 £
Balance at 1 August	8,391,270	639,772
Income received and deferred in year	804,406	8,391,270
Released in year	(8,391,267)	(639,772)
	<u>804,409</u>	<u>8,391,270</u>
Balance at 31 July	<u>804,409</u>	<u>8,391,270</u>

**18. Creditors (due after more than one year)**

Group and Trust	2025 £	2024 £
Bank loans	6,460,507	6,924,146
Hire purchase and lease creditors (Note 19)	152,037	100,294
	<u>6,612,544</u>	<u>7,024,440</u>

Maturity of debt:	2025 £	2024 £
<b>Bank loans and hire purchase debts</b>		
Due within 1 year	617,622	506,210
Due within 1 – 2 years	580,899	494,883
Due within 2 – 5 years	1,648,423	1,583,196
Due after 5 years	4,383,222	4,946,361
	<u>7,230,166</u>	<u>7,530,650</u>



**GEORGE HERIOT'S TRUST**  
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**20. Analysis of net assets by funds (continued)**

**Trust**

<b>2025</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Endowment £</b>	<b>Total £</b>
Fixed assets	60,665,187	-	-	60,665,187
Investments	2,486,778	803,183	10,160,472	13,450,433
Net current assets	3,570,117	1,136,972	-	4,707,089
Creditors due after more than one year	(6,612,544)	-	-	(6,612,544)
	<u>60,109,538</u>	<u>1,940,155</u>	<u>10,160,472</u>	<u>72,210,165</u>
<b>2024</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Endowment £</b>	<b>Total £</b>
Fixed assets	60,717,636	-	-	60,717,636
Investments	1,816,325	761,021	9,512,708	12,090,054
Net current assets	4,064,962	762,258	-	4,827,220
Creditors due after more than one year	(7,024,440)	-	-	(7,024,440)
	<u>59,574,483</u>	<u>1,523,279</u>	<u>9,512,708</u>	<u>70,610,470</u>

**GEORGE HERIOT'S TRUST**  
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**21. Movement in funds**

Group 2025	At 31 July 2024	Income	Expenditure	Gains/(losses)	At 31 July 2025
<b>Unrestricted</b>					
General Fund	56,202,240	26,327,418	(25,943,062)	34,631	56,621,227
<b>Designated</b>					
James Fraser Brown Bequest Fund	2,130,593	44,689	(44,689)	84,599	2,215,192
PPMP provision	200,000	-	-	-	200,000
Annual Fund (general)	43,358	30,000	-	-	73,358
Further Grassmarket Development	800,000	-	-	-	800,000
Emergency bursary assistance fund	254,457	-	-	-	254,457
Total designated funds	3,428,408	74,689	(44,689)	84,599	3,543,007
Total unrestricted funds	59,630,648	26,402,107	(25,987,751)	119,230	60,164,234
<b>Restricted</b>					
Dr Lindsay Stewart	761,021	18,480	-	23,680	803,181
Sutherland & Young Legacy	36,390	-	-	-	36,390
Bursaries donation	182,086	88,153	-	-	270,239
We are all George Heriot	84,127	50,058	-	-	134,185
James Turnbull Jardine (Annual Physics Prize)	-	81,866	-	-	81,866
Joseph Alexis Turner - 1628 School Building maintenance	-	25,000	-	-	25,000
Small funds (individually below £10,000)	77,538	14,931	-	-	92,469
Endowment funds – revenue:					
Higher Education Bursaries Fund	30,682	6,743	(8,164)	-	29,261
The Prizes Fund	-	3,414	(3,414)	-	-
The Heriot Bursaries Fund	142,957	50,580	(16,056)	-	177,481
Lawrence S Miller Memorial Fund	25,724	781	-	-	26,505
Robert Donaldson Tait Funds (Foundation)	84,351	82,577	(49,725)	-	117,203
Robert Burns Bequest Fund	9,726	494	-	-	10,220
Edith Dickson Bequest Fund	12,199	834	-	-	13,033
George J Scott Bequest Fund	3,554	132	-	-	3,686
Raymond Scott Fund	49,578	45,924	-	-	95,502
Small funds	23,346	588	-	-	23,934
Total restricted funds	1,523,279	470,555	(77,359)	23,680	1,940,155
<b>Endowment funds</b>					
Higher Education Bursaries Fund	331,391	12,000	-	12,765	356,156
The Prizes Fund	189,879	3,488	-	6,463	199,830
The Heriot Bursaries Fund	2,369,183	-	-	95,750	2,464,933
Lawrence S Miller Memorial Fund	25,802	-	-	1,478	27,280
Robert Donaldson Tait Funds (Foundation)	4,046,169	263,548	-	156,272	4,465,989
Robert Burns Bequest Fund	23,546	-	-	936	24,482
Edith Dickson Bequest Fund	39,704	1,500	-	1,578	42,782
George J Scott Bequest Fund	8,338	-	-	250	8,588
Raymond Scott Bequest Fund	2,450,732	-	-	86,936	2,537,668
Small funds (individually below £10,000)	27,964	-	-	4,800	32,764
Total endowment funds	9,512,708	280,536	-	367,228	10,160,472
<b>Total funds</b>	<b>70,666,635</b>	<b>27,153,198</b>	<b>(26,065,110)</b>	<b>510,138</b>	<b>72,264,861</b>

