



Annual Report and Accounts 2025/2026



NHS Lothian
Charity

Scottish Registered Charity Number SC007342

Contents

Welcome from our Chair	03
Trustees’ report	
Our Vision	05
Our Partner	06
Our Strategy	08
Strategic programmes	12
Grants and funds	26
Evaluating impact	30
Plans for 2026/27	32
Fundraising	34
Financial review	38
Policies	42
Principal risks and their management	44
Structure, governance and management	46
Auditor’s report and financial statements	
Independent auditor’s report	51
Financial statements	54
Notes to the financial statements	57

Welcome from our Chair

I am pleased to present NHS Lothian Charity’s Annual Report and Financial Statements for the year ended 31 March 2026. This has been a year of strong delivery during sustained pressure across health and care services. Made possible by the generosity of donors, volunteers and supporters, and working closely with our partners, the Charity invested **£6.4 million** in charitable activities during the year. Our funding and programmes are shaped by engagement with patients, staff and communities, and guided by four priority objectives focused on delivering impact where it matters most.

Our impact this year

Enhancing patient and care experience: Improving the everyday experience of care remained central to our work. Through **Tonic Arts**, the Charity delivered more than **700 live arts sessions**, supporting over **13,000 patients, visitors and staff**, alongside **25** therapeutic design and environment enhancement projects across hospital and community sites. Initiatives such as Trolleydarity and our partnership with the Edinburgh International Festival brought creativity, calm and human connection into healthcare settings. **Volunteering** also played a vital role, with nearly **1,200 volunteers** contributing over **85,000 hours** of support across hospitals and community settings. From ward helpers and welcome guides to inpatient volunteering and Therapet visits, volunteers offered companionship, reassurance and practical help, while targeted initiatives helped reduce barriers to care for people from the most disadvantaged communities.

Improving clinical outcomes for patients: The Charity continued to support approaches that contribute to improved recovery and longer term outcomes. Our **Green Health** programme expanded during the year, with the launch of the Nature Rehabilitation Ranger Service, delivery of **six** major activity programmes and completion of **12** green space enhancements. As a result, more than **2,800 people** benefited directly from interventions that promote rehabilitation, recovery and resilience.

Improving staff wellbeing and professional development: Supporting the wellbeing and development of the NHS workforce remained a key priority, recognising the pressures they

face every day. Through continued investment in **Staff Wellbeing**, including the Work Well strategy, targeted wellbeing initiatives and improvements to rest and break spaces, the Charity supported healthier working environments. Our Gateway Awards nurtured research skills and staff potential, while staff income maximisation support helped colleagues access financial assistance.

Improving community health and reducing health inequalities: Addressing the wider factors that shape health and wellbeing continued to be embedded across our work. **Health Inequalities** programmes, including the **Income Maximisation Service**, supported more than **1,000 patients and carers** during the year, contributing to **financial gains of over £4.5 million to date**, alongside reduced stress and improved wellbeing at times of illness and change. Delivered in partnership with Citizens Advice services and other providers, this support was complemented by emergency hardship grants, targeted community based programmes and expanded preventative approaches addressing the social and economic drivers of poor health.

Looking ahead

NHS Lothian Charity exists to improve the physical and mental health of the people of Lothian. By providing funding and support beyond core provision, we focus on improving experience, supporting better outcomes, investing in our workforce and helping tackle health inequality. Informed by engagement with NHS colleagues, partners and stakeholders, Trustees continued during the year to review the Charity’s strategic direction, shaping how we focus resources, strengthen partnerships and deliver lasting impact across Lothian.

I would like to thank our donors, volunteers, partners, NHS colleagues and Charity staff, whose commitment ensures people across Lothian feel supported when they need it most.



Andrew Fleming
Chair of Trustees



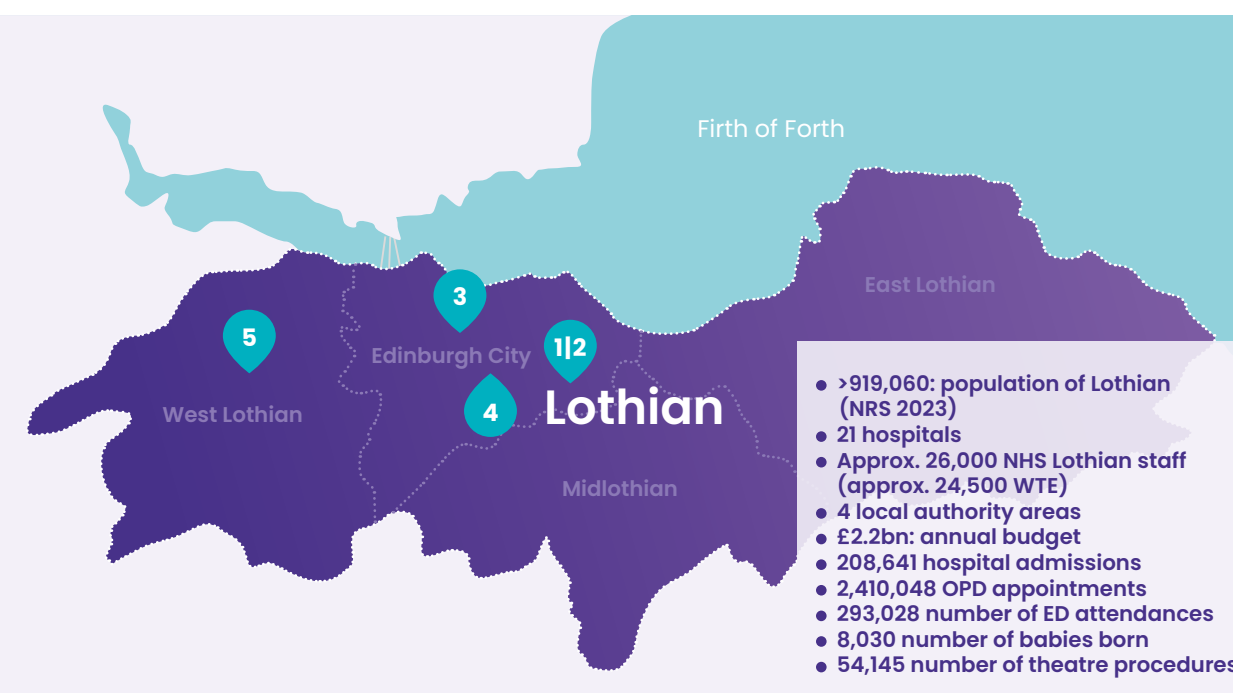
Trustees' Report



Our Vision

Making healthcare better, together.

We're proud to be the official charity of NHS Lothian. As a strategic asset of the board, we are here to help NHS Lothian provide outstanding care and support for everyone who uses or delivers its services; whether that's patients, their families, staff or communities. Working together, we help create opportunities, enable innovation, and transform healthcare for all our communities. Our expertise, experience and resources enable us to tap in directly to what is needed and target support that has a positive impact on health and wellbeing across Edinburgh and the Lothians.



Our Partner NHS Lothian

NHS Lothian provides a comprehensive range of primary, community-based and acute hospital services for the populations of Edinburgh, Midlothian, East Lothian and West Lothian. They also provide selected services for patients in the Borders and in Fife, and are a national centre of expertise for various specialties provided to people across Scotland.

The Lothian Region has the second largest residential population in Scotland, and its population is growing faster than anywhere else in Scotland. NHS Lothian is the second largest NHS Board in Scotland and one of the largest healthcare organisations in the UK.

The Lothian Health and Care System is a partnership between the five bodies with responsibility for the planning, commissioning, and delivery of health and care services in the Lothians: NHS Lothian, East Lothian Integration Joint Board, Edinburgh Integration Joint Board, Midlothian Integration Joint Board, and

West Lothian Integration Joint Board. The vision for the system is that:

- People live longer, healthier lives, with better outcomes for the care and treatment provided
- Health and social care services are connected seamlessly, wrapping around people in their home
- Performance is improved across the system, with better experiences for patients and the workforce

The Lothian Health and Care System refreshed its strategic direction in light of the Covid-19 pandemic. The Lothian Strategic Development Framework 2022–2027 (LSDF) describes what NHS Lothian is trying to achieve, the current situation, the challenges it faces and the direction of travel it proposes to take. The LSDF was published in April 2022 and supersedes the previous NHS Lothian Strategic Plan, Our Health, Our Care, Our Future.

NHS Lothian has five main hospital sites that deliver acute hospital care as well as psychiatric and paediatric hospital services:

1. Royal Infirmary of Edinburgh is a major acute teaching hospital located on the Edinburgh BioQuarter site at Little France. With a 24-hour Accident and Emergency Department, it provides a full range of acute medical and surgical services for patients from across Lothian. Specialist services such as Transplant, Cardiothoracic and a Major Trauma Centre serve people from across the southeast of Scotland and beyond.

2. Royal Hospital for Children and Young People is a tertiary paediatric hospital with 242 beds which provides acute, general and specialist care to the children of Lothian and Southeast Scotland, including a paediatric Critical Care Unit, and day care and outpatient facilities. Some specialist services for children and young people across Scotland are also based here. Lothian's Child and Adolescent Mental Health Services and Melville Inpatient Unit are also based there. The new building, which opened in March 2021, is on the Little France campus.

3. Western General Hospital provides a comprehensive range of general and specialist services to the people of Edinburgh, the Lothians and beyond. The hospital has around 570 beds (including

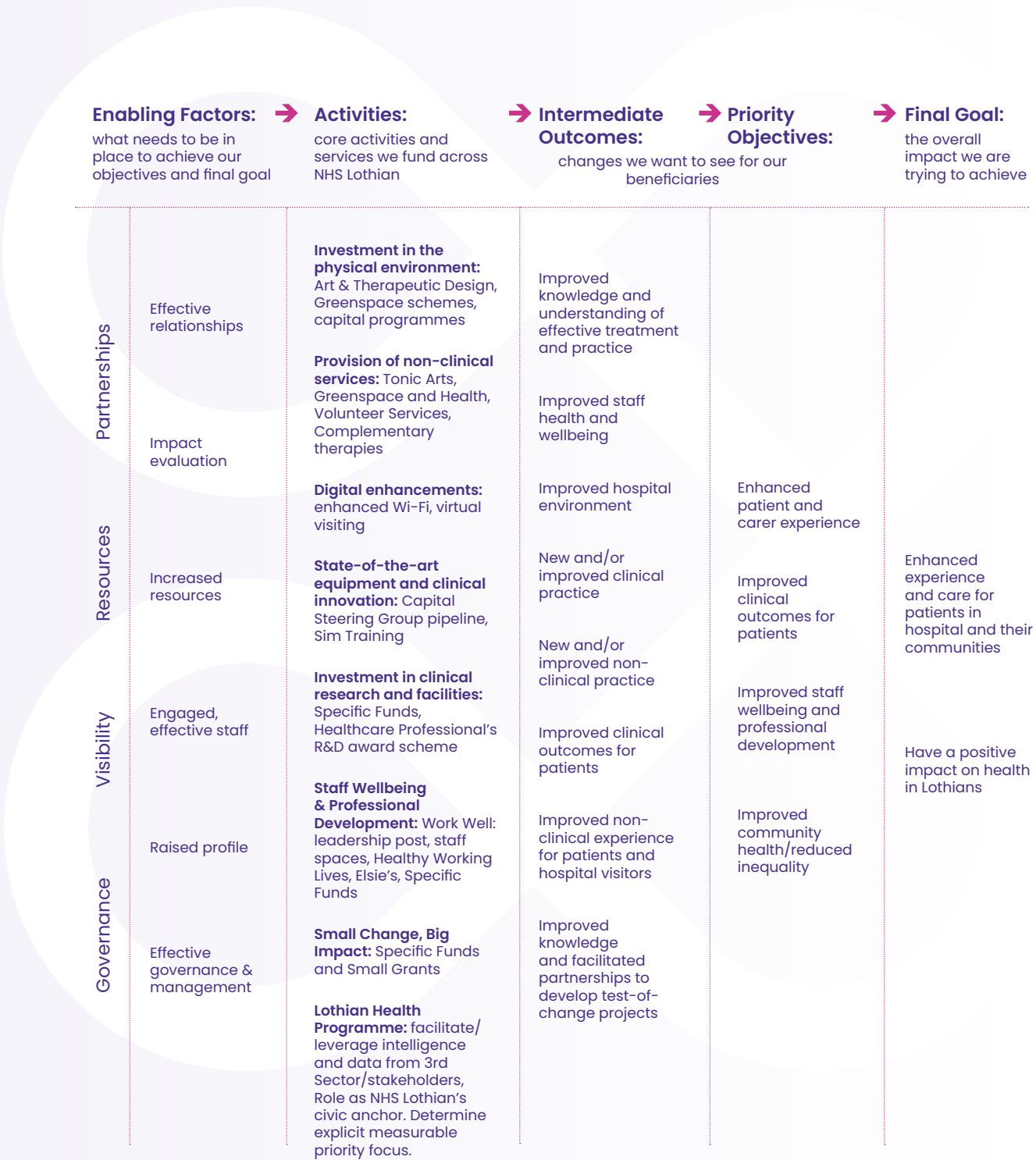
day beds) and is home to the Edinburgh Cancer Centre, the Regional Infectious Diseases Unit, and the award-winning, nurse-led Minor Injuries Clinic. A state-of-the-art Renal Dialysis Unit and the Edinburgh Haematology Centre also occupy the site, both of which were enhanced by funding and Art and Therapeutic Design Project collaborations between NHS Lothian and NHS Lothian Charity.

4. Royal Edinburgh Hospital provides acute psychiatric and mental health services, including treatment for learning disabilities and dementia. Its specialist services include centres for the treatment of eating disorders, alcohol problems and young people's mental health.

5. St John's Hospital, Livingston is a modern teaching hospital that provides a comprehensive and expanding range of services, including a 24-hour Accident and Emergency Department, and specialist services including plastic surgery. There is a full paediatric service at the hospital, including an acute receiving unit, special baby unit, paediatric ward, and comprehensive range of outpatient services. It also has a reputation for excellence in maternity services. In addition, the hospital is home to the Short Stay Elective Surgical Centre, Lothian's specialist head and neck unit and the Hooper Hand Unit.

