



**Architecture &
Design Scotland**

Ailtearachd is Dealbhadh na h-Alba

Annual report and accounts

**For the year ending 31 March
2025**

Architecture and Design Scotland
Company Limited by Guarantee
Company Registration Number SC267870

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 MARCH 2025**

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COMPANY LIMITED BY GUARANTEE**

**PERFORMANCE REPORT
YEAR ENDED 31 MARCH 2025**

PERFORMANCE REPORT

Officers and Professional Advisers

The Board of Directors	A Allen (The Chair) (resigned on 18 October 2025) K Macari (Deputy Chair) C Parkinson L Wilson A Bonney A Scott B Ross D Narayanan G Varna S McCabe
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A Allen resigned as Chair of Board on 18 October 2025. K Macari has been appointed as Deputy Chair effective from 13 May 2025 to 31 May 2026.

Company Secretary	J MacDonald
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Business Address	Room 3.70 Edinburgh Futures Institute 1 Lauriston Place Edinburgh EH3 9EF
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Registered Office	Room 3.70 Edinburgh Futures Institute 1 Lauriston Place Edinburgh EH3 9EF
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Auditor	Audit Scotland 4th Floor The Athenaeum Building 8 Nelson Mandela Place Glasgow G2 1BT
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Bankers	Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2AD
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Solicitors	Anderson Strathern 1 Rutland Court Edinburgh EH3 8EY
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Chair and Chief Executive's Foreword

In 2023 a Review of Architecture and Design Scotland (Review) was commissioned to ensure that Scotland's approach to architecture and the built environment remains relevant, effective, and aligned with national priorities. The findings were shared with us in September 2024 and recognised the important role Architecture and Design Scotland (A&DS) has played in supporting place-based approaches and delivering design advice across Scotland.

The Review included recommendations that we should refocus our work to increase the emphasis on architecture, positioning the organisation as a centre for excellence that supports sector-wide development through collaboration, insight, and innovation. This reshaped focus will allow us to promote the value of good design in addressing the challenges facing Scotland's places today – from climate change, health and housing, to learning and digital transformation.

These recommendations marked the start of a new chapter for Architecture and Design Scotland, providing us with an opportunity to refine our purpose, strengthen our position within the sector, and ensure that we provide expertise, leadership and support where it is most needed.

During 2025 we have been exploring what this means, with staff working closely alongside Scottish Government officials and our wider partners to develop a programme to reflect our new direction. As the process develops, our commitment to championing the value of high-quality design will remain at the heart of the organisation.

The Board welcomed the statement by Angus Robertson, the Cabinet Secretary for Constitution, External Affairs and Culture, that he is "confident that with A&DS focussing more directly on supporting and developing the architecture sector, we can better deliver the economic, cultural, and social benefits of good architecture and design. The report also highlights the importance of collaboration and partnerships across Scotland's creative workforce to grow our collective capacity and increase impact across Scotland and beyond."

This Annual Report outlines the work that we did during 2024/25, alongside our work to redefine our activities in response to the new direction announced following the Review.

We look forward to the exciting challenge ahead to ensure that our work remains responsive to the needs of partners across the public, private, and third sectors.

Kirsty Macari

Kirsty Macari
Deputy Chair
10 December 2025



Jim MacDonald
Chief Executive
10 December 2025

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Overview

Our Performance Report for 2024/25 was measured against our 2024/25 Business Plan.

About Architecture and Design Scotland

As a public body funded by the Scottish Government, our role is to promote the design of buildings and places that meet the needs of everyone in Scotland, in line with Creating Places: A Policy Statement on Architecture and Place for Scotland.

To fulfil our role, we will

- champion good design and collaboration, nationally and internationally
- be a leading organisation, enabling the transformation of Scotland's places through the way they are planned, designed, delivered and sustained
- support and enable the effective participation of people in decision-making
- work in a range of places to make a difference on the ground
- work in partnership to promote a whole-place collaborative approach
- help shape and promote Scottish Ministers' policies for the built and natural environment
- share learning from the different places we work in

By doing this, we play a key part in informing and implementing policies around climate change, housing, infrastructure, community empowerment, transport, culture, international relations, landscape, environment, planning, health, learning and regeneration.