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**21. Movements in funds (continued)**

Group 2024	At 31 July 2023	Income	Expenditure	Gains/ (losses)	At 31 July 2024
	£	£	£	£	£
<b>Unrestricted</b>					
General Fund	55,570,787	24,669,782	(24,107,590)	69,261	56,202,240
<b>Designated</b>					
James Fraser Brown Bequest Fund	1,961,393	48,259	(48,259)	169,200	2,130,593
PPMP provision	200,000	-	-	-	200,000
Further Grassmarket Development Annual Fund (general)	800,000	-	-	-	800,000
Emergency bursary assistance fund	13,358	30,000	-	-	43,358
	254,457	-	-	-	254,457
Total designated funds	3,229,208	78,259	(48,259)	169,200	3,428,408
Total unrestricted funds	58,799,995	24,748,041	(24,155,849)	238,461	59,630,648
<b>Restricted</b>					
Dr Lindsay Stewart	703,708	19,172	-	38,141	761,021
Sutherland & Young Legacy	52,788	-	(16,398)	-	36,390
Bursaries donation	149,117	43,130	(10,161)	-	182,086
We are all George Heriot Foundation Fund	-	84,127	-	-	84,127
AV System – Citizenship	-	1,500	(1,500)	-	-
Small funds (individually below £10,000)	28,750	-	(28,750)	-	-
	26,421	51,117	-	-	77,538
Endowment funds – revenue:					
Higher Education Bursaries Fund	30,383	6,499	(6,200)	-	30,682
The Prizes Fund	100	3,670	(3,770)	-	-
The Heriot Bursaries Fund	94,589	54,676	(6,308)	-	142,957
Lawrence S Miller Memorial Fund	24,881	843	-	-	25,724
Robert Donaldson Tait Funds (Foundation)	62,439	68,706	(46,794)	-	84,351
Robert Burns Bequest Fund	9,192	534	-	-	9,726
Edith Dickson Bequest Fund	11,299	900	-	-	12,199
George J Scott Bequest Fund	3,411	143	-	-	3,554
Raymond Scott Fund	-	49,578	-	-	49,578
Small funds	22,710	636	-	-	23,346
Total restricted funds	1,219,788	385,231	(119,881)	38,141	1,523,279
<b>Endowment funds</b>					
Higher Education Bursaries Fund	273,604	35,000	-	22,787	331,391
The Prizes Fund	176,541	470	-	12,868	189,879
The Heriot Bursaries Fund	2,136,537	40,947	-	191,699	2,369,183
Lawrence S Miller Memorial Fund	22,845	-	-	2,957	25,802
Robert Donaldson Tait Funds (Foundation)	3,140,327	664,953	-	240,889	4,046,169
Robert Burns Bequest Fund	21,674	-	-	1,872	23,546
Edith Dickson Bequest Fund	36,548	-	-	3,156	39,704
George J Scott Bequest Fund	7,838	-	-	500	8,338
Raymond Scott Bequest Fund	2,276,906	-	-	173,826	2,450,732
Small funds (individually below £10,000)	25,740	-	-	2,224	27,964
Total endowment funds	8,118,560	741,370	-	652,778	9,512,708
<b>Total funds</b>	68,138,343	25,874,642	(24,275,730)	929,380	70,666,635