Our Strategy 2022-27

In September 2021, following a period of consultation with a wide range of stakeholders, including programme partners, charity staff and trustees, we were pleased to launch our five-year Strategic Plan. The theory of change model included in this strategy forms the basis for our planning, implementation and evaluation.



A key component of the strategy is our **four** priority objectives, which set the overall direction of the Charity, and the six enabling factors which facilitate the successful achievement of these objectives.

Priority Objectives:

specific changes we want to see for our beneficiaries.



Enhanced patient and carer experience

Enhancing the patient experience is in our DNA; historically the primary objective of all NHS charities. We support the patient throughout their entire healthcare journey: in primary care and the community setting, during a hospital stay or visit, and on their return home. Our non-clinical services include improvements to the physical environment, person-centred support and participation, and digital enhancement.



Improved staff wellbeing and professional development

Our NHS colleagues deliver outstanding care for their patients, and we believe that their wellbeing is critical for improving the health and care of their patients, our beneficiaries. It has also been demonstrated clearly to us that donors and supporters want to say thank you to the dedicated staff who cared for them or a loved one. Our commitment to the workforce is to their wellbeing, training and professional development.



Improved clinical outcomes for patients

Supporting patients’ health and wellbeing also takes the form of investing in clinical facilities and research, staff training and development, state-of-the-art equipment and clinical innovation. Our support enhances what is available through core funding, strengthening NHS Lothian’s ability to improve clinical outcomes for patients.



Improved community health and reduced health inequality

Our vision of making healthcare better for everyone is about supporting patients at every step in their healthcare journey and aligns with NHS Lothian’s strategy of more care closer to home and healthier living. COVID shone a harsh spotlight on the health inequalities within our communities, forcing us to reconsider the way care is delivered, and prioritising community health needs and infrastructure.

Enabling Factors:

what needs to be in place to achieve our objectives and final goal.



Effective relationships

We work in strategic partnership with NHS Lothian, local Health and Social Care Partnerships and other partners to make a difference to people’s health and wellbeing. Our relationships are most effective when they are underpinned by a commitment to a shared goal and a clear delivery framework.



Impact evaluation

We use evidence of what works to continuously improve our service delivery and grants. Qualitative and quantitative evaluation enables us to be reflective and agile, and review and revise our activities. By investing in evaluation systems, and by demonstrating our impact we motivate staff, raise our profile and secure more support.



Increased resources

We broaden our activities and reach our goal faster by increasing the resources available to us. Our strengthened fundraising capacity and responsibly managed investment portfolio provide both income and long-term capital to benefit present and future generations.



Engaged, effective staff

We are invested in our staff, and they in each other; we celebrate our successes. Our culture reflects our core values and behaviours, supports wellbeing, learning and personal and career development.



Raised profile

We are the recognised partner to NHS Lothian, and its entire workforce are our champions and advocates. Awareness of our work and our impact both internally and externally across multiple channels drives up support and income.



Effective governance & management

We are sector leaders in good governance and endowment management; we share with and learn from our stakeholders and peers to inform our work. Value-adding systems ensure a firm basis for future quality improvement.



Strategic Programmes

During 2025/26, NHS Lothian Charity continued its strategic commitment to programmes identified in collaboration with NHS Lothian's leadership team. As we move into the later stages of the Charity's current strategic period, the impact of multi-year investment is evident in the maturing of these programmes and the increased impact for patients, visitors and staff both individually and collectively.

The strategic programmes are a blend of in-house charity team delivery, delivery by NHS Lothian teams, delivery through commissioned Third Sector Partners and grant giving. This multi-modal delivery approach ensures maximum impact and reach by drawing on specialist skillsets and knowledge, facilitating innovation and partnership, as well as additional funding and in-kind contributions.

Our strategic programmes are:

- Tonic Arts
- Green Health
- Volunteering
- Staff Wellbeing
- Health Inequalities (Income Maximisation)
- Research, Development and Innovation
- Strategic Capital Investment
- Guest Wi-Fi
- Equality and Human Rights
- Prevention and Other Projects

General Fund Spend in the Year:





Tonic Arts – Creatively enhancing environments and enriching experiences across NHS Lothian

Delivered directly by the Charity, Tonic Arts provides a comprehensive programme of therapeutic interventions ranging from performances and participatory activities to large scale therapeutic design enhancements and refurbishments of a variety of sizes. Delivered using person-centred and trauma-informed techniques, these activities respond to the latest research on the health benefits of the arts supporting individuals at all stages of the healthcare journey from prevention, throughout treatment and into recovery.

The programme’s work with local artists and partners brings both excellence and diversity to the programme while maximising limited budgets enabling impact for patients, visitors and staff across 30+ of NHS Lothian’s sites. This approach ensures that the very varied and often complex needs of the NHS Lothian community are met, facilitating reduced stress and distress, and building confidence and engagement to support positive clinical outcomes and improved wellbeing.

Highlights in 2025/26 include:

- 705 live arts sessions supporting approximately 13,000 patients and staff to take a break, increase their confidence, express themselves, connect with others, and improve mental and physical wellbeing.
- The exhibition programme was accessed by an average of 2,000 patients, staff and visitors a month via the seven Tonic Arts gallery spaces

on sites. The programme continued to display patient, staff and professional artists works, and offered several new engagement activities to further improve staff and patient wellbeing.

- Launch of “Trolleydarity” in partnership with the National Theatre of Scotland bringing interactive ‘staycation’ experiences to wards across Lothian, supporting over 2,000 patients, visitors and staff, providing respite, stimulation and reducing stress and distress.
- Art and therapeutic design enhancement services completing 25 enhancement projects (and initiated many more that will complete in the coming months), including improvements to end-of-life care environments in the Acute Medical Assessment Unit, family-friendly CAMHS spaces to support engagement and reduce stress, and enhancements to the Crichton and theatre wards at RHCYP, transforming windowless clinical areas for patients, families and staff.
- Maintenance of the art collection which includes over 2,500 works on display at 30 NHS Lothian sites to ensure good quality art is available to all. New areas had art installed this year and several areas benefited from art work changes/ re-hangs. A participatory approach ensures that patients and staff feel valued, have a sense of ownership and pride in their space and that new acquisitions reflect NHS Lothian and the community it serves.

- Showcase of short films created by patients and staff at REH supported by an 18 month filmmakers residency.
- Continued partnerships with Edinburgh International Festival which this year included a series of patient concerts performed by Nicola Benedetti.
- The REH Sea Trek and summer sessions reached over 1,000 patients, staff and family members with approximately 400 patients and staff contributing to the making of costumes and art works. This event not only brings together so much of the hospital community but also demonstrates the effectiveness of partnership work, with NHS Lothian Charity programmes teams and Volunteering coming together with local Third Sector organisations to create a vibrant and impactful day that brings not just joy but meaning, confidence and a voice to those who often lack it.
- The programme continues to be recognised as a leader in the field of Art in Healthcare, meeting regularly with Public Health Scotland as a new public health strategy is developed, presenting a best practice case study at the European Healthcare Design Congress in London, and the design enhancements of East Lothian Community Hospital referenced in the Arts In Hospital Guidance produced by the National Arts in Hospital Network.

Impact in Action:

“The art occupied the brain space that was wanting to be stressed and anxious at a very difficult time.” – Feedback from patient in the WGH exhibition gallery.

“It’s our first hospital visit with our child and we now have positive associations for when we have to return.” – Feedback from those participating in NHS Festival Sessions performances.

“I love looking at the artwork in the hospital. After a stressful shift it really brightens my day.” – Staff feedback on art and therapeutic design enhancement at REH.

“The calming visuals and guided experiences, including elements of meditation, helped reduce anxiety and distress. Some patients appeared noticeably calmer during and after the session, which also supported staff in delivering care in a more relaxed environment.” – Feedback after the “Trolleydarity” sessions.

“I take another patient who when on the ward sits in her chair all day and sleeps a lot. When she goes to the sessions she is jiggling about and moving about and this is the most activity she gets in the week”.
– Feedback from volunteer supporting participatory dance session at East Lothian Community Hospital.





Green Health – Fully realising the potential of the NHS outdoor estate

Directly delivered by the Charity, the Green Health programme uses a range of evidence-based nature interventions to improve health outcomes and enhance experience across the full patient pathway, for visitors and staff, while addressing the climate crisis.

Green space enhancements transform the NHS Lothian outdoor estate creating welcoming, soothing and appropriately stimulating spaces which allow for nature connection and significantly improve biodiversity. These spaces are often created through, and used for, participatory activity involving both patients and staff which further develop nature connectedness facilitating its known health benefits. For those who are unable to get outside, the programme brings the benefits of nature to them via ward-based activities and resources.

Through enhancements and activities, the Green Health programme provides much needed breaks from wards and respite from clinical activity fostering confidence and

engagement, lowering stress and anxiety to achieve improved clinical outcomes and enhanced wellbeing.

Highlights in 2025/26 include:

- The launch of the Nature Rehabilitation Ranger Service to maximise the therapeutic role of greenspaces, support patient and staff wellbeing, and create a healthier, more welcoming environment.
- The delivery of six comprehensive green health activity programmes at major NHS Lothian sites.
- 2,800 people (largely patients and NHS Lothian staff) took part in wellbeing and nature connection activities.
- The writing and adoption of NHS Lothian's first Biodiversity Action Plan. The plan will guide NHS Lothian for the next 10 years to make facilities more welcoming for wildlife and people alike. It will also help tackle climate change and biodiversity loss.

- 12 green space enhancements were completed, improving the experience of all coming to sites and boosting biodiversity. These enhancements included the opening of a long-awaited staff wellbeing courtyard at the Royal Infirmary of Edinburgh. This popular space provides break opportunities whatever the weather.
- 300 trees were planted and two hectares of wildflower meadow created.
- The programme recruited and trained its first ever regular volunteers and hosted several corporate volunteering days, improving gardens and raising awareness of the benefits of green health.
- The development of bespoke nature-based resources to be used by the introduction of a "train the trainer" approach to upskill.



Impact in Action:

- 100% of patients supported by the Nature Rehabilitation Ranger Service reported better wellbeing, increased happiness and an increased nature connection.
- "My mental health so much better for being outside, love the birds and plants." – Patient
- "Was really not feeling well this morning, but after being out in the fresh air I feel so much better in myself." – Patient
- "Patients respond better to these natural items so it has improved the way we work with patients, therefore aiding their rehabilitation." – Senior Leadership Team
- "My mental health isn't great and I had been off work for a while. Having a Nature Ranger available has improved my mental health and reduced my stress at work, I feel happier, more relaxed and connected with others attending the walks. I generally feel less anxious, stressed, and revitalised when I return back to work." – Staff member
- A staff member using the wellbeing courtyard during its first week open indicated an improvement in their feeling of wellbeing, feeling less stressed going back to work, feeling more connected to nature, feeling more valued and said: "helped me with a tough morning – recharged now."





Volunteering

The strategic grant for volunteering supports the NHS Lothian Voluntary Services Team enabling them to recruit, train and support a team of 1,000 volunteers who each make a weekly commitment to support NHS Lothian's patients.

Volunteer roles are developed with frontline staff to ensure that volunteer contributions are meaningful for both patients/visitors and for the volunteers themselves. Current roles include Welcome Guides, Befrienders, Drivers, Trolley Volunteers and Emergency Department Volunteers with the biggest cohort of volunteers taking on the role of Ward Helper combining socialisation with patients with practical support for staff.

Mutually meaningful roles are key to ensuring that both the NHS Lothian community and the volunteer receive the benefits of reduced stress, distress, isolation and increased stimulation, exercise, confidence, resulting in improved clinical and wellbeing outcomes. Additionally, volunteers frequently gain valuable skills and experience that aid their employability, helping to reduce associated health inequalities as well as supporting NHS Lothian to address staffing gaps both now and in the future.

Highlights in 2025/26 include:

- 1,195 individuals volunteered contributing over 85,000 hours of support to patients, visitors and staff. This has an estimated value of £2.1 million.
- The continuation of key volunteering roles such as welcome guides, mealtime helpers, ward helpers, befrienders alongside the new patient experience volunteers that help gather information on patients experiences so that NHS Lothian can keep improving.
- 24 mentors have been recruited and trained. These mentors will support young volunteers who require more guidance and encouragement to maintain volunteering. This focussed work allows young people who have barriers to volunteering to access the benefits.
- A pilot of an internal application process for volunteers to join NHS Lothian's staff bank in the role of Healthcare Assistant. This process mutually benefits the volunteer who can more easily take on paid work in an environment they feel confident in, and NHS Lothian gains employees that they know are reliable and skilled.

- The launch of 'Bridge Builders' with 25 volunteers recruited. The volunteers work with patients from GP practices in the lowest Scottish Index of Multiple Deprivation (SIMD) areas to support them to engage with health care services, by breaking down barriers and building bridges.
- Inpatient volunteering at the Royal Edinburgh Hospital has flourished with 48 inpatients taking on volunteering roles to support the rest of the hospital community. A further 10 inpatients have been supported by public volunteers to volunteer.
- 450 'Therapet' visits supported, safely bringing respite, stimulation and joy to patients across Lothian.

Impact in Action:

- Volunteers who retired during the year reported a high level of satisfaction with their volunteering experience, with an average satisfaction score of 8.82 out of 10. Making comments such as: "This volunteering you genuinely feel like you're making a difference that you're helping patients and staff, people were great." And "I think the best thing has been that my supervisors gave me the confidence and trust to volunteer and gave me the nudge to try something new".
- 49% of volunteers retiring did so to allow them to study in a related field or to take up employment (frequently with NHS Lothian) making comments such as: "I feel that the skills I have gained from volunteering have been immense and incredibly valuable to my future and current career!" "Gained transferable skills and more confidence for my further studies." "This volunteering has given me an insight into the workload of healthcare workers as well as a role of responsibility which will help me when I reach university and find a job."
- The impact for patient volunteers at the Royal Infirmary of Edinburgh is evident from their comments. "I like to help and it feels good to feel appreciated. My badge and apron are a good signal to other patients about what you can achieve whilst in hospital." "It gets me off the ward and keeps me busy – I keep myself on my feet. I am an active, social person, so the job gives me a chance

to do that and get space off the ward. Everyone has a laugh with me it is a role I am well suited to."