This report has been presented in accordance with the requirements of Section 414 of the Companies Act 2006. The company's independent auditor is required by law to report on whether the information given in the Performance Report is consistent with the Accounts. The auditor's opinion is included in the Auditor's Report on pages 39 to 43.

Statutory Background

Architecture and Design Scotland is an Executive Non-Departmental Public Body of the Scottish Government. We were established in 2005 to promote good architecture and sustainable design and our work supports the delivery of the Scottish Government's objectives and outcomes.

Our Vision and Mission

In response to the Review, our vision and mission statements were revised, reflecting our new direction. These changes were approved by our Board in September 2025.

Our Vision

Scotland is a country in which architecture and design innovation improves people's lives, enhances our environment, and contributes to a growing, sustainable economy.

Our Mission

To embed the environmental, economic and social benefits of design excellence in architecture and the wider built environment, and to develop the contribution of a thriving architecture and design sector in Scotland.

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Organisational Structure

The Chief Executive and Leadership Team support a team of employees based in Edinburgh, and report to the Board which is made up of a Chair, Deputy Chair and ordinary Board Members.

Key Strategic Objectives

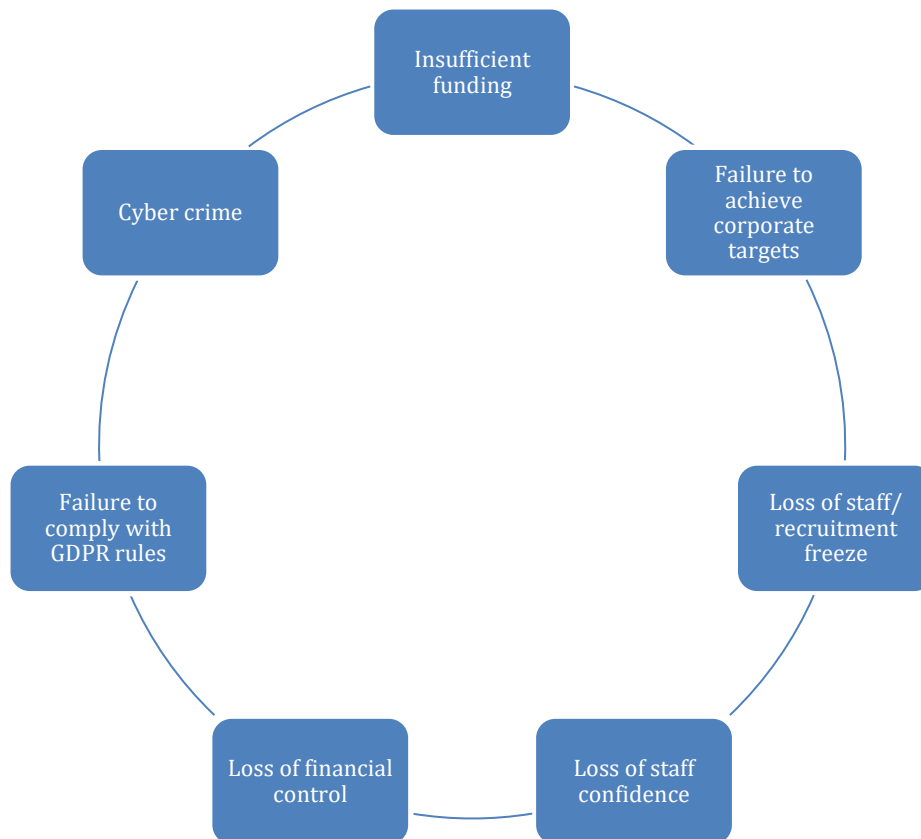
The Board of Architecture and Design Scotland sets the strategic focus areas for the organisation in collaboration with the Chief Executive, outlined in the Corporate Strategy for 2021/31, broken into shorter Corporate Plans. In response to the Review work set out in 2023, the Corporate Plan for 2024/27 was paused to ensure that our activities fully aligned with the Review recommendations.

Our annual Business Plans set out a detailed programme of work and ensure that we can monitor our yearly performance.

Risk and Uncertainty

Risk remains a key topic and is reported to every Audit Committee. We recognise the importance of effective risk management and work hard to identify and manage risks to our business. The principal means by which we do this is through our Risk Register. This Register is reviewed quarterly by the Leadership Team and presented to the Audit Committee on a quarterly basis.

The key strategic risks identified in-year for Architecture and Design Scotland are noted below.