**GEORGE HERIOT'S TRUST**  
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**21. Movements in funds (continued)**

Trust 2025	At 31 July 2024	Income	Expenditure	Gains/(losses)	At 31 July 2025
<b>Unrestricted</b>					
General Fund	56,146,075	26,274,616	(25,888,791)	34,631	56,566,531
<b>Designated</b>					
James Fraser Brown Bequest Fund	2,130,593	44,689	(44,689)	84,599	2,215,192
PPMP provision	200,000	-	-	-	200,000
Annual Fund (general)	43,358	30,000	-	-	73,358
Further Grassmarket Development	800,000	-	-	-	800,000
Emergency bursary assistance fund	254,457	-	-	-	254,457
Total designated funds	3,428,408	74,689	(44,689)	84,599	3,543,007
Total unrestricted funds	59,574,483	26,349,305	(25,933,480)	119,230	60,109,538
<b>Restricted</b>					
Dr Lindsay Stewart	761,021	18,480	-	23,680	803,181
Sutherland & Young Legacy	36,390	-	-	-	36,390
Bursaries donation	182,086	88,153	-	-	270,239
We are all George Heriot	84,127	50,058	-	-	134,185
James Turnbull Jardine (Annual Physics Prize)	-	81,866	-	-	81,866
Joseph Alexis Turner - 1628 School Building maintenance	-	25,000	-	-	25,000
Small funds (individually below £10,000)	77,538	14,931	-	-	92,469
Endowment funds – revenue:					
Higher Education Bursaries Fund	30,682	6,743	(8,164)	-	29,261
The Prizes Fund	-	3,414	(3,414)	-	-
The Heriot Bursaries Fund	142,957	50,580	(16,056)	-	177,481
Lawrence S Miller Memorial Fund	25,724	781	-	-	26,505
Robert Donaldson Tait Funds (Foundation)	84,351	82,577	(49,725)	-	117,203
Robert Burns Bequest Fund	9,726	494	-	-	10,220
Edith Dickson Bequest Fund	12,199	834	-	-	13,033
George J Scott Bequest Fund	3,554	132	-	-	3,686
Raymond Scott Fund	49,578	45,924	-	-	95,502
Small funds	23,346	588	-	-	23,934
Total restricted funds	1,523,279	470,555	(77,359)	23,680	1,940,155
<b>Endowment funds</b>					
Higher Education Bursaries Fund	331,391	12,000	-	12,765	356,156
The Prizes Fund	189,879	3,488	-	6,463	199,830
The Heriot Bursaries Fund	2,369,183	-	-	95,750	2,464,933
Lawrence S Miller Memorial Fund	25,802	-	-	1,478	27,280
Robert Donaldson Tait Funds (Foundation)	4,046,169	263,548	-	156,272	4,465,989
Robert Burns Bequest Fund	23,546	-	-	936	24,482
Edith Dickson Bequest Fund	39,704	1,500	-	1,578	42,782
George J Scott Bequest Fund	8,338	-	-	250	8,588
Raymond Scott Bequest Fund	2,450,732	-	-	86,936	2,537,668
Small funds (individually below £10,000)	27,964	-	-	4,800	32,764
Total endowment funds	9,512,708	280,536	-	367,228	10,160,472
<b>Total funds</b>	<b>70,610,470</b>	<b>27,100,396</b>	<b>(26,010,839)</b>	<b>510,138</b>	<b>72,210,165</b>

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**21. Movements in funds (continued)**