- "The thing I love is being part of a community, you really feel like you're part of something and you're making a difference. When you're a volunteer, you're doing it on your terms, you fit it in with your life and you meet some amazing people that without your volunteering you'd never have otherwise met. It's lovely to have a purpose, and to be able to help people as a volunteer and if it's something you think you'd enjoy then I'd recommend it to anyone." – Welcome Guide.
- "I'd say I'm more confident approaching people. I find it nice to sit in and offer patients a chance to chat. I see patients speaking as a part of their recovery – as a volunteer you get the chance to treat that patient as a person, rather than just a patient." – Ward volunteer DCN.





Staff Wellbeing

Staff wellbeing is a theme across all of NHS Lothian Charity's strategic programmes with all programmes proven to have a positive impact on staff wellbeing. Recognising the important role that NHS Lothian's staff team play in enhancing experience and care for patients and facilitating a positive impact on health in the Lothians, and the often challenging circumstances they do this in, the Charity's strategy committed a grant of up to £180,000 per annum to support staff wellbeing and professional development.

The grant made to NHS Lothian's People and Culture Directorate facilitates the implementation of NHS Lothian's Work Well Strategy, including a staff wellbeing microgrants programme, the Celebrating Success Awards and a grant programme for professional development.

Highlights in 2025/26 include:

- The continued provision of a dedicated staff income maximisation service. The dedicated service was accessed by approximately 38 staff while a further approximately 100 accessed support via the generic service. This work was complemented by the Work Well financial wellbeing session which 59 staff attended.
- Work Well colleagues supported the launch of a men's health network. This network was born from staff requests around the need for increased mental health support especially in some predominately male teams.
- 'Back to Basics', a campaign looking at staff nutrition, hydration, sleep and taking of breaks, was created by the Work Well team and promoted through the large Work Well network helping staff to focus on their own wellbeing during the winter months which can be especially challenging for frontline staff.

- Enhancement of both indoor and outdoor spaces, supported by our Tonic Arts and Green Health programmes, to improve staff wellbeing and encourage the taking of vital breaks. These were complemented by an increasing Green Health and/or Arts based programme for staff.
- Support for staff training for teams that face particular wellbeing challenges including Neonatal teams and teams where staff members have suddenly and unexpectedly passed away or where there has been exceptionally challenging patients.

Impact in Action:

- *"Useful practical advice. Felt like a safe place to say that yes, I get anxious. As a manager you put pressure on yourself to always be in control and be strong and confident."* – Feedback from a staff member participating in the Work Well managing anxiety seminar.
- *"It has made such a difference to my wellbeing. I would advise others to give it a try, it may not be for everyone but it does make you smile and give you a bounce in your step for the rest of the day. Thank you."* – Feedback from a staff member taking part in a Tonic Arts Ballet session. The sessions were provided online and recorded to maximise opportunities to take part.
- *"The workshop made me more relaxed and able to take on the afternoon more. It was nice to switch off for a bit especially on the back of high pressure/demand work that can sometimes just feel like firefighting."* – Feedback from staff attending a Green Health programme garland workshop.
- *"This session has really helped me to understand why self-compassion is so necessary and not wrong. I am at the end of my career in the NHS and wish I had known this previously."* – Feedback from a staff member attending a team handling difficult situations session funded by the Charity.
- *"It's a lot more comfy, though very small. Nice colour scheme so I take a lot more breaks here than before. Nice to sit down and chat with colleagues."* – Feedback from staff member on the staff room refurbishment by the Tonic Arts team.





Health Inequalities (Income Maximisation)

NHS Lothian Charity provides a strategic grant that allows NHS Lothian to commission Third Sector partners to deliver a comprehensive income maximisation service for patients and their carers. The service is provided at all three acute sites and East Lothian and Midlothian Community Hospitals.

Illness or disability often comes with extra costs for travel, different food, increased heating costs, specialist equipment, etc. and this can occur at a time when income goes down as patients or family members need to take time off work. Addressing patient and carer finances by ensuring they access all their entitlements and helping them to manage debt or utility bills can have a significant impact on their long-term health. Additionally, the input supports discharge and rehabilitation and alleviates stress for patients, carers and for the NHS Lothian staff team supporting them who have previously been aware of the challenges patients face but have been unable to provide support.

This financial year saw Trustees further explore how they can support the issues around health prevention. Drawing on the

knowledge of NHS Lothian's Public Health team, and research into the two way relationships between poverty and ill health – where poverty makes it harder to prevent illness and poor health can in turn deepen poverty – they invested the prevention and other projects budget in supporting the development of an early years pathway income maximisation project which will commence in April 2026.

Impact in Action:

With over 1,000 patients and carers supported in 25/26, the service has now supported approximately 4,000 clients (with many representing not just themselves but family members the reach is significantly wider). The total client financial gain to date is over £4.5 million and rising.

From feedback, it is clear those accessing the support do not just gain financially but also benefit from reduced stress and worry as well as increased confidence in how to access information and support moving forward.

- “Adviser has been nothing short of amazing! If it wasn't for her help, support, and advice I genuinely don't know what I would have done or how I would have coped. It's not often people help as much as she has and shown a genuine empathy, understanding and compassion.”
- “Really helpful wouldn't know where to start to see what benefits I could get when I was too sick to work, thanks for everything.”

Alongside the comprehensive income maximisation advice, patients and carers also access basic advice, referrals and signposting around a large number of other areas which are often new or overwhelming such as housing, powers of attorney, employment, and crisis support such as food banks and mental health referrals.

Patient Hardship Grants

Hospital visits can create significant financial burdens for patients and their families, often coinciding with sudden changes in their life situation and long-term financial prospects. While challenging in any circumstance, the current cost-of-living crisis has exacerbated this, leading to extreme hardship for even more people. To provide support, through the Income Maximisation Officers, the Charity has provided approximately 58 emergency hardship grants of up to £200 each to alleviate immediate financial crisis, while the Income Maximisation Service addresses longer-term issues.

Research, Development and Innovation

To support its goals of enhancing patient and carer experience and improving health in the Lothians, the Charity provides significant support to research, development and innovation through specific fund grants supporting the development of new treatments and cures, upskilling clinicians, improving patient experience, and reducing inequalities.

Alongside the above, the Charity committed to support two NHS Lothian delivered programmes that foster professional development, research and innovation skills over a five-year period.

These programmes are supported through grants to NHS Lothian's Medical Education and Nursing Directorates, enabling comprehensive support for simulation education programmes and the Clinical Academic Research Gateway Awards.

Simulation

Simulation provides a safe and realistic environment for learning key skills and procedures, benefitting both patients and staff across all disciplines within NHS Lothian. This investment helps support NHS Lothian's aim to embed simulation-based education throughout all acute departments, leading to improved patient care across the region.

This year, the strategic grant supported the purchase of Tache Baby manikins which are used for paediatric emergency training and transfer training for staff, and will soon be used to educate parents and carers so more care can be provided at home. Additionally, a central line trainer for ICU, newborn baby manikins, 'Sophie birthing models' for maternity and 'tear' prevention and safe birthing training, and a LUCAS machine to support resuscitation training were funded.

Clinical Academic Research Gateway Awards

This innovative programme, offered in partnership with six of Scotland's leading universities, offers Nurses, Midwives, Pharmacy Professions, Psychologists and Allied Health Professionals employed by NHS Lothian five different funded research opportunities. 12 NMAHPPS secured awards as part of cohort 4 and commenced in 2025/26.



Strategic Capital Investment

2025/26 saw the Charity work closely with strategic partner NHS Lothian to maximise the impact of its capital investment. Aligning with established NHS Lothian processes, the Charity is able to identify the capital project and equipment purchases that add value, enhance patient experience and improve clinical outcomes.

This approach helped identify where the Charity could make the most meaningful impact and resulted in the support of;

- An intra-oral scanner removing the need for painful impressions for both cancer and trauma patients.
- Initial set up costs for the reopening of the Royal Hospital for Children and Young People's dining room, bringing both healthy nourishment and comfort to the patients, visitors and staff of the hospital.
- A primary care research suite to enable more opportunities for research outside traditional hospital and outpatient settings.
- TCM5 – flex and sensor to increase the capacity to monitor children with disorder breathing while sleeping, resulting in quicker understanding of discharge needs, allowing patients to return home more quickly.
- The refurbishment of the maternity loss bathroom. The change was a request in response to patient feedback and changed a bathroom to a walk-in shower room making bathing access less difficult both physically and emotionally.
- Additional wheelchair provision to aid visitors to the Royal Infirmary of Edinburgh, Western General Hospital and St John's Hospital.
- Refurbishment of ward 52 allowing those ICU patients fit enough to use the toilets to do so themselves, aiding dignity and rehabilitation.
- The updating of wayfinding guidance to make it easier for patients and visitors to find their way around complex hospital sites.

Guest Wi-Fi

NHS Lothian Charity invested £100,000 in 2025/26 to support enhanced free guest Wi-Fi. This investment allows patients, visitors and staff to access free Wi-Fi on their personal devices. This enhances patient and carer experience by allowing individuals to stay in contact with family members or work, allows for easier coordination of arrangements e.g. transport to appointments or items required for discharge, and provides distraction which can soothe and calm e.g. e-books, videos, or puzzles. Staff also frequently access the Wi-Fi and this supports wellbeing allowing them to manage personal matters or access entertainment while on their breaks which is especially important for those working long shifts.

"The new NHSL Free wifi is excellent. The speed is fantastic." – Volunteer supporting patients.

Equality and Human Rights

We have made a commitment to support NHS Lothian to implement its Equality and Human Rights strategy over the next 5 years. In 2025/26, we made a grant of £43k towards this work. The strategy supports NHS Lothian to improve the health of everyone in Lothian so that;

- Everyone lives a longer, healthier life, with better outcomes from our care and treatment.
- Everyone has access to health and social care services that are connected seamlessly, wrapping around them in their home or homely setting.
- Everyone experiences better support and care as we improve our performance across the system, including people who work for and with us.

Our investment supports vital engagement with those communities that face the most health inequalities, who find it most difficult to engage with services or who are least likely to have a voice to ensure they are heard and their needs addressed.





Grants and Funds

Beyond the strategic programmes, NHS Lothian Charity provides grants to enable NHS Lothian colleagues at all levels to realise projects that enhance patient care and experience, improve patient clinical outcomes and wellbeing, support staff professional development and wellbeing, reduce health inequalities and improve community health.

To respect the wishes of donors who are often motivated by personal experiences or the memory of loved ones, we maintain designated and restricted funds. At the end of 2025/26, we were managing 373 funds. These funds support a range of initiatives, including equipment acquisition, patient amenities, facility improvements, and staff development.

Recognising that not all areas of NHS Lothian's work attract the same levels of donations, the Charity complements the designated and restricted funds through a number of grants programmes supported via the general fund. The Small Grants, Climate Challenge Grants and Patient Christmas Grants programmes were managed by the Charity team in 2025/26 while the Staff Wellbeing and Elsie Inglis grants were managed by NHS Lothian colleagues in the HR & OD team. As reported in the Income Maximisation section, the Patient Hardship grants were managed by the Income Maximisation officers to enable quick access by those in greatest need.

In 2025/26, the Charity continued its plans to increase spend and maximise impact by simplifying the application and approval process. These changes were complemented by the introduction of a new online application portal that can be used by any applicant regardless of which type of grant they are applying for. These changes have resulted in a quicker more straightforward process for applicants and more robust Charity oversight of spend, enabling the identification of spend patterns and hot and cold spots to support future awareness raising campaigns and, most importantly, an increase in the number of applications received and supported.

In 2025/26, £1,970k was received to the restricted and designated funds in voluntary income with £4,390k being spent on charitable activities from these funds. However, during the year a grant of £750k was cancelled, as noted in the Financial Review section on pages 38-41, therefore the net spend on charitable activities is £3,640k. 130 grant applications over £1k were assessed and approved to be supported by the specific funds. 29 applications were supported by the Small Grants. Five applications were supported through the Climate Challenge Grants. This was complemented by direct purchasing and education spend valued at under £1k.

Examples of activities funded include:

Restricted and designated funds

- £138,438 to support a pilot of weight management support provided to patients awaiting orthopaedic arthroplasty
- £6,995 to purchase seating for the Royal Hospital for Children and Young People bereavement suite
- £4,800 for designs to improve the staff changing facilities at the Western General Hospital
- £15,000 for complementary therapies in Medicine of the Elderly at the Royal Infirmary of Edinburgh
- £12,019 to purchase sensory and gaming equipment at the Royal Hospital for Children and Young People
- £32,015 to support the carers at East Lothian Community Hospital
- £327,420 to support real world research investigating the impact of prehabilitation in less survivable cancers
- £5,175 for a RITA machine to support elderly patients and the staff supporting them at Midlothian Community Hospital
- £11,580 to enhance the staff and patient canteen at the Western General Hospital
- £15,236 for breastfeeding chair at the Royal Hospital for Children and Young People

Small Grants

- £5,000 for care and dignity boxes for patients at the Royal Edinburgh Hospital
- £600 for a tv to display patient information at Spittal Street recovery clinic
- £525 to support a falls prevention learning event
- £250 for baby massage equipment for Health Visitor lead classes
- £3,240 to pilot the use of V-create software to support children's speech and language therapy in the community
- £4,900 to support awareness and education of GBQ men experiencing intimate partner violence

Impact in Action:

- "Nice to see the kiosk, it was not here before my last appointment." – Patient.
- "SPACE/Broomhouse Centre within Lauriston Building is a lovely idea for the community and great for patients awaiting their appointments." – Staff feedback on the NHS Lothian Charity supported Lauriston Building kiosk which is now run by a local social enterprise.
- "I can't thank Katy enough for her support. Leaving the hospital was the most heartbreaking day of my life but to know that Katy would soon be visiting helped me feel less scared and gave me something to focus on, I really looked forward to our visits. When I first met Katy, I was scared to leave the house, a total bundle of nerves. To see the difference in me now at the end of our sessions is amazing. I can leave the house most days without worrying and have good coping strategies thanks to Katy. It was comforting to know Katy had been through similar situations. I could talk to her about anything and she wouldn't be shocked/surprised like family/friends may have been and she could give me tips on how to cope with things. I honestly don't think I would be where I am today without Katy's support. Yes, the grief and sadness is still there, but I can handle daily life better than I ever imagined I would at this point. I can't thank you enough." – Feedback from a mother supported by a Charity funded parental bereavement service supporting those who lose a child under the age of 5.