The key risks remained the same as the previous year, with a higher risk rating assessed for insufficient funding, the loss of staff and the inability to recruit because of a recruitment freeze.

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Mitigations to manage risks are put in place, monitored and updated by the Leadership Team as appropriate. Mitigations include active controls, examples of which are

- monitoring funding and creating opportunities to increase funding streams
- continuous monitoring for cyber attacks
- implementation of project management system
- regular meetings with our Sponsor Team at Scottish Government

In the current year, these strategic risks have not adversely affected the delivery of our strategic outcomes.

In 2025/26 a new emerging risk which is the failure to respond positively to the Review recommendations has been identified. The potential impact of this would be failure to deliver on the Scottish Government's priorities as set out in the Review. Mitigation controls in place include carrying out a gateway review and implementing the recommendations which included the engagement of a temporary Project Manager and prioritising the delivery of recommendations from the Review by deferring other work.

Performance Analysis

The Board's Audit Committee formally reviews the business performance of the organisation and reports to the Board on a quarterly basis.

In 2024/25 there were nine business plan activities. On 31 March 2025 four of the business plan activities were on track (Green RAG rating) and three were not on track (Amber RAG rating) as they were impacted by the Review implementation. None had major delays (Red RAG rating). Activity relating to Regeneration was closed in response to the Review implementation, and our work on Spatial Development Planning was completed.

The Leadership Team reviews progress of all activities monthly, and the Board reviews performance of the organisation on a quarterly basis.

Architecture and Design Scotland intends to be an outcomes-focused rather than target driven organisation. We seek to understand the change and impact that is related to our work. The outcomes are not success measures in themselves – what is important is that we increase our understanding of our impact and build on this in the development of the next Corporate Plan.

Strategic Aim and Corporate Plan Outcomes

As a result of the conclusions of the Review of architecture policy delivery conducted by Scottish Government, the context for our strategic aim and Corporate Plan outcomes fundamentally changed in 2024/25. Our strategic aims/outcomes are outlined below:

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	Our contribution to the Scottish Government's missions is clear
	Our stakeholders have access to more knowledge and skills on applying the Place Principle
	Some of the barriers we observe to working in line with the Place Principle have been removed
	New place partnerships are established
	Increasingly people-centred, climate conscious design of places

The Corporate Strategy 2021/31 will be withdrawn in response to the Review, and new outcomes will be shaped to reflect the new priorities, and our outcomes measures will be amended going forward. Despite the withdrawal of the Corporate Strategy, we nonetheless delivered on many of the outcomes set out in that strategy, including that

- our clear contribution to the Scottish Government's missions remained a priority through the Review implementation
- whilst we began to move away from our focus on the Place Principle during the year, we continued to share design and architecture advice resources with our stakeholders
- as we pivot our programme towards a Centre for Excellence for architecture and design, collecting data on outcomes 3 and 4 was no longer relevant and ceased
- in alignment with Review recommendations, the scope of the last outcome has been expanded for the purpose of this report to include buildings and spaces

Outcomes Status as of 31 March 2025

Measuring outcomes improve the strategic alignment of our work, but this has been in flux during the Review period. Monitoring and evaluation allow us to understand where we have made progress, where we have not, and indeed where we do not know.

Outcome: Our contribution to the Scottish Government's missions is clear

We updated our business planning to reflect the shift from the Scottish Government's three missions to the four priorities

- growing the economy
- eradicating child poverty
- tackling the climate emergency
- ensuring high quality and sustainable public services

It remains a key priority to demonstrate the alignment of our work with the Government's priorities in future work.

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Outcome: Our stakeholders have access to more knowledge and skills on applying the Place Principle

Whilst this is no longer an active outcome, in 2024/25 we published 94 pieces of content on our website, promoted through newsletters and social media channels, aligned with the Scottish Government's priorities.

Examples of our work included

- Place Forum 5: What Next for Place? Unlocking the power of place: design, data and collaboration
- Place Forum 4: Preventative Design: how to build healthy, sustainable communities
- Value of Design campaign videos and blogs
- Learning Places Scotland Conference
- 4 Learning Estate Shared Learning Events
- Shared Learning and Skills: Local Development Plans (LDP) Evidence Report Pilots and Key Agency Group (KAG) Event
- Place skills for plan-making: snapshot 4

The types of outputs produced were varied and tailored to our different audiences. A summary of content types for 2024/25 is shown below.