Trust 2024	At 31 July 2023	Income	Expenditure	Gains/ (losses)	At 31 July 2024
	£	£	£	£	£
<b>Unrestricted</b>					
General Fund	55,492,023	24,646,240	(24,061,449)	69,261	56,146,075
James Fraser Brown Bequest Fund	1,961,393	48,259	(48,259)	169,200	2,130,593
PPMP provision	200,000	-	-	-	200,000
Further Grassmarket Development Annual Fund (general)	800,000	-	-	-	800,000
Emergency bursary assistance fund	13,358	30,000	-	-	43,358
	254,457	-	-	-	254,457
Total designated funds	3,229,208	78,259	(48,259)	169,200	3,428,408
Total unrestricted funds	58,721,231	24,724,499	(24,109,708)	238,461	59,574,483
<b>Restricted</b>					
Dr Lindsay Stewart	703,708	19,172	-	38,141	761,021
Sutherland & Young Legacy	52,788	-	(16,398)	-	36,390
Bursaries donation	149,117	43,130	(10,161)	-	182,086
We are all George Heriot Foundation Fund	-	84,127	-	-	84,127
AV System – Citizenship	-	1,500	(1,500)	-	-
Small funds (individually below £10,000)	28,750	-	(28,750)	-	-
	26,421	51,117	-	-	77,538
Endowment funds – revenue:					
Higher Education Bursaries Fund	30,383	6,499	(6,200)	-	30,682
The Prizes Fund	100	3,670	(3,770)	-	-
The Heriot Bursaries Fund	94,589	54,676	(6,308)	-	142,957
Lawrence S Miller Memorial Fund	24,881	843	-	-	25,724
Robert Donaldson Tait Funds (Foundation)	62,439	68,706	(46,794)	-	84,351
Robert Burns Bequest Fund	9,192	534	-	-	9,726
Edith Dickson Bequest Fund	11,299	900	-	-	12,199
George J Scott Bequest Fund	3,411	143	-	-	3,554
Raymond Scott Fund	-	49,578	-	-	49,578
Small funds	22,710	636	-	-	23,346
Total restricted funds	1,219,788	385,231	(119,881)	38,141	1,523,279
<b>Endowment funds</b>					
Higher Education Bursaries Fund	273,604	35,000	-	22,787	331,391
The Prizes Fund	176,541	470	-	12,868	189,879
The Heriot Bursaries Fund	2,136,537	40,947	-	191,699	2,369,183
Lawrence S Miller Memorial Fund	22,845	-	-	2,957	25,802
Robert Donaldson Tait Funds (Foundation)	3,140,327	664,953	-	240,889	4,046,169
Robert Burns Bequest Fund	21,674	-	-	1,872	23,546
Edith Dickson Bequest Fund	36,548	-	-	3,156	39,704
George J Scott Bequest Fund	7,838	-	-	500	8,338
Raymond Scott Bequest Fund	2,276,906	-	-	173,826	2,450,732
Small funds (individually below £10,000)	25,740	-	-	2,224	27,964
Total endowment funds	8,118,560	741,370	-	652,778	9,512,708
<b>Total funds</b>	68,059,579	25,851,100	(24,229,589)	929,380	70,610,470

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**21. Movements in funds (continued)**

**Designated funds**

*James Fraser Brown Bequest Fund*

The Governors invested the original donation and approved the free income generated to be used to fund the future enhancement of the School.

*PPMP provision*

The Governors have designated these funds towards the future maintenance of property.

*Further Grassmarket Development*

The Governors have designated these funds towards the future development of property situated in the Grassmarket, Edinburgh.

*Annual Fund (general)*

The annual fund receives general donations which have been designated by the Governors for where the School needs it most.

*Emergency bursary assistance fund*

This fund was originally set up for the monies received from the furlough scheme which the Board designated to support the CEBA scheme. The fund was renamed from the "Covid 19 Furlough" fund during the year ended 31 July 2022 as the fund's purpose has been widened to include funding future emergency bursary assistance needs arising for reasons other than the pandemic. Any funds that are subsequently unutilised will be subject to Board discussion, with a preference to re-designating them toward supporting parents over the longer term.