- "When it seemed I had no more treatment options, this trial has given me more years to live my life." – Patient supported by a Charity funded Haematology fellowship increasing access to clinical trials.
- "The games help my role as I can set up a group of men to play one of the games and then it frees me up to concentrate on patients who need more 1-1 support." – REH activity coordinator on the benefit of Charity funded board games.
- "Sammy has been a great tool for us as a family to normalise and inform about Finn's condition with his friends, at school and even with his younger sister." – a father's feedback on a Charity funded toy with a continuous glucose monitor given to his son to support him through his diabetes diagnosis.



Sammy has been a great tool for us as a family to normalise and inform about Finn's condition with his friends, at school and even with his younger sister."

Patient Christmas Grants

Despite the tireless efforts of hospital staff, the holiday season can be particularly difficult for patients and their families. To ease this burden, especially during the heightened pressures of Christmas, Patient Christmas Grants aim to bring festive cheer to wards and departments. This year, we distributed almost £90,295 across 179 wards and departments benefitting over 19,990 patients through decorations, gifts, and festive treats organised by dedicated NHS Lothian staff. 54% (£49,720) were supported by relevant specific funds, 40% (£35,020) from the Patient Christmas fund, and the remaining 6% (£5,555) from the Small Grants programme.

Impact in Action:

- "Patients mentioned to staff how they appreciated the atmosphere that was created in the ward and made their stay less sad over Christmas." – Ward clerk, the Royal Infirmary of Edinburgh.
- "Patients who are distressed at times enjoyed sitting at the Christmas tree and were calm." – Charge Nurse, Findlay House.
- "Many of the patients do not have contact with family so Christmas means little to them. Being able to provide a small gift meant a lot to the patients, giving them a positive experience which for many can be a difficult time of year." – Charge nurse, Royal Edinburgh Hospital.

Elsie Inglis Grants

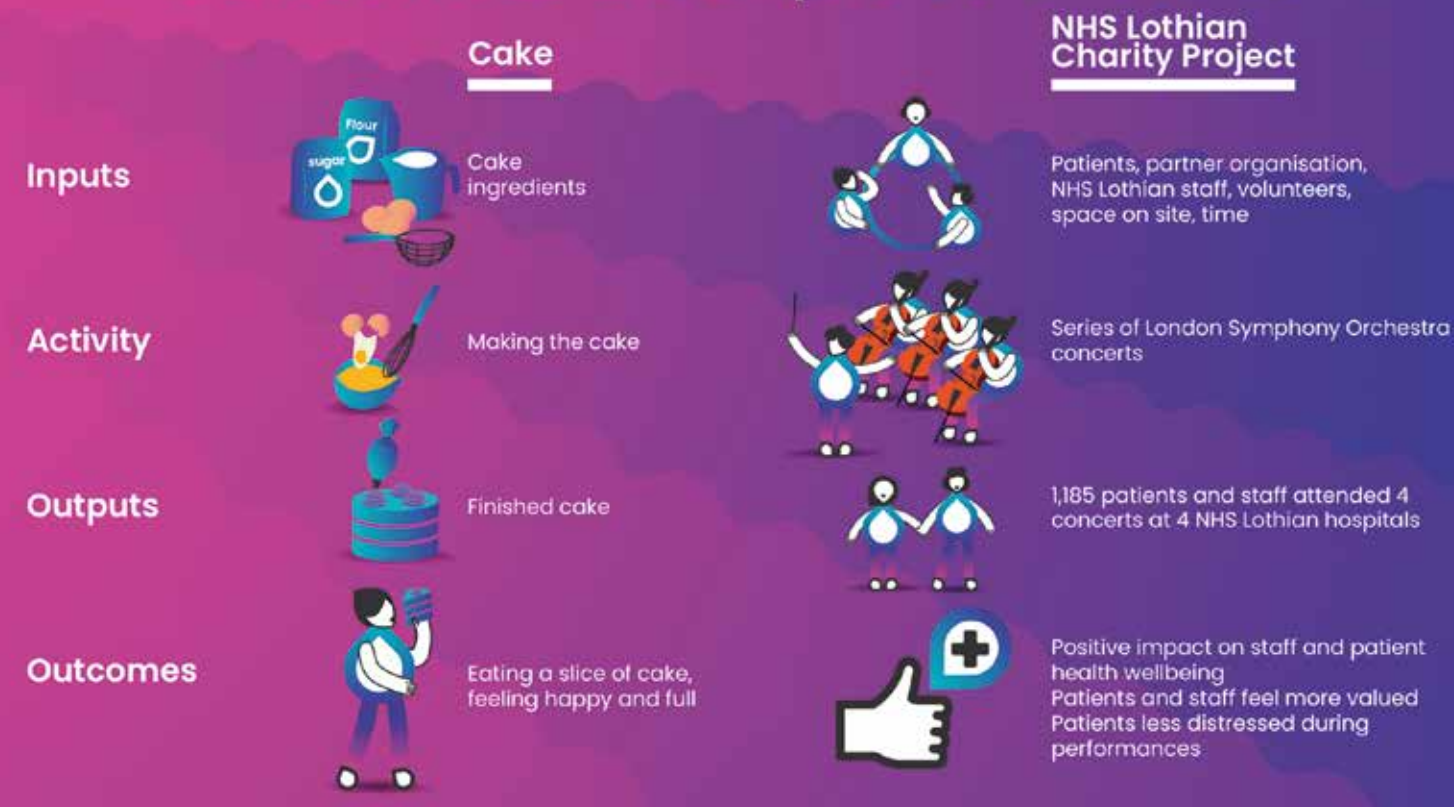
Recognising that staff development is vital to improving health and patient care in the Lothians, we support the Elsie Inglis Grants. Administered by NHS Lothian's Workforce Development Team, these grants empower individuals and teams to enhance their skills and knowledge. This year, £8,189 was awarded, supporting four teams and twenty five individuals including £2,800 for the NHS Lothian Digital Festival provided by Edinburgh College for forty employees. The courses provided were Minute Taking, Beginners Excel and Intermediate Excel.

Staff Wellbeing Microgrants

We provide microgrants to NHS Lothian teams, enabling them to directly support staff wellbeing through practical items and activities, aligning with the Work Well strategy. Administered by the Human Resources & Organisational Development Team, £12,689 funded 35 grants for things like wellbeing resources, improved staff spaces, and a relaxation programme.



Outcomes are a piece of cake



Volunteer Development

NHS Lothian Charity has long been committed to the benefits of volunteering and has provided grants to support a range of volunteer-led projects. In 2025/26, the Charity's programmes team took things one step further, developing roles that support the programmes' work and providing volunteers with the opportunity to develop skills, confidence while improving or maintaining wellbeing. Once developed, the roles were advertised, volunteers recruited and bespoke training provided.

Gardening Volunteers

During 25/26, 10 independent gardening volunteers have supported the Green Health programme to maintain courtyards, gardens and other green spaces keeping them accessible, welcoming and interesting for patients and visitors. The work of these regular volunteers has been complemented by the input of group volunteers who come together to team build and make a difference on a specific day. The Green Health programme has provided opportunities for four teams to come together and work in this way.

Art Collection Volunteers

Six volunteers joined the Tonic Arts enhancement team, taking on the task of auditing the collection on display. Hospitals are busy places, and this vital work helps to ensure that art work, frames or interpretation panels damaged or lost are repaired or replaced ensuring a high quality experience for those using the spaces and maintaining the value and impact of the collection. At the end of the year, two of the volunteers completed training to help them lead short, guided tours of collection works to support staff to take breaks in their busy days.

Musical Volunteers

The Tonic Arts live arts team have been auditioning volunteer musicians who will be matched with a particular space to provide short musical breaks allowing more patients to access the well documented benefits of engagement with the arts. It is anticipated the first musicians will commence their volunteering in early 26/27.

Impact volunteers

Eight volunteers have supported the person-centred collection of evaluation data during 25/26. The volunteers hold short, guided conversations with patients, staff and visitors to gather their feedback about a Charity funded intervention. This approach complements the use of digital surveys and other data collection methods. The volunteers allow for the gathering of really rich data and have the added bonus of being able to spend time with those who wish to talk, helping them feel valued and supported. This has been especially key when hearing patient feedback and stories.

Evaluating Impact

NHS Lothian Charity is committed to making a difference for patients, visitors, family members and staff. The Charity continued to invest in evaluation during 2025/26. The Charity's Evaluation Manager and impact volunteers worked with colleagues and patients to gather information that help us and our strategic partner NHS Lothian to understand, learn from and expand that difference in future.

The qualitative and quantitative tools are used to gather data about outcome indicators as well as the outputs of Charity funded activity. This helps us understand if the interventions are supporting the goals of enhancing experience and care for patients in hospital and in their communities and having a positive impact on health in Lothian by measuring impact against the Charity's priority objectives, recognising that interventions can significantly impact more than one of our priority objectives:

- Improved clinical outcomes for patients
- Enhanced patient and carer experience
- Improved staff wellbeing and professional development
- Improved community health/reduced inequality

The person-centred, outcome focussed approach used in the Charity's evaluation allows for the evaluation to be tailored for the very varied projects supported, and puts the patients, families and staff at the heart of the work helping them to feel valued and heard, further supporting the Charity's priority objectives whilst increasing our understanding about an interventions impact on them.

Impact in Action:

- "When you read things like this, you know you done the right thing by starting the groups." – Feedback from a grant holder upon receiving a report.
- "I'm pleased to see wards making use of the Small Grants projects to benefit patients. I will share this information on and encourage more applicants." – Senior nurse upon receiving an impact report.
- "Thank you for sharing this with me, some fantastic work. I have asked for this to be on the agenda at our REAS SMT and Partnership meeting to share." – Feedback from a business manager upon receiving an impact report.



Plans for 2026/27

During 2026/27 we will be continuing to deliver on our five-year Strategic Plan.

We will also commit time and resource to the development of a new strategic period commencing in 2027.

Priority Objectives:

specific changes we want to see for our beneficiaries

● **Enhanced patient and carer experience**

Enhancing the patient experience is central to our purpose. We support patients and carers across the entire healthcare journey – from primary and community care, through hospital stays or visits, and on their return home – by investing in the physical environment, person-centred non-clinical services, participation, and digital enhancements.

● **Improved clinical outcomes for patients**

Supporting patients' health and wellbeing includes investment in clinical facilities and research, staff training and development, state-of-the-art equipment, and clinical innovation. Through these investments, we enhance core NHS provision and go beyond it to make a meaningful difference to patient outcomes.

● **Improved staff wellbeing and professional development**

Our NHS colleagues deliver outstanding care, and their wellbeing is fundamental to the care patients receive. We believe that well-cared-for staff care better, and that donors wish to recognise and thank them for their everyday commitment. We therefore remain committed to investing in staff wellbeing, training, and professional development.

● **Improved community health and reduced health inequality**

Our vision of making healthcare better, together is about supporting people at every stage of their healthcare journey. This aligns with NHS Lothian's strategy of delivering more care closer to home, promoting healthier living, and tackling inequality. Our work is underpinned by continued investment in services such as the hospital-based Income Maximisation Service, NHS Lothian's Equality and Human Rights Strategy, and a strengthened focus on prevention and community health.

Enabling factors:

What needs to be in place to achieve our objectives and final goal

● **Effective Relationships**

We will continue to work in partnership with NHS Lothian, the wider health and care system, and local and national sector leaders to support and deliver key projects that enhance the patient experience.

● **Impact Evaluation**

Our evaluation framework underpins a growing body of impact reporting that demonstrates what works, informs decision-making, and drives improvement. We use qualitative and quantitative evidence to continuously review and refine our services and grant-making, helping us remain reflective and agile. By investing in evaluation and clearly demonstrating our impact, we motivate staff, raise our profile, and attract further support.

● **Increased Resources**

Increased resources – driven by strengthened and diversified fundraising and the stable management of our investments – enable us to broaden our activities, deliver impact more quickly, and enhance the patient experience today, while securing long term benefit for future generations.

● **Engaged, effective staff**

We are committed to our people, and they to each other. We invest in staff wellbeing, learning, and development, celebrate our successes, and nurture a culture grounded in our values and behaviours. Engagement, appraisal, and training tools (iMatter and TURAS) help us monitor and sustain this commitment.

● **Raised profile**

We are the recognised partner to NHS Lothian, with its workforce championing and advocating for our impact. Through charity hubs at major acute sites, tangible patient-experience touchpoints, and an expanding digital and social presence, we increase awareness of our work and impact internally and externally, driving engagement, support, and income.

● **Effective governance & management**

We are sector leaders in good governance and management, learning with and from our stakeholders and peers to inform our work. The continued development of our governance structures, supported by value-adding systems, strengthens trustee understanding and engagement and provides a robust foundation for future strategic planning and continuous quality improvement.



Fundraising



I was superbly well looked after by the team at the Edinburgh Cancer Centre. This is my way of saying thank you, by raising funds for NHS Lothian Charity."

Patricia Cantley, Fundraiser and Supporter, NHS Lothian Charity Trustee



For many of our supporters, giving is their way of saying thank you for the moments of care, compassion and reassurance provided by NHS staff when it mattered most. From donations and fundraising to gifts left in Wills, each contribution represents a personal story and a desire to give something back. We are deeply grateful to stand alongside our supporters, helping them turn that gratitude into meaningful support that enhances care and improves experiences for patients, families and staff across NHS Lothian.

Building stronger relationships with our supporters has been a key focus this year. We were proud to host our first ever donor event at the Breast Cancer Institute (BCI), providing an opportunity to bring supporters together with the researchers they so generously support. The event offered a chance to share impact, hear directly from NHS colleagues and researchers and importantly, thank donors in person. We are extremely grateful to the BCI team for hosting us so warmly and helping to make the event such a memorable and meaningful occasion.

Fundraising participation reached new heights this year, with our largest ever charity teams taking part in the Edinburgh

Marathon Festival and the Edinburgh Kiltwalk, with over 100 participants at each event. The commitment, enthusiasm and determination shown by participants were inspirational, and the money they raised will make a significant difference to patients, families and staff across NHS Lothian. These events also helped to raise awareness of the Charity among new supporters and communities.

Recognising and thanking supporters has remained central to our work. We held a successful Donor Thanking Day, where members of the Charity team personally called supporters to express our gratitude and share how their generosity is making an impact. These conversations were warmly received and reinforced the importance of direct, personal engagement with our donor community.