Content type	Total published
Blogs	54
Event listings	3
News items	9
Podcasts	1
Publications	2
Resources	2
Videos	23
Total	94

Outcome: Increasingly people-centred, climate conscious design of places

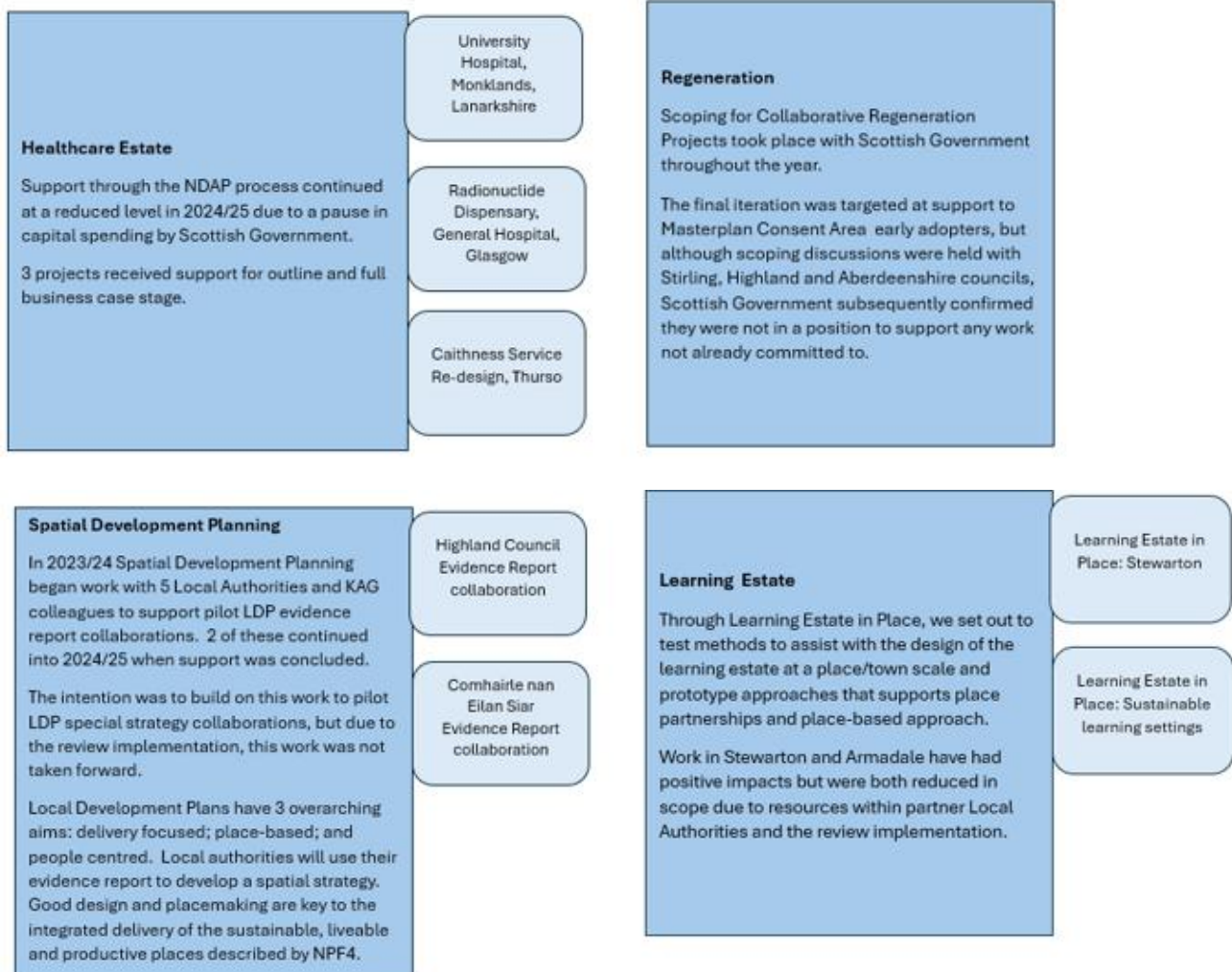
These images describe our work in Healthcare, Regeneration, Spatial Development Planning and the Learning Estate in 2024/25 to support the delivery of increasingly people-centred, climate conscious design of places in Scotland.