**Restricted funds**

*Dr Lindsay Stewart*

This legacy will be used toward the refurbishment of the Music Department.

*Sutherland & Young Legacy*

This legacy will be used towards security and health and safety related purposes.

*Bursaries donation*

These donations will be used to fund two full bursaries in the senior school and now include the Richard Ogorkiewicz bursary.

*Foundation Fund*

Donations received for the Foundationers.

*We are all George Heriot*

A six year campaign looking to raise funds for bursary places at the school.

*AV System – Citizenship*

This is to be used against the costs of a new AV system in the theatre.

*James Turnbull Jardine*

Annual Physics Prize

*Joseph Alexis Turner*

1628 School Building maintenance

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**21. Movements in funds (continued)**

**Endowment funds**

*Higher Education Bursaries Fund*

The free income will be used towards awarding certain specific bursaries.

*The Prizes Fund*

The free income of the fund will be used towards the annual prize giving.

*The Heriot Bursaries Fund*

The free income will be used to provide the School such number of bursaries as the Governors think fit.

*Lawrence S Miller Memorial Fund*

The free income will assist with expenses of pupil(s) in need of aid, desiring to participate in educational tours abroad organised by the School, preference being given to Foundationers, other bursary recipients, and Fee-Paying Pupils in that order.

*Robert Donaldson Tait Funds*

The free income will be used for the benefit of Foundationers in such manner as the Governors in their uncontrolled discretion may think fit.

*Robert Burns Bequest Fund*

The free income will provide financial assistance for deserving pupils.

*Edith Dickson Bequest Fund*

The free income will be used to help keep pupils at School who would otherwise have to leave due to a change in their financial circumstances or helping deserving pupils to join the School who would not otherwise be able to do so due to their parents' financial circumstances.

*George J Scott Bequest Fund*

The Governing Body shall apply the free income of the George J. Scott's Bequest Fund in aiding a School Foundationer who shows merit, application and special ability.

*Raymond Scott Bequest Fund*

The income generated by the bequest should be used wherever the School's need is greatest but with an emphasis on The Foundation and Bursaries. The bequest is not to be spent on general administration.

**22. Net cash (outflow)/inflow from operating activities**

	Group		Trust	
	2025	2024	2025	2024
	£	£	£	£
Net income	1,598,226	2,528,292	1,599,695	2,550,891
Investment income	(485,159)	(441,072)	(485,159)	(441,672)
Financing costs	314,244	299,987	314,244	299,987
Endowment donations	(260,008)	(741,370)	(260,008)	(741,370)
Depreciation charges	494,448	413,575	489,166	413,575
(Gain)/loss on investments	(510,138)	(929,380)	(510,138)	(929,380)
Gain on disposal of tangible assets	(10,245)	-	(10,245)	-
Decrease/(increase) in stock	3,611	3,480	4,420	10,577
(Increase) /decrease in debtors	(327,480)	174,297	(328,356)	149,728
(Decrease)/increase in creditors	(6,668,841)	7,386,665	(6,733,420)	7,408,978
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash (used in)/provided by operating activities	(5,851,342)	8,694,474	(5,919,801)	8,721,314
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**23. Reconciliation of net debt**

<b>Group</b>	<b>At 31 July 2024 £</b>	<b>Cash flows £</b>	<b>Non-cash movement £</b>	<b>At 31 July 2025 £</b>
Cash and cash equivalents	15,311,026	(7,032,898)	-	8,278,128
Bank loans falling due within one year	(425,445)	-	(38,649)	(464,094)
Bank loans falling due after more than one year	(6,924,146)	424,990	38,649	(6,460,507)
Hire purchase obligations falling due within one year	(80,765)	-	(72,763)	(153,528)
Hire purchase obligations falling due after more than one year	(100,294)	(124,506)	72,763	(152,037)
	7,780,376	(6,732,414)	-	1,047,962
<b>Trust</b>	<b>At 31 July 2024 £</b>	<b>Cash flows £</b>	<b>Non-cash movement £</b>	<b>At 31 July 2025 £</b>
Cash and cash equivalents	15,237,328	(7,074,945)	-	8,162,383
Bank loans falling due within one year	(425,445)	-	(38,649)	(464,094)
Bank loans falling due after more than one year	(6,924,146)	424,990	38,649	(6,460,507)
Hire purchase obligations falling due within one year	(80,765)	-	(72,763)	(153,528)
Hire purchase obligations falling due after more than one year	(100,294)	(124,506)	72,763	(152,037)
	7,706,678	(6,774,461)	-	932,217