This year also saw the launch of our 'Remember a Life Loved' online tribute site, offering a new and meaningful way for supporters to honour loved ones while saying thank you for the care they were given. The tribute site provides families and friends with a lasting place to share memories, celebrate lives and create a legacy that supports patient care now and in the future.

Alongside this, we introduced a new legacy brochure, designed to clearly and sensitively explain the impact that gifts in Wills can have. The brochure supports conversations around legacy giving and helps potential legators understand how their generosity can leave a lasting difference for future generations of patients and staff.

We also placed a renewed emphasis on recognising generosity in visible and lasting ways across NHS Lothian sites. This year, we increased the use of donor recognition and charitable funding through plaques and labels, and branded acknowledgements. We increased our branding and visibility at the Edinburgh Cancer Centre, the first of our planned branding roll-out across the sites.

Through these initiatives, we have continued to strengthen connections between our supporters and our NHS colleagues. We are immensely thankful to everyone who has supported our work this year and remain committed to stewarding that generosity with care, transparency and impact, ensuring that support today continues to improve experiences and enhance care for years to come.

We would also like to say thank you to the many businesses, trusts and groups who made financial and non-financial donations to support our patients, their families and staff. With special thanks to:

- Action on Asbestos
- Berwickshire Charity Truck Run
- Caledonian Horticulture
- Creative Scotland
- Dentons
- Diligenta
- FreeAgent
- JCT
- Mariner Bar
- Medtronic
- Micropos Medical
- Motability Operations
- Mr Jamie Riach
- Mr Laurence Goodchild
- Museums Galleries Scotland
- RMF Health
- Robertson Group
- Starbucks
- The Baring Foundation
- The Pelican Nurses
- Unison again for their efforts with The National 'Elf Service Day
- W L Gore & Associates
- William Purves Funeral Director

Financial Review

Overview

The Charity's fund balances at 31 March 2026 were £87.154m (2024/25 £85.806m).

The Charity's income in 2025/26 was £4.862m (2024/25 £4.849m), and expenditure was £7.494m (2024/25 £7.131m).

Income

Income in 2025/26 showed a marginal decrease overall on 2024/25 income levels. Income from fundraising totalled £2.516m (2024/25 £2.600m) for the year. Income from corporate donations were significantly up on prior year, due to a donation of £526k from Micropos Medical which is to be used to fund a particular study in Urology. This was also the first full year of the staff lottery, with income generated of £192k. Income from legacies was down slightly on prior year by £297k.

The Charity's net incoming resources, after investment gains of £3.98m were £1.348m (2024/25 net outgoing resources were £3.824m).

Expenditure

In 2025/26 Trustees approved £6.460m in charitable grants. However, during the year, an accrual of £750,000 was released from the SCRH Neonatal Unit Fund as the NHS Lothian refurbishment project which the spend was intended for is no longer going ahead. This has resulted in negative charitable activity spend from restricted funds. The donor of the funds does not wish the donation to be returned to them and have asked us to provide details of additional projects the monies can be spent on.

Some highlights are described across pages 12-31 with further examples on nhslothiancharity.org

Costs of Raising Funds

Investment management costs of £0.457m are comparable to the prior year. (2024/25 £0.460m).

Fundraising and marketing costs during the year totalled £657k (2024/25 £561k.) Additional costs mainly relate to salary increases and an additional staff team member from the Staff Bank who is helping out with data entry on the database. This is also the first full year of the staff lottery reflecting an additional £23k in prize money.

Balance Sheet

The Charity's net assets increased to £87.154m (2024/25: £85.806m) mainly as a result of increased cash held at the year end.

Performance Going Forward

We will continue to build on the progress the Fundraising team has already made in order to expand our reach to further donors. The next 5 year strategy also presents opportunities for further fundraising.

The Investment Committee will continue to work with Cazenove to ensure we receive the best return on our money.

Our internal audit reviews in 25/26 gave Trustees assurance in their governance framework and activities going forward.

Reserves Policy

Our policy is to hold investment reserves of 20% of the valuation of the investment portfolio to manage the impact of valuation changes on the capacity of the Charity to support expenditure on grants.

During the year total reserves reached a peak of 28.3%, which was at 31 October 2025. The value of the portfolio remained steady for the following months and a distribution of £2.946m was paid out to the funds in December 2025. Markets have of course been volatile in the final few months of the financial year however reserves remain above the 20% threshold as noted below.

The balance of investment reserves (realised and unrealised) at 31 March 2026 was £19.331m (31 March 2025: £18.295m), at 23% above the Charity's acceptable risk threshold of 20% of the valuation of the portfolio. We will continue to review the situation in the markets with Cazenove Investment Managers and the Investment Committee.

The Charity commits to spending 5% of the general fund every year, based on a rolling average of the last 3 years general fund balance. This ensures that the general fund will not be fully spent down and allows the Charity to continue in operation including supporting major redevelopments at NHS Lothian that may extend over a number of years. These large commitments can create significant variations in expenditure from one year to the next, with some years requiring large amounts to be held in redevelopment funds/reserves in anticipation of large scale upcoming projects.

Investment Performance

Investment valuations were largely positive in the first few months of 2026 but saw a decline in March due to heightened volatility in global markets as a result of the ongoing conflicts in the Middle East. It is fair to say returns from investments were mixed throughout the year, with some manufacturing companies performing well, technology performing weaker and even healthcare performance showed detracted returns. However there is positive news in that our investments in diversifying and defensive assets generally held up better.

The portfolio generated a return of +6.6%, below the benchmark of 10% for the year; but above CPI + 4% which was +6.3%.

The SMAF portfolio returned +9.2% over the 12 months to 31.03.2026, ahead of the CPI +4% investment objective which stood at +6.3%. The fund’s emerging market equity exposure was a key driver of returns over the period, alongside the commodities allocation which includes positions in gold and energy transition metals. However, stock selection within technology, particularly in the software space, alongside not owning energy, held back returns.

Table 1: NHS Lothian Charity Investment Performance Summary FY2025/26

	12 Months	3 years p.a.	5 years p.a
Portfolio	6.6%	5.5%	3.9%
CPI + 4%	6.3%	6.9%	9.3%
ARC Steady Growth Charity Index	10.0%	7.3%	4.7%

All performance figures are net of Investment Management costs. Benchmark asset allocation are set within our Investment Policy and mandate.

Common Investment Scheme

The Trustees participate, under a Service Level Agreement (SLA) with the Trustees of Lanarkshire Health Board Endowment Fund, in a Common Investment Scheme. The objects of Lanarkshire Health Board Endowment Fund are the advancement of health which is aligned with those of NHS Lothian Charity. Only the Charity’s share of the Common Investment Scheme assets is included in the balance sheet under investments. A separate balance sheet is maintained for Lanarkshire Health Board Endowment Fund’s share of the portfolio. Safe custody of the investment assets is provided through the use of Investment Managers.

The Common Investment Scheme portfolio was valued at £88.134m at 31 March 2026 (2024/25: £89.752m) of which £83.386m related to the Charity (2024/25: £84.853m).

Investment Policy

The investment objective is to maximise the “total return” (i.e. aiming to achieve an investment return through both income and capital growth) within moderate parameters of risk, and to maintain the real capital value of the portfolio over the long term.

The investment target is to achieve an annual rate of return (i.e. incorporating an allowance for inflation) of CPI +4%. The Trustees have agreed not to set a specific annual income target.

The Trustees have agreed to a moderate tolerance of risk, accepting that at times this will mean accepting short or medium-term declines in capital values.

Trustees have considered the cost and risk implications of constructing a portfolio from a blend of directly held securities and pooled funds, and have concluded that this route is appropriate given the Charity’s specific requirements, particularly with respect to ethical and responsible investment, which cannot be met with sufficient proximity by pooled funds alone.

Ethical and Responsible Investment

During 2025/26 Trustees continued to review their policy with regard to their duties and guidance on ethical and responsible investment, and believe that responsible investment can enhance long-term portfolio performance. In particular, capturing investment opportunities driven by environmental, social and governance (ESG) integration and active ownership may have a material positive impact on investment returns and risks. The Charity has a published Ethos statement in relation to ESG including a target of 2050 to achieve net zero in our investment portfolio.

The Investment manager, is encouraged to take an active approach to engagement in these areas when considering both existing and prospective investments.

Trustees also encourage their investment manager to discharge their responsibilities in accordance with current best practice including the UK Stewardship Code, and the UN Principles of Responsible Investment.

The Trustees maintain the following investment restrictions, which would be in direct conflict with the Charity’s objectives:

- No direct investments in companies involved in tobacco production, distillers of alcoholic beverages, armaments, fossil fuels or gambling related companies. Screened at 10% of revenue.
- Underlying securities of pooled funds are screened prior to acquisition for exposure to tobacco, alcohol, armaments, fossil fuels and gambling at 10% of revenue and will only be invested in if these represent less than 5% of the overall assets of the relevant fund.

The Charity also has an investment in a Sustainable Multi-Asset Fund, which mirrors the portfolio’s target return objective, risk tolerance and asset allocation strategic weightings and tactical ranges. The fund builds on Trustees’ response to responsible and ethical investment by excluding exposure to coal and tar sands, alcohol, pornography, armaments, tobacco, gambling, high interest lending and human embryonic cloning. During the year the Investment Managers attended all meetings of the Investment Committee.

Policies

The Charity is a sector leader in good governance and transparency and has developed an extensive framework of policies and procedures which are published on our website.

The **Trustee Code of Conduct** sets out the Charity's expectations of its Trustees, providing them with clear guidance as to the expected standards of behaviour, responsibilities and best practice in fulfilling their obligations to NHS Lothian Charity, and ensures consistent application of the values and ethos of the Charity by all Trustees.

Complaints Policy and Procedure

The Charity is committed to continuously improving its service to donors, supporters and members of the public, working in an open and accountable way that builds trust and respect and adheres to best practice. We always aim to treat our donors, supporters and other stakeholders with the highest level of care and respect. However, we recognise that on occasion we may not meet their expectations or our own high standards. An effective complaints management system is a proven way of maintaining and building relationships with the people on whom the Charity depends. During 2025/2026 we received zero complaints. (2024/2025 one complaint which was satisfactorily addressed).

The **Conflict of Interest Policy** helps the Charity identify and manage actual, potential and perceived conflicts of interest which might arise where an individual's personal or familial interests conflict with those of the Charity. Such conflicts can result in decisions or actions which are not in the best interests of the Charity, thereby damaging its reputation. A Register of Interests is updated annually, and declarations of interest are recorded at all Trustee and Committee meetings. During 25/26 there were no material Conflicts of interest.

The **Ethical Fundraising Policy** gives stakeholders confidence in our decision-making when deciding when to accept or refuse a donation that could be deemed as potentially detrimental to the Charity or be contrary to our charitable objectives. Potential detrimental impacts to the Charity could include reputational damage that may lead to a loss of support both in the short or long term that is outweighed by the benefit that the donation could provide. We are committed to good fundraising and the Code of Fundraising Practice.

Freedom of Information Statement

The Charity is exempt under the Freedom of Information Act (Scotland) 2002 (FOISA). NHS Endowment Charities are not listed within the FOISA: Schedule 1, Part 4: The National Health Service Charities by themselves are not bound by FOISA unless they are carrying out a public function. The Charity does not fund core functions which the NHS is obliged to provide to the public, and the board of NHS Lothian does not direct the Charity's activities (i.e. what trustees fund).

Privacy Policy

We are committed to ensuring the privacy of our donors, supporters and other stakeholders is protected. When we collect personal information, we commit to keeping this information safe. In accordance with the Data Protection Act 2018, our privacy statement sets out how we collect and use personal information, and why this is important in enabling us to fulfil our charitable objectives.

Records Management Policy Incorporating NHS Lothian Records Management Policy

NHS Lothian is the data controller for the Charity, and we adhere to NHS Lothian's Records Management Policy. However, as a charity some of the information we receive, process and store is not covered under that policy. The purpose of this additional policy is to ensure that the records management of the Charity is in line with current legislation, regulation and guidance.

The **Policy for Treating Supporters in Vulnerable Circumstances Fairly** outlines our principles and approach for staff, trustees and representatives to follow when engaging with supporters who may be experiencing vulnerable circumstances, treating supporters fairly and with respect, adapting our approach to meet supporters' needs and being accountable for our actions.

Whistleblowing Statement

The Public Interest Disclosure Act 1988 provides protection for individuals (employees) who raise legitimate concerns about specified matters, known as qualifying disclosures. New National Whistleblowing Standards for the NHS in Scotland came into force from April 1st 2021 and cover all NHS providers. NHS Lothian is the employer of all staff who are engaged in activities relating to the operation of the Charity; the Charity is not an employer in its own right.

Use of Animals in Research Statement

Very occasionally, the charity funds clinical studies which require the use of animals. This research is largely under the jurisdiction of academic partners, but our statement on the use of animals in research ensure that this research is aligned with best practice. That is, the principle of using animals in research, when necessary, to advance understanding and treatment of serious health conditions, where there is no alternative that can be used, and stipulating high standards of animal welfare.

The **Investment** and **Reserves Policies** are summarised within the Financial Review section on pages 38 – 41, and the **Risk Management Policy** is described in the Principal Risks and their Management section on page 45.

The Charity's full suite of governance documents are reviewed every two years, and are next due for review in December 2026.

Principal risks and their management

To support our vision of **making healthcare better, together** we proactively work to manage and reduce risks which would impact our ability to invest in enhanced experience and care for patients in hospitals and their communities, and having a positive impact on health in Lothians.

The Charity Trustees acknowledge that efficient and effective management of risk is important in achieving its business objectives. Our Risk Management Policy reflects our commitment to sound risk management policies and practice.

Systems in place to identify and mitigate risks include:

- The Risk Management Policy was approved by Trustees in December 2024.
- Trustees set the culture of risk management and have ultimate responsibility for risk management including major decisions affecting the risk profile or exposure to risk.
- The Charitable Funds Committee acts under delegated authority of trustees to provide an independent and objective view of the arrangements for the management of risk. The Risk Register is reviewed as a standing quarterly agenda item by the Charitable Funds Committee.
- Risk Management is delegated to the Charity Director and Senior Management Team, who are responsible for supporting the Trustees and Committees in the identification and assessment of major risks.
- The Senior Management Team oversee operational risks and are responsible for their management and evaluation in conjunction with regular review of corporate-level risks.
- Trustees' approach to risk appetite is to grade each risk across a spectrum of averse to hungry; this then informs the target risk score. Additional actions are then considered to move residual risk closer to target risk, i.e. within agreed appetite.
- Internal audit activity (what we audit) is linked to the Charity's risk universe. Risk management processes and controls were last audited in 2024 and received a moderate assurance rating.