The Healthcare work is supported through the NHSScotland Design Assessment Process (NDAP).

While some of this work is closely aligned with the Review recommendations, other aspects were completed or phased out.

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There was a pause to capital investment which affected the number of projects coming through to our Learning estate and Healthcare estate workstreams. Other projects were held back during the year due to difficulty in gaining traction with partners and extended timeframes beyond our control. Some partners had to move away from collaborations due to their own resource situations.

Cumulatively, these factors led to a smaller than expected number of design advice engagements and thereby reducing our opportunities to contribute to this outcome. Some aspects of work were paused and may return in 2025/26, such as work in the public sector investment area, whilst others were not taken forward beyond their initial scoping, mainly relating to work in regeneration and Local Development Plan spatial strategy.

Key Highlights for 2024/25

Outreach

In 2024/25 we continued to work on promoting the value of architecture and design across our various channels. For example, to raise awareness of our work, and the benefits of good design, we created the multi-channel campaign Value of Design. This was produced in-house and featured sector-wide interviews and opinion pieces, which achieved 17,065 combined media views, 34,940 impressions, and 1,990 engagements across social media; demonstrating strong cross-platform visibility and audience interest.

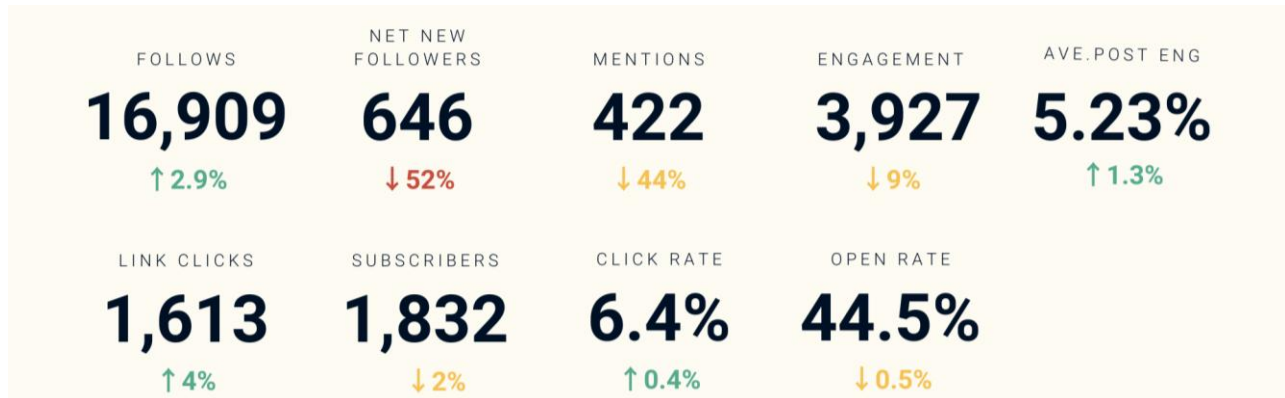
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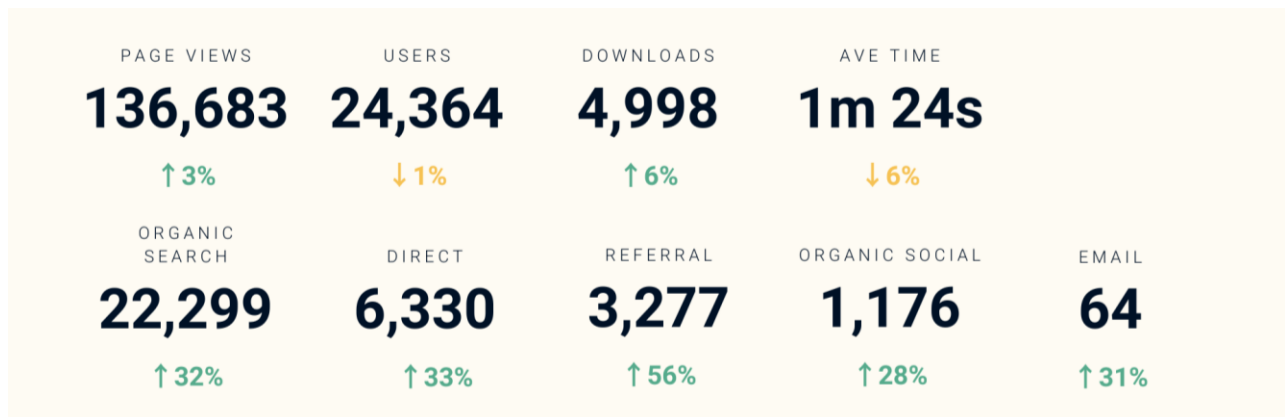
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As part of this campaign, we piloted a podcast format to communicate the Value of Design, resulting in 120 plays and 28 subscribers during the campaign period, and offers us future potential to expand reach within private sector architecture and design audiences. Our channels continue to perform well, allowing us to share our information with an engaged audience across Scotland.