**24. Cash and cash equivalents**

	<b>Group</b>		<b>Trust</b>	
	<b>2025 £</b>	<b>2024 £</b>	<b>2025 £</b>	<b>2024 £</b>
Cash in hand and at bank	8,176,844	15,200,872	8,061,099	15,127,174
Cash held within investment portfolio	101,284	110,154	101,284	110,154
Cash and cash equivalents	8,278,128	15,311,026	8,162,383	15,237,328

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2025**

**25. Agency related income and expenditure**

During the year income and expenditure relating to school events and school trips were identified as falling under an agency relationship. These amounts, detailed below, were collected from parents and paid over to third party providers. In accordance with best practice, these amounts have been excluded from the income and expenditure of the Trust.

<b>Group and Trust</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
School events	194,322	167,452
School trips	1,539,913	1,319,706
	<u>1,734,235</u>	<u>1,487,158</u>

**26. Related parties**

During the year the wholly-owned subsidiary Heriot Enterprises Limited charged the Trust a donation of £22,617 (2024: £25,257), being a distribution out of the subsidiary's profits made in the prior year. At 31 July 2025 £53,164 (2024: £42,587) was owing to the Trust.

During the year the wholly-controlled subsidiary The Heriot's Centre for Sport and Exercise Limited charged the Trust £109,527 (2024: £109,527) for premises hire. The Trust charged the subsidiary £61,431 (2024: £62,552) in license and service fees. At 31 July 2025 £20,741 (2024: £30,544) was owing to the Trust and £2,155 (2024: £32,858) was owed by the Trust.

The transactions and balances with the subsidiaries are eliminated in the preparation of the group financial statements.

No Governors, nor any of their connected persons, have been remunerated or reimbursed expenses in either the current or previous financial year. No donations were received by the Trust from Governors for the year (2024: £nil).

Total employee benefits, including employer national insurance contributions, of key management personnel for the year were £828,911 (2024: £709,617).

The following Governors were relatives of pupils in the School during the financial year ended 31 July 2025:

Mr Andrew McGeough  
Mrs Nicola McLaughlan  
Mr Ross McAuley  
Mrs Louise Gibson  
Mr Brian Sherriff

No financial benefit is received by any of the Governors listed above.

**GEORGE HERIOT'S TRUST**  
**Notes to the Financial Statements**  
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**27. Operating leases**

The payments due under non-cancellable operating leases are as follows:

	<b>Group and Trust</b>	
	<b>2025</b>	<b>2024</b>
	<b>Motor</b>	<b>Motor</b>
	<b>Vehicles</b>	<b>Vehicles</b>
	<b>£</b>	<b>£</b>
Less than one year	32,281	14,057
Between one and two years	28,142	14,057
Between two and five years	32,961	29,570
	93,384	57,684
	93,384	57,684

Amounts payable under non-cancellable operating leases recognised in the statement of financial activities during the current year totalled £27,037 (2024: £6,266).

**28. Legal form**

George Heriot's Trust is a charity, registered in the Scottish Charity Register number SC011463, and administered under the George Heriot's Trust Scheme 2017. This new Scheme was approved by the Office of the Scottish Charity Regulator on 15 February 2017, in terms of the Charity and Trustee Investment (Scotland) Act 2005 and adopted by the Trust on 3 March 2017. The Trust owns and operates George Heriot's School.