The principal risks and management strategies are summarised below:

The Corporate Risk Register approved in March 2024 considers risk in four categories: Governance & Management, Economic & Financial, Operational & External, and Compliance & Regulatory, across the six enablers that support the successful delivery of the corporate strategy. These are: effective

relationships, impact evaluation, increased resources, engaged and effective staff, raised profile, and effective governance and management.

The risk register considers residual risk scoring NET after controls using a 5x5 Likelihood x Impact matrix, and Trustees' level of assurance anchors assurance to the controls and risk scoring and tracking. The Corporate Risk Register currently contains twelve risks; four highest scoring risks and management strategies are summarised below:

- **Risk Description: Strategic Partnerships**
We're proud to be the official charity of NHS Lothian and work with other partners in support of our charitable purpose. The failure of our strategic partnerships would present a significant risk to both delivery and our reputation. When we initiated a review of our current strategy and as we develop our next strategic cycle, we will continue to monitor this risk score given that our decisions will impact our partner.
Trustee Assurance: Medium
Residual Risk: Medium
- **Risk Description: Engaged, Effective Staff**
Whilst uncertainty surrounding the current strategy is largely passed, a new strategy and charity future direction could impact the charity team and NHS staffing of long-standing strategic priority programmes,. During the development of the new corporate strategy, involving and informing the workforce with sensitivity is essential. We are in dialogue with partners and grantholders about this transition.
Trustee Assurance: Medium
Residual Risk: Medium
- **Risk Description: Spend of Restricted Gifts and Grants**
This new risk approved in March 2026 is included due to the increased and live risk of donations and grants restricted to projects unable to go ahead due to changing NHS Lothian priorities or delays in implementation or delivery. Key to the mitigation of this risk is the success of our strategic partnerships (see above), relationship building, and clear sightlines on board prioritisation matching to grantmaking and donor intent.
Trustee Assurance: Medium
Residual Risk: High

Structure, governance and management

Objects

NHS Lothian Charity is registered as a charity in Scotland SC007342. Our registered office is Waverley Court, 4 East Market Street, Edinburgh, EH8 8BG.

The Charity, by virtue of its governing document the National Health Service (Scotland) Act 1978 is constituted as a corporate Trustee, i.e. Lothian Health Board, as a corporate body, has been appointed Trustee of the Charity.

The Charity's objective is the advancement of health, through the improvement of the physical and mental health of the people of Edinburgh and the Lothians, the prevention, diagnosis and treatment of illness, the provision of services and facilities in connection with the above, and the research into any matters relating to the causation, prevention, diagnosis or treatment of illness, or into such other matters relating to the health service as the Trustees see fit.

The Trustees shall observe the principle of not granting charitable funds as a substitute for a core provision, or to cover a responsibility of Lothian NHS Board which is a requirement of health and safety, employment law or a ministerial policy direction. This is in order to reduce the risk of conflict of interest between the role of Lothian Health Board and the Charity Trustees.

Trustee Appointment

All members of Lothian Health Board are appointed by Scottish Ministers. Board members become Trustees of the Charity ex officio, which leads to a consolidation requirement. Trustees collectively are an unincorporated body distinct from Lothian Health Board which indemnifies Trustees (collectively and individually) against allegations of neglect or breach in respect of their duties as Trustees.

The appointment as Trustee is legally distinct from the appointment as board members and individual board members, in their capacity as Charity Trustees, are required to meet the requirements of the Charities and Trustee Investment (Scotland) Act 2005. No other individuals are permitted to be appointed to act as Trustees. Trustees who served throughout the year to 31 March 2026, except where otherwise disclosed, are listed on page 49.

Trustees receive a comprehensive induction to the Charity when they join the Board, including an induction pack which includes the Charity's Charter, Trustee Role Description and Code of Conduct, and Conflict of Interest Policy. Trustees are also invited to seminars and other development opportunities throughout the year on governance, investment and charitable funding.

Powers of Investment

The Lothian Health Board's powers of investment in its capacity as corporate Trustee of NHS Lothian Charity are principally derived from the Charity's Charter and the Charities and Trustee Investment (Scotland) Act 2005:

Trustees are entitled to make any kind of investment of the endowment including a wider power to acquire stocks and shares, or heritable property. Trustees' duties before making an investment are to consider the need for diversification of investments, consider the suitability of the proposed investments, and to consider obtaining appropriate advice.

Trustees also have powers to appoint nominees (i.e. an investment manager) for the purpose of investment.

Remuneration

Trustees are responsible for the appointment of the senior officers (Higher than Agenda for Change Band 7) in accordance with NHS Scotland Agenda for Change policy framework.

Networks and Affiliations

We are registered with the Scottish Fundraising Standards Panel.

Trustees’ responsibilities

The Trustees are responsible for preparing the Trustees’ Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the Charity for that period.

In preparing these financial statements, generally accepted accounting practice requires that the Trustees:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- State whether the financial statements comply with applicable accounting standards and the requirements of the National Health Service (Scotland) Act 1978, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are required to act in accordance with the National Health Service (Scotland) Act 1978, within the framework of trust law. They are responsible for keeping adequate accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by them under section 44 of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Approved by the NHS Lothian Charity Trustees at their meeting held on 24 June 2026.

DISCLOSURE OF INFORMATION TO AUDITORS

To the knowledge and belief of each of the persons who are Trustees at the time the report is approved:

- a) So far as the Trustee is aware, there is no relevant information of which the organisation’s auditor is unaware; and,
- b) He/she/they has taken all steps that he/she/they ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustees and signed on their behalf by:



Andrew Fleming
24 June 2026



Craig Marriott
24 June 2026

Organisation

Trustee Board

Andrew Fleming (Chair)
Shamin Akhtar
Philip Allenby
Eddie Balfour
Jonathan Blazeby
Dr Patricia Cantley
Harry Cartmill
Heather Campbell (from 28/07/25)
Andrew Cogan
Prof John Connaghan CBE
Martin Connor (Until 31/12/25)
Tracy Gillies
Elizabeth Gordon
George Gordon
Margaret Graham (to 13/05/25)
Joan Griffiths (from 09/10/25 to 30/10/25 & reappointed 02/03/26)
Prof Caroline Hiscox
Prof John Innes
Katharina Kasper (to 05/02/26)
Prof Amjad Khan
Peter Knight
Alison MacDonald
Craig Marriott
Prof Lorna Marson
Tracy Ann Miller
Derek Milligan
Dona Milne (until 31/05/25)
Ralph Roberts (from 28/07/25)
Val de Souza
Susan Webb (from 14/07/25)

Decision Making and Committees

Trustees are responsible for the general control and management of the administration of the Charity, agreeing the strategy, any policies pertinent to governance and control, annual budgets, and internal and external audit. Trustees approve the Annual Report and Financial Statements, the establishment, membership and Terms of Reference of any committee, and consider any proposal for expenditure out with the strategy and annual budget over £500k. There were four Trustee meetings during 2025/26.

Trustees are usually served by two standing committees and three advisory groups. Both committees are chaired by a Trustee but include non-Trustee members. Both report to the full Trustee Board:

The Charitable Funds Committee is appointed to develop the Charity’s strategy and objectives, oversee the implementation of an infrastructure appropriate to its efficient and effective running, oversee the expenditure and investment plans, and monitor the performance of the Charity’s activities ensuring it adheres to the principles of good governance and complies with all relevant legal requirements.

The Investment Committee is established to oversee the Charity’s Investment Policy, the setting of appropriate benchmarks for investment performance, and the monitoring of performance against those benchmarks.

The Ethical Fundraising Review Group is established to oversee the acceptance and refusal of donations, gifts and partnerships in line with the Ethical Fundraising Policy.

The Arts Advisory Group is appointed to support delivery of the Arts in Health and Wellbeing Strategy and the ongoing programme activity.

The Greenspace and Health Advisory Group is appointed to support the delivery of the Greenspace and Health Strategy and the development of programmes and activities.

Senior Management Team

The senior management team is responsible for the day-to-day leadership of the Charity, the management of staff, contractors and volunteers, the delivery of our strategy and adherence to agreed policies and procedures.

Advisors

Auditors (Statutory)

CT Audit Limited
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Auditors (Internal)

NHS Lothian
Waverley Court
4 East Market Street
Edinburgh, EH8 8BG

Investment Managers

Schroder & Co Ltd
t/a Cazenove Capital Management
1 London Wall Place
London EC2Y 5AU

Bankers

The Royal Bank of Scotland plc
Commercial Banking
1st Floor, Gemini Building
24-25 St Andrew Square
Edinburgh EH2 1AF

Solicitors

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

Senior Management Team

Jane Ferguson *Director*
Jane Greenacre *Head of Programmes*
Patricia Scott *Head of Finance*
Nicola Sinclair *Head of Engagement*

Auditor's Report and Financial Statements

Independent Auditor's Report to the Trustees of NHS Lothian Charity for the year ended 31 March 2026

Opinion

We have audited the financial statements of NHS Lothian Charity (the 'charity') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charity's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the National Health Service (Scotland) Act 1978.

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 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 (FRC's) Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees’ report.

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

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

Responsibilities of the Trustees

As explained more fully in the trustees’ responsibilities statement set out on page 48, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management and the trustees;
- review of minutes of trustee meetings throughout the period;
- specific consideration was given to transactions with related parties; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations

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

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

Use of our report

This report is made exclusively to the charity’s trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the National Health Service (Scotland) Act 1978.

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



25 June 2026

CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

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

Financial statements
Statement of financial activities for the year ended 31 March 2026

		Unrestricted funds 2026	Restricted funds 2026	Total funds 2026	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	NOTE	£000	£000	£000	£000	£000	£000
Income and endowments from:							
Donations and legacies	2	2,149	151	2,300	2,234	269	2,503
Charitable activities	3	24	-	24	-	-	-
Other trading activities	4	192	-	192	97	-	97
Investments	5	2,346	-	2,346	2,249	-	2,249
Total		4,711	151	4,862	4,580	269	4,849
Expenditure on:							
Raising funds	6	1,088	26	1,114	998	23	1,021
Charitable activities	7	6,714	(334)	6,380	5,320	790	6,110
Total		7,802	(308)	7,494	6,318	813	7,131
Net income / (expenditure)		(3,091)	459	(2,632)	(1,738)	(544)	(2,282)
Net gain / (loss) on investments		3,980	-	3,980	(1,542)	-	(1,542)
Net income / (expenditure)		889	459	1,348	(3,280)	(544)	(3,824)
Transfers between funds		101	(101)	-	288	(288)	-
Other recognised gains/(losses):							
Revaluation of investment properties		-	-	-	45	-	45
Net movement in funds		990	358	1,348	(2,947)	(832)	(3,779)
Reconciliation of funds							
Total funds brought forward	15	82,458	3,348	85,806	85,405	4,180	89,585
Total funds carried forward		83,448	3,706	87,154	82,458	3,348	85,806

The Statement of Financial Activities includes all gains and losses recognised in the year.
All results relate to continuing activities.

Notes 1 – 20 on pages 57–71 form part of these financial statements.

Financial statements
Balance sheet as at 31 March 2026

		Total funds 2026	Total funds 2025
	NOTE	£000	£000
Fixed assets			
Investments			
Securities	10	83,386	84,853
Cash awaiting investment	12	679	1,104
Investment property	10	1,260	1,260
Total fixed assets		85,325	87,217
Current assets			
Debtors	11	1,088	597
Investments – cash on deposit	12	1,256	518
Cash at bank and in hand	12	2,313	546
Total current assets		4,657	1,661
Current liabilities			
Creditors: amounts falling due within one year	13	(2,828)	(3,072)
Net current assets / (liabilities)		1,829	(1,411)
Total assets less current liabilities		87,154	85,806
Financed by – charity fund total			
	18	87,154	85,806
Represented By:			
Unrestricted – General Funds		54,940	51,427
Unrestricted – Designated Funds		28,508	31,031
Restricted Funds		3,706	3,348
Charity fund total	15	87,154	85,806

Notes 1 – 20 on pages 57–71 form part of these financial statements.
NHS Lothian Charity Financial Statements for the year ended 31 March 2026 were approved by the Trustees at their meeting held on 24 June 2026.


Mr Craig Marriott, Trustee


Mr Andrew Fleming, Chairman of Trustees

Financial statements

Statement of cash flows for the year ended 31 March 2026

	Total funds 2026	Total funds 2025
NOTE	£000	£000
Cashflows from operating activities		
Net cash (used in) operating activities	(6,435)	(4,143)
Cash flows from investing activities		
Dividends, interest and rents from investments	2,346	2,249
Proceeds from sale of property	-	-
Proceeds from sale of investments	14,605	11,747
Purchase of investments	(8,436)	(11,015)
Net cash provided by investing activities	8,515	2,981
Change in cash and cash equivalents in the reporting period	2,080	(1,162)
Cash and cash equivalents at the beginning of the reporting period	2,168	3,330
Cash and cash equivalents at the end of the reporting period	13	4,248
	2,168	

Reconciliation of net income/(expenditure) to net cash outflow from operating activities

	2026	2025
	£000	£000
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	1,348	(3,779)
Adjustments for:		
Revaluation loss / (gain) on fixed assets	-	(45)
Revaluation (gain) / loss on investments	(4,702)	2,206
Dividends, interest and rents from investments	(2,346)	(2,249)
(Increase) in debtors	(491)	(422)
(Decrease) / Increase in creditors	(244)	146
Net cash (used in) operating activities	(6,435)	(4,143)

Notes to the financial statements

Principal Accounting Policies

General Information

1.1 Basis of preparation

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the Charity’s transactions are denominated. They comprise the financial statements of NHS Lothian Charity. The objective of NHS Lothian Charity is the advancement of health and the promotion of physical and mental health and wellbeing of the people of Scotland. NHS Lothian Charity 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 SC007342. Details of the principal address can be found on page 47 of the financial statements.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (FRS102), the Statement of Recommended Practice (SORP) ‘Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)’, published in October 2019, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the National Health Service (Scotland) Act 1978 and the charity’s constitution.