Key Social Media and Newsletter Metrics for 2024/25 in Comparison With 2023/24



Key Website Metrics for 2024/25 in Comparison With 2023/24



In 2024/25 we delivered two Place Forum events to upskill design practitioners in Scotland, and to offer a forum for debate and discussion on key topics.

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Place Forum on Preventative Design offered a clear vision: a future where design proactively shapes communities, anticipating and addressing challenges before they arise. This is particularly timely for Scotland, which faces complex issues like child poverty and climate change. Reactive solutions often come at a steep cost. Preventative design, however, empowers us to invest in upstream solutions, fostering resilience and well-being.

Place Forum 5: What next for place?



In September, we hosted the forum 'What Next for Place?' at Glasgow University. Leading practitioners and academics shared valuable insights on the power that design, creativity and collaboration has to provide positive outcomes for people, the places we inhabit, and the planet. The event, which included interactive walks to three inspirational place-based projects in Glasgow, concluded with a workshop exploring new ways of working that can nurture place meaning, strengthen place partnerships through creativity, and design for lasting benefits.

Scotland + Venice Exhibition

In our ongoing work to support the architecture sector, we promoted the presentation of the 2023 exhibition *A Fragile Correspondence*, as it returned to Scotland to be shown at the V&A Dundee in November 2024. See panel below for more information about this exhibition and the teams involved.

A Fragile Correspondence

Scotland + Venice showcases the best of Scottish architecture and design practice at the Venice Architecture Biennale. In 2024, *A Fragile Correspondence* – Scotland's 2023 submission at the biennale – returned home, opening at the V&A Dundee in November.

The exhibition takes visitors on a journey through three Scottish landscapes. Across the Highlands, Islands and Lowlands, it maps a collection of creative responses by architects, artists and writers. Exploring the relationships between land, architecture and language, the exhibition seeks new ways of working in connection with the land, rather than simply upon it.

Curated by Architecture Fringe, -ism magazine, and /other, *A Fragile Correspondence* was commissioned by the Scotland + Venice partnership as a collateral event for the 18th International Architecture Exhibition – La Biennale di Venezia in 2023.



Entrance to the exhibition at V&A Dundee

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A&DS and RIAS Scottish Student Awards for Architecture

A&DS and RIAS Scottish Student Awards for Architecture

The annual awards bring together the five schools of architecture in Scotland, celebrating the continuing high standards of Scottish architecture and ensuring that construction professionals and the public can enjoy the creativity and vision of Scotland's future architects.

The winning projects were announced in October at the Andy MacMillan Memorial Lecture. They included innovative ideas and beautiful drawings on subjects such as accessible and inclusive urban green spaces, the uses and potential of biomaterials, architecture interventions to provide community spaces, and lots more.



Value of Design Campaign

As Scotland's champion for architecture and design, our job is to highlight the power and value of design. In 2024, we launched a campaign to do exactly that.

At Architecture and Design Scotland, we believe that the value of design is vast, and that good design can be interpreted in many ways.

In the 2024 phase of this campaign, we asked 21 professionals – architects, designers, urban planners, other industry leaders and our colleagues – to share their examples of good design and what the 'value of design' means to them. We also launched our new Value of Design podcast featuring insightful conversations on best practices with leading figures from the worlds of design, architecture and the public sector.

Overall, we heard that good design plays a crucial role in creating vibrant, welcoming, and functional spaces that foster community connections. Experts shared how thoughtful design can transform places into accessible, people-centred environments, such as Glasgow canal's Claypits Nature Reserve and the outdoor spaces of V&A Dundee. And it's not just about aesthetics – good design is holistic, addressing practical needs and emotional well-being.