NHS Lothian Charity 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 Trustees 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 1.13.

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 Charity’s financial statements unless otherwise stated.

Going concern

The Trustees are of the opinion that the Charity can continue to meet its obligations as they fall due for the foreseeable future. The financial position and cash-flow forecasting is reviewed on a regular basis by the Charitable Funds Committee and reported to Trustees. As a consequence, the Trustees have prepared the financial statements on a going concern basis.

Controlling entity

The financial statements are consolidated into the Lothian Health Board (operating as NHS Lothian). The basis of the consolidation is merger accounting. The financial statements are available on the website of NHS Lothian.

1.2 Income

Donations and grants are recognised once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Investment income is recognised when right to receipt is established.

Incoming resources are included gross of any tax recoverable.

Income that is restricted by the donor is included in an existing restricted fund that most closely matches the nature of the restriction unless it is not possible to match the donation to a fund in which case a new fund will be established. Income which has no restrictions attached is included in the general funds of the Charity.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred once all conditions attached to the legacy have been fulfilled.

Where legacies have been notified to the Charity and the criteria for income recognition haven’t been met, the legacy is treated as a contingent asset and disclosed if material. Legacy income

is measured at fair value, generally the cash amount receivable, and is discounted if deferred for more than 12 months. The unwinding of the discount is recognised as interest receivable.

Gifts in kind are not accounted for where they will be accepted and immediately distributed as they have no realisable value.

1.3 Resources expended and recognition of liabilities

All expenditure is recognised when there is a legal or constructive obligation committing the Charity to the expenditure. Expenditure is accounted for on an accruals basis and has been classified under headings of raising funds and charitable activities, which aggregate all costs related to the category.

The costs of generating funds are the direct costs associated with raising funds and include fundraising costs and investment management fees. Fundraising costs are those incurred in seeking voluntary contributions and include direct costs such as publicity and direct mailing material. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Costs of charitable activities comprise all costs identified as wholly or mainly incurred in the pursuit of the charitable objects of the Charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to direct costs. The total costs of each category of charitable expenditure therefore include support costs and the apportionment of overheads, as shown in note 7.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

Any irrecoverable VAT is charged to the statement of financial activities, or capitalised as part of the cost of the related asset, where appropriate. Most items of medical or scientific equipment and aids for the disabled may be zero-rated for VAT purposes when purchased wholly from charitable funds.

The Charity is not separately registered for VAT. As permitted by HM Revenue & Customs (HMRC) under the NHS Contracted Out Services Regulations, VAT on relevant invoices paid from Endowment Funds is reclaimed using Lothian Health Board's own VAT registration reference. Amounts reclaimed are credited to the endowment funds which bore the costs initially.

1.4 Investments

Investments and properties are stated at fair value at the balance sheet date. The investment properties are valued on an open market basis every few years by professional surveyors, in accordance with RICS guidelines, and reviewed during interim years by the Trustees.

Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividends as this is not materially different from bid value.

Any realised gains and losses on revaluation or disposals are disclosed in the Statement of Financial Activities.

1.5 Realised and unrealised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and the carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year-end and the carrying value (or purchase date if later).

1.6 Pensions

The Charity is a grant making charity and has no employees (Charity staff are employees of NHS Lothian); any pension contribution or taxation liabilities that may arise are solely the responsibility of the grant recipient.

1.7 Taxation

The Charity has charitable status and is exempt from income tax under Section 505 of the Income and Corporation Taxes Act 1988 and capital gains tax under Section 256 of the Taxation of Chargeable Gains Act 1992 and the Charity is entitled to describe itself as a Scottish charity.

1.8 Funds

Unrestricted funds are income sources which are receivable for the objectives of the Charity without further specified purposes and are available as general funds.

Designated funds are unrestricted income sources which have been earmarked for a specific future purpose.

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, together with a fair allocation of management and support costs.

1.9 Accrued income

Accrued income relates to legacies and dividend income to which the Charity is entitled which has not been received at the year end.

1.10 Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

1.11 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, cash balances held within the investment portfolio, balances held in commercial banks and other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

1.12 Financial assets and financial liabilities

Financial instruments are recognised in the financial statements when the Charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. 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 similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Charity 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.

Current assets and current liabilities are measured at the cash value expected to be paid or received.

1.13 Significant estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Charity makes judgements in applying accounting policies.

2. Donations & Legacies

	Unrestricted funds 2026	Restricted funds 2026	Total funds 2026	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£000	£000	£000	£000	£000	£000
Donations	1,102	31	1,133	975	39	1,014
Legacies	861	38	899	1,173	23	1,196
Grants	186	82	268	86	207	293
Total donations and legacies	2,149	151	2,300	2,234	269	2,503

3. Charitable Activities

	Unrestricted funds 2026	Restricted funds 2026	Total funds 2026	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£000	£000	£000	£000	£000	£000
Pleural Nurse Funding	24	-	24	-	-	-
Total charitable activities	24	-	24	-	-	-

In 2025/26 the Charity received funding from Action on Asbestos to fund a pleural nurse.
(See also note 20)

4. Other Trading Activities

	Unrestricted funds 2026	Restricted funds 2026	Total funds 2026	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£000	£000	£000	£000	£000	£000
Staff Lottery	192	-	192	97	-	97
Total other trading activities	192	-	192	97	-	97

In 2024/25 the Charity introduced a staff lottery for employees of NHS Lothian.

5. Investment Income

	Unrestricted funds 2026	Restricted funds 2026	Total funds 2026	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£000	£000	£000	£000	£000	£000
Listed equity investments	2,287	-	2,287	2,179	-	2,179
Schroder	14	-	14	10	-	10
Bank interest	10	-	10	25	-	25
Rental property	35	-	35	35	-	35
Total investment income	2,346	-	2,346	2,249	-	2,249

6. Raising Funds

	Unrestricted funds 2026	Restricted funds 2026	Total funds 2026	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£000	£000	£000	£000	£000	£000
Investment management	457	-	457	460	-	460
Fundraising costs	631	26	657	538	23	561
Total raising funds	1,088	26	1,114	998	23	1,021

7. Charitable Activities

The Charity did not undertake any direct charitable activities on its own account during the year. Grants were approved in favour of beneficiaries and the Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by beneficiaries. Support costs have been apportioned across the categories of charitable expenditure based upon the level of expenditure on grant funded activity.

An initial allocation of overhead and support costs has been made to unrestricted funds and restricted funds based on the balances on these funds at the end of the financial year, exclusive of investment properties. From this allocation, balances are then identified for governance related costs leaving a residue to be allocated and /or apportioned across all other activities, namely charitable expenditure and costs of generating funds.

	Unrestricted funds 2026	Restricted funds 2026	Total funds 2026	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£000	£000	£000	£000	£000	£000
Grant Making						
Grant funding of activities (note 8)	6,073	(363)	5,710	4,727	764	5,491
Support costs (Note 9)	477	22	499	456	20	476
Governance (Note 9)	164	7	171	137	6	143
Total charitable activities	6,714	(334)	6,380	5,320	790	6,110

During the year, an accrual of £750,000 was reversed from the SCRH Neonatal Unit Fund as the NHS Lothian refurbishment project which the spend was intended for is no longer going ahead. This has resulted in negative charitable activity spend from restricted funds. The donor of the funds has not asked for these to be returned and has instead asked for the Charity to provide details of other projects that the funds can be spent on.

8. Analysis of Grants Expenditure

The Charity does not make grants to individuals. The total cost of making grants is disclosed on the face of the Statement of Financial Activities. Restricted and Designated Funds are operated on Trustees’ behalf by the Charity’s Senior Management Team, who may disburse grants to a designated limit of £50,000 based on the purposes of that fund.

Total grant making expenditure was £5,710k of this the following institutions received grant funding above £100,000:

Institutional Grants	£000
NHS Lothian	2,636
University of Edinburgh	864
Other Organisations	2,210
Total	5,710

Note 17 contains more detail on the grant making expenditure with NHS Lothian.

9. Analysis of Support & Governance Costs

	Charitable Activities	Governance costs	2026	Charitable Activities	Governance costs	2025
	£000	£000	£000	£000	£000	£000
Salaries and related costs	415	73	488	389	69	458
External Audit	-	21	21	-	19	19
Property/post/phone/other	84	77	161	87	55	142
Total	499	171	670	476	143	619

The Charity Office costs in 2025/26 totalled £670,000 (2024/25: £619,000). The majority of costs are salary related. Staff are employed by NHS Lothian and costs recharged to the Charity. The Charity does not employ anyone directly. In addition no Trustee received any remuneration or expenses from the Charity during the year (2024/25 – none).

CT Audit Services received £600 for fees for non-audit activities in 2025/26 (2024/25: £nil).

Other key expenditure items during the year relate to a SLA with NHS Lothian for financial services provision, operational website costs, legal and property costs and other office expenditure.

10. Investments

	Investment Property 2026	Market Investments 2026	Total 2026	Investment Property 2025	Market Investments 2025	Total 2025
	£000	£000	£000	£000	£000	£000
Cost or valuation at 31 March 2025	1,260	84,853	86,113	1,215	87,791	89,006
Acquisitions	-	8,438	8,438	-	11,015	11,015
Disposals	-	(14,607)	(14,607)	-	(11,747)	(11,747)
Revaluation gain/(loss)	-	4,702	4,702	45	(2,206)	(2,161)
Valuation at 31 March 2026	1,260	83,386	84,646	1,260	84,853	86,113

The historic cost of market investments is £70,541k (2024/25 £75,664k).

The investment properties at Hatton Place and Caledonian Road were revalued by DVS chartered surveyors in March 2025 in accordance with RICC guidelines, on an open market value basis. The properties are due to be revalued again in March 2028.

11. Debtors

	2026	2025
	£000	£000
Prepayment & accrued income	1,088	597
Total	1,088	597

12. Cash and Cash Equivalents

	2026	2025
	£000	£000
Cash at bank	2,313	546
Cash at investment manager	679	1,104
Notice deposits < 3 months	1,256	518
Total cash and cash equivalents	4,248	2,168

13. Creditors

	2026	2025
	£000	£000
Creditors due within 1 year		
Accruals for grants payable	1,657	1,869
Amounts owed to group and associated undertakings (note 17)	186	110
Accruals	985	1,093
Total	2,828	3,072

14. Financial Assets and Liabilities at Fair Value Through Net (Expenditure)/Income

	2026	2025
	£000	£000
Investments at fair value (note 10)	83,386	84,853

15. Analysis of Restricted Funds

Hospital Restricted Funds >£100k	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2026
	£000	£000	£000	£000	£000	£000
St John's Hospital at Howden:						
Martha Ritchie Cancer Care Fund	376	39	(9)	-	36	442
Western General Hospital:						
WGH Neurological Surgery Fund	526	-	(101)	-	48	473
Astley Ainslie Hospital:						
Edinburgh Physio Rehab Service Fund	161	-	(12)	(25)	12	136
M. M. Harkness Young Chronic Sickness Unit Fund	126	-	(2)	(25)	9	108
Roodlands Hospital:						
Harriet Connolly Fund	162	-	(36)	-	12	138
Royal Infirmary of Edinburgh:						
CEG Wright Renal Scanner Fund	390	-	(6)	-	34	418
SCRH Neonatal unit Refurbishment Fund	-	-	724	-	-	724
Royal Hospital for Children and Young People:						
Cancer Treatment Fund	116	-	(2)	-	11	125
Total Hospital Restricted Funds >£100k	1,857	39	556	(50)	162	2,564

Division-wide Restricted Funds >£100k	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2026
	£000	£000	£000	£000	£000	£000
Share of Undistributed Investment Reserves	680	-	-	-	(226)	454
Total Division-wide Restricted Funds >£100,000	680	-	-	-	(226)	454
Other Restricted Funds less than £100,000	811	112	(248)	(51)	64	688
Total Hospital & Division-wide Restricted Funds	3,348	151	308	(101)	-	3,706

15. Analysis of Unrestricted Funds

Hospital Designated Funds >£100k	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2026
	£000	£000	£000	£000	£000	£000
St John's Hospital at Howden:						
Critical Care Unit (CCU) Endowment Fund	127	1	(5)	-	7	130
Oncology & Haematology Day Unit Fund	253	9	(7)	-	15	270
W. Lothian Palliative Care Fund	205	2	(9)	-	11	209
Breast Cancer Fund	191	1	(4)	-	11	199
Laser Fund	409	-	(9)	-	23	423
Western General Hospital:						
Stroke Research and Amenities Fund	135	1	(15)	-	7	128
Rheumatic Diseases Unit Fund	234	-	(65)	-	10	179
Respiratory Medicine Unit Fund	185	-	(21)	-	9	173
Edinburgh Centre For Neuro-Oncology	186	1	(5)	-	10	192
Microbiological Research Fund	119	-	(4)	-	6	121
Head & Neck Cancer Research Fund	257	2	(10)	-	14	263

General Oncology Department Fund	725	93	(241)	-	38	615
Diabetes Unit Fund	110	-	(2)	-	6	114
Fighting Cancer In Edinburgh	180	49	(95)	-	8	142
Colorectal Research Fund	148	2	(3)	-	8	155
Haematology Research Fund	619	134	(63)	-	39	729
Paul Abraham Molecular Laboratory Fund	290	-	(6)	-	16	300
Edinburgh Neurology Fund	469	115	(122)	-	21	483
Breast Cancer Institute Fund	531	35	(320)	-	13	259
Haematology Ward Fund	246	6	(42)	-	14	224
WGH (General Purposes) Site Fund	331	1	(25)	-	18	325
Oncology Ward Funds	190	4	(6)	-	10	198
Edinburgh Breast Unit Fund	200	15	(7)	-	11	219
Colorectal & Urology Wards	163	-	(18)	-	9	154
Lung Cancer Fund	91	90	(36)	-	5	150
Clinical Oncology Research & Education Fund	29	90	(5)	-	2	116
Royal Victoria Building:						
The Edinburgh Parkinson's Service Fund	163	-	(12)	-	9	160
Royal Hospital for Children and Young People:						
Calderwood Paediatric Cardiology Fund	250	-	(10)	-	14	254
Trastevere Fellowship Paediatric Pathology	131	-	(3)	-	7	135
Endocrine and Diabetes Fund	110	-	(7)	-	6	109
Leukaemia & Cancer Fund	599	4	(27)	-	33	609
RHCYP (Gen Purposes) Site Fund	311	196	(43)	-	21	485
Royal Infirmary of Edinburgh:						
Kidney Transplant	336	2	(62)	-	17	293
Coronary Care Unit Fund	555	77	(12)	-	31	651
Scottish Liver Transplant Unit	382	19	(87)	-	20	334
Dermatology	97	-	3	-	6	106
Edinburgh Vascular Research Fund	182	8	(12)	-	10	188
Medical Renal Unit Fund	1,554	2	(128)	-	80	1,508
Renal Research Fund	281	3	(45)	-	13	252
Edinburgh Orthopaedics Funds	398	6	(169)	-	22	257
Cardiology Wards Fund	104	1	(3)	-	6	108
Respiratory Wards Fund	37	73	(14)	-	6	102
East Lothian Community Hospital:						
ELCH (General Purposes) Site Fund	129	2	(26)	74	10	189
Princess Alexandra Eye Pavilion:						
Treatment of Blindness & Research Fund	179	18	(11)	-	10	196
Eye Research Fund	377	117	(216)	-	16	294
Friends Eye Care Fund	282	12	(18)	-	15	291
Total Hospital Designated Funds >£100k	13,080	1,191	(2,047)	74	693	12,991

Division-wide Designated Funds >£100K	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2026
	£000	£000	£000	£000	£000	£000
Camhs Eat Diso, Rsrc & Self help	300	10	(42)	-	17	285
Edin Cancer Centre Research Fund	858	40	(366)	-	45	577
Edinburgh Heart Centre Fund	1,108	13	(138)	-	61	1,044
Edinburgh Spiritual Care Services Fund	132	-	(31)	-	6	107
Public Health Inequalities Fund	98	-	(2)	-	5	101
Share of Undistributed Investment Reserves	9,270	-	-	-	(1,130)	8,140
Total Division-wide Designated Funds >£100,000	11,766	63	(579)	-	(996)	10,254
Other Designated Funds less than £100,000	6,185	566	(1,818)	27	303	5,263
Total Hospital & Division-wide Designated Funds	31,031	1,820	(4,444)	101	-	28,508

Unrestricted Funds – General Fund	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2026
	£000	£000	£000	£000	£000	£000
General Fund	51,427	2,891	(3,358)	-	3,980	54,940
Total Unrestricted Funds	82,458	4,711	(7,802)	101	3,980	83,448

The Trustees set a closing balance of £100,000 or above as the threshold for separate reporting of material funds.

The titles of the individual unrestricted (designated) funds are indicative of the particular speciality, department, hospital or research activity that they support. They fall into two broad categories – funds received by way of legacies or substantive donations to support particular specialities/developments/ research activities. Alternatively, they are funds of a custodial nature established at the request of previously designated Fund Stewards, but subject to the general oversight of the Trustees.

Unrestricted (designated) funds exist for many different wards and hospitals within Lothian as well as for various diseases and illnesses. Where a donor leaves money to the Charity with a non-legally binding ‘expression of wishes’ in respect to putting the monies to a particular ward or cause and if there is already a similar designated fund in place then the donation is paid straight into that fund.

Although Investment Reserves are held for the benefit of individual General and Designated (Unrestricted) and Specific (Restricted) Funds, they are held in separate Reserve Accounts until such time as the Trustees may deem it appropriate for part or all of the reserves to be distributed to individual Funds.

There are also individual Restricted Funds where the donor’s intention was to create a separate trust that amounts to an obligation as to how the donation is to be used. Typical uses are research, patient amenities and equipment.

Transfers

There were three transactions in the year in relation to transfers between Restricted and General (Designated funds), mainly in relation to monies transferred in relation to patient travel support as a result of the move of some services from Astley Ainslie Hospital in Edinburgh to East Lothian Community Hospital in Haddington.

15. Analysis of Restricted Funds – Year Ended 31 March 2025

Hospital Restricted Funds >£100k	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2025
	£000	£000	£000	£000	£000	£000
St John’s Hospital at Howden:						
Martha Ritchie Cancer Care Fund	248	18	(6)		116	376
Western General Hospital:						
WGH Neurological Surgery Fund	572	-	(227)	-	181	526
Edinburgh GI Unit Fund	85	26	(14)	-	34	131
Astley Ainslie Hospital:						
Edinburgh Physio Rehab Service Fund	117	-	(7)	-	51	161
M.M Harkness Young Chronic Sickness Unit Fund	89	-	(2)	-	39	126
AAH LoF Rehan Services Fund	71	-	(2)	-	31	100
Roodlands Hospital:						
Harriet Connolly Fund	122	-	(11)	-	51	162
Simpson Centre for Reproductive Health:						
Gill Mitchell Wellbeing Fund	89	-	(14)	-	35	110
Royal Infirmary of Edinburgh:						
CEG Wright Renal Scanner Fund	340	-	(98)	-	148	390
Royal Hospital for Children and Young People						
Cancer Treatment Fund	93	(11)	(7)	-	41	116
Total Hospital Restricted Funds >£100k	1,826	33	(388)	-	727	2,198

Division-wide Restricted Funds >£100k	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2025
	£000	£000	£000	£000	£000	£000
Share of Undistributed Investment Reserves	1,634	-	-	-	(954)	680
Total Division-wide Restricted Funds >£100,000	1,634	-	-	-	(954)	680
Other Restricted Funds less than £100,000	720	236	(425)	(288)	227	470
Total Hospital & Division-wide Restricted Funds	4,180	269	(813)	(288)	-	3,348

15. Analysis of Unrestricted Funds – Year Ended 31 March 2025

Hospital Designated Funds >£100k	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2025
	£000	£000	£000	£000	£000	£000
St John's Hospital at Howden:						
Critical Care Unit (CCU) Endowment Fund	114	-	(4)	-	17	127
Oncology & Haematology Day Unit Fund	235	11	(26)	-	33	253
W. Lothian Palliative Care Fund	191	1	(14)	-	27	205
Breast Cancer Fund	170	-	(4)	-	25	191
Laser Fund	366	-	(11)	-	54	409
Western General Hospital:						
Edinburgh Cancer Centre Fund	357	22	(208)	-	45	216
Stroke Research and Amenities Fund	120	-	(3)	-	18	135
Rheumatic Diseases Unit Fund	222	-	(21)	-	33	234
Respiratory Medicine Unit Fund	165	-	(4)	-	24	185
Edinburgh Centre For Neuro-Oncology	177	1	(16)	-	24	186
Microbiological Research Fund	112	-	(9)	-	16	119
J. King Urological Cancers Research	146	1	(54)	-	15	108
Head & Neck Cancer Research Fund	219	10	(6)	-	34	257
General Oncology Department Fund	676	11	(61)	-	99	725
Diabetes Unit Fund	101	-	(6)	-	15	110
Fighting Cancer In Edinburgh	163	78	(79)	-	18	180
Colorectal Research Fund	186	1	(67)	-	28	148
Haematology Research Fund	570	-	(35)	-	84	619
Paul Abraham Molecular Laboratory Fund	257	-	(5)	-	38	290
Edinburgh Neurology Fund	436	-	(30)	-	63	469
Breast Cancer Institute Fund	214	302	(16)	-	31	531
Haematology Ward Fund	214	14	(15)	-	33	246
WGH General (General Purposes) Site Fund	14	363	(97)	-	51	331
Oncology Ward Funds	159	11	(5)	-	25	190
Edinburgh Breast Unit Fund	168	10	(4)	-	26	200
Colorectal & Urology Wards	146	2	(6)	-	21	163
Royal Victoria Building:						
The Edinburgh Parkinson's Service Fund	151	-	(10)	-	22	163
Royal Hospital for Children and Young People:						
Calderwood Paediatric Cardiology Fund	223	-	(6)	-	33	250
Trastevere Fellowship Paediatric Pathology	120	-	(7)	-	18	131
Endocrine and Diabetes Fund	103	-	(8)	-	15	110
Leukaemia & Cancer Fund	535	14	(28)	-	78	599
RHCYP (Gen Purposes) Site Fund	333	2	(60)	(10)	46	311
Royal Infirmary of Edinburgh:						
Kidney Transplant	313	4	(26)	-	45	336
Coronary Care Unit Fund	405	100	(10)	-	60	555
Scottish Liver Transplant Unit	337	18	(23)	-	50	382
Edinburgh Vascular Research Fund	175	(2)	(16)	-	25	182
Medical Renal Unit Fund	1,438	-	(89)	-	205	1,554
Renal Research Fund	260	-	(18)	-	39	281
Edinburgh Orthopaedics Funds	459	-	(126)	-	65	398
Cardiology Wards Fund	94	1	(5)	-	14	104
East Lothian Community Hospitality						
ELCH (General Purposes) Site Fund	18	2	(3)	95	17	129
Princess Alexandra Eye Pavilion:						
Treatment of Blindness & Research Fund	150	13	(6)	-	22	179
Eye Research Fund	307	190	(187)	-	67	377
Friends Eye Care Fund	260	10	(26)	-	38	282
Total Hospital Designated Funds >£100k	11,579	1,190	(1,460)	85	1,756	13,150

Division-wide Designated Funds >£100K	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2025
	£000	£000	£000	£000	£000	£000
Camhs Eat Diso, Rsrc & Selfhelp	340	8	(99)	-	51	300
Edin Cancer Centre Rsrch Fund	847	7	(135)	-	119	858
Edinburgh Heart Centre Fund	1,054	3	(95)	-	146	1,108
Edinburgh Spiritual Care Services Fund	135	-	(20)	-	17	132
Share of Undistributed Investment Reserves	12,177	-	-	-	(2,907)	9,270
Total Division-wide Designated Funds >£100,000	14,553	38	(349)	-	(2,574)	11,668
Other Designated Funds less than £100,000	5,827	778	(1,428)	218	818	6,213

Total Hospital & Division-wide Designated Funds	31,959	2,006	(3,237)	303	-	31,031
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Unrestricted Funds – General Fund	Balance B/fwd	Income	Expenditure	Transfer In/(Out)	Gains/ (Losses)	Balance at 31/03/2025
	£000	£000	£000	£000	£000	£000
General Fund	53,446	2,574	(3,081)	(15)	(1,497)	51,427
Total Unrestricted Funds	85,405	4,580	(6,318)	288	(1,497)	82,458

16. Material Donations, Legacies or Grants

Details of all individual donations, legacies or grants of over £50,000 are listed below:

Donation/Grant to:	Donor/Legator/Grantor	Purpose	Amount
			£000
Lothian Health Board	Micropos Medical	J King Urological Cancer Research	530
Lothian Health Board	Agnes Ritchie, deceased	Haematology Research Fund	130
Lothian Health Board	Laurence Goodchid	Eye Research Fund	100
Lothian Health Board	Williamina Dinning, deceased	General Oncology Dept. Fund	90
Lothian Health Board	Williamina Dinning, deceased	Clinical Oncology Research Fund	90
Lothian Health Board	Williamina Dinning, deceased	Lung Cancer Fund	90
Lothian Health Board	Trevor Coombs, deceased	Respiratory Wards Fund (RIE)	73
Total			1,103

17. Related Party Transactions

The Trustees are all executive or non-executive members of Lothian Health Board. During the year the Trustees made donations of £205 plus gift aid to the Charity. Otherwise there were no transactions with the Trustees or their related organisations during the year other than with Lothian Health Board. The Charity’s grant making transactions remitted to Lothian Health Board during the financial year amounted to £2,636,000 (2024/25 £3,535,000) (breakdown shown below). Included within income is rental income of £30,000 (2024/25 £30,000) from Lothian Health Board. As stated in note 9 the Charity does not directly employ any staff. All staff are employed by NHS Lothian on Lothian NHS Board employment contracts with a cost of £1,219,213 (2024/25 £1,117,981) charged by the Health Board to the Charity. At 31 March 2026 there was a balance outstanding of £185,751(2024/25 £110,047) payable to NHS Lothian.

Expenditure with NHS Lothian:	Further info	Amount £000
General Funds		
Volunteering		286
Health Inequalities		220
Prevention		200
Capital Projects		183
Work Well		123
Patient Wi-Fi		100
Research, Development and Innovation		100
Other NHSL – small projects		28
Designated Funds		
Precision Study		530
Early Active Supportive Intervention for less Survivable Cancer		327
Systematic Anti-Cancer Treatment Outcomes data		228
Weight Management Ortho Anthroplasty		138
Imaging of Fibrosis activity in hypertrophic cardiomyopathy		95
FND Specialist Practitioner Project		70
Other designated fund expenditure		816
Restricted Funds		
DCN ERAS Nurse Practitioner		71
Ultrasound scanner for Renal		70
Environmental enhancement to Neonatal & Postnatal wards		26
Other specific fund expenditure		(975)
Total grant making expenditure with NHSL		2,636

As per note 7, an accrual of £750,000 was reversed from the SCRH Neonatal Unit Fund as the NHS Lothian refurbishment project which the spend was intended for is no longer going ahead. This has resulted in negative charitable activity spend from restricted funds. The donor of the funds has not asked for these to be returned and has instead asked for the Charity to provide details of other projects that the funds can be spent on.

18. Analysis of Net Assets Across Funds

	Unrestricted funds 2026	Restricted funds 2026	Total funds 2026	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£000	£000	£000	£000	£000	£000
Investment property	1,260	-	1,260	1,260	-	1,260
Investments	79,244	4,821	84,065	81,049	4,908	85,957
Net current assets / (liabilities)	2,944	(1,115)	1,829	149	(1,560)	(1,411)
Net assets	83,448	3,706	87,154	82,458	3,348	85,806

19. Analysis of Changes in Net Debt

	At Start of Year	Cash-Flows	Foreign Exchange Mvt	Other Non-Cash Changes	Other	At End of Year
	£000	£000	£000	£000	£000	£000
Cash and cash equivalents	2,168	2,080	-	-	-	4,248
Total	2,168	2,080	-	-	-	4,248

20. Contingent Asset

During the year the Charity received a grant award of £48,000 from Action on Asbestos to fund a Pleural Nurse within Respiratory Medicine for two years. The year two funding of £24,000 is contingent upon successful delivery of the Nurse Specialist role in the development and provision of specialist Respiratory/ Pleural care.



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