Collaboration was a key theme from the campaign, with contributors highlighting the importance of designers, communities, and experts of other professions coming together to shape inclusive, meaningful spaces that reflect the true needs of the people who use them.

Many interviewees also emphasised the vital role that design plays in addressing environmental impact, with sustainable, climate-conscious designs reducing energy consumption and promoting eco-friendly practices.

Ultimately, design is about creative problem-solving. It is about using innovation and collaboration to solve complex challenges and improve lives. From climate-responsive designs to community-led projects, good design is a powerful tool for transformation.

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Healthcare Estate

In February 2024, Scottish Government paused NHS capital investment projects, which had an immediate impact on the number of projects progressing through the NDAP. A small number of projects continued to receive support to prepare them for the pause and later in the year some restarted. Projects supported in 2024/25 include Radionuclide Dispensary, Caithness Service Redesign, Monklands and the Lochaber/Belford Hospital Project. We also completed co-production support to the Our Inclusive Community Project.

Other important work included the continuation and development of the NDAP Review Working Group, review of the proposed changes from Scottish Government to Whole System Planning and responding to proposed revision of NHSScotland Sustainable Design and Construction (SDaC) Guidance.

Regeneration

In 2024/25 this was a developing area of work where we were scoping out collaborative regeneration projects with Scottish Government. We continued work on town centre living and prepared a Routemap to Regeneration. In response to the Review recommendations, this work was wrapped up and closed.

Spatial Development Planning

In April 2025, work was concluded on the Place skills for plan-making suite of resources. It supports a place-based approach to the evidence gathering phase of Local Development Plan preparations.

**Place skills for
plan-making**



Helping planning authorities take a place-based collaborative approach to Local Development Plan preparations.

Each snapshot is a guide through basic placemaking principles, practical steps, templates and case studies to help apply the learning.

**Lessons learned
from the second
Key Agencies Group
Shared Learning
Event**



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Over 100 people gathered at the second online shared learning event in March 2025 to hear from the Key Agencies Group (KAG) and local authorities on the final progress of the Local Development Plan (LDP) offer, marking a pivotal moment in Scotland's journey to strengthen LDPs.

The work to support Local Authorities in development of place-based local development plans was wrapped up and closed in 2024 in response to the Review recommendations.

Learning Estate

We contributed to the Learning Places Scotland Conference November 2024: Maximising Opportunities Across the Learning Estate, by providing presentations to this annual conference on significant public sector investment projects.

This event also included Learning Places Scotland Awards where our collaborative Outdoor Learning Hub project with Queen Margaret University won the 'Inspiring Learning Spaces' award.

We led a panel discussion on another of our Learning Estate collaborative projects: 'Inclusive design and place-based thinking – lessons learned from the Craighalbert Centre'.

Learning Estate in Place: Sustainable Learning Settings – Pilots in Armadale

We worked with West Lothian Council on Learning for Sustainability with three primary schools in Armadale. Through desk-based research and meetings with project partners and we identified key issues or opportunities to be explored in a Place Standard workshop. This was a collaborative mapping workshop with learners and project partners to understand potential for places as a sustainable learning setting. We also developed a teacher-led activity that can be delivered in school without A&DS and be shared within teacher forums. Outputs from the work was shared with all local schools.

Learning Estate Investments Programme 3 (LEIP 3)

We achieved sign off on the Learning Estate Investment Programme 3 (LEIP3) support pilot process, drawing on our learning and expertise built within the NDAP this work will be taken forward in 2025/26.

Shared Learning Events

Shared Learning Event: Energy reporting and monitoring

This Shared Learning Event was the first of 2025, and was designed to promote discussion and sharing of best practice around the theme of energy reporting and monitoring.

This event brought together 160 delegates from Local Authorities across Scotland, including representatives from Scottish Government Learning Directorate.

Image: Maybole Community Campus provided by BDP and credited to David Barbour.



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**Shared Learning Event:
Construction Embodied
Carbon**

Held online in August 2024, we hosted a shared learning event with SFT to promote discussion and sharing of best practice around the theme of Construction Embodied Carbon.

This event brought together 130 delegates from Local Authorities across Scotland, including representatives from Scottish Government Learning Directorate.

Image: Dunfermline Learning Campus provided by Fife Council and credited to Keith Hunter Photography.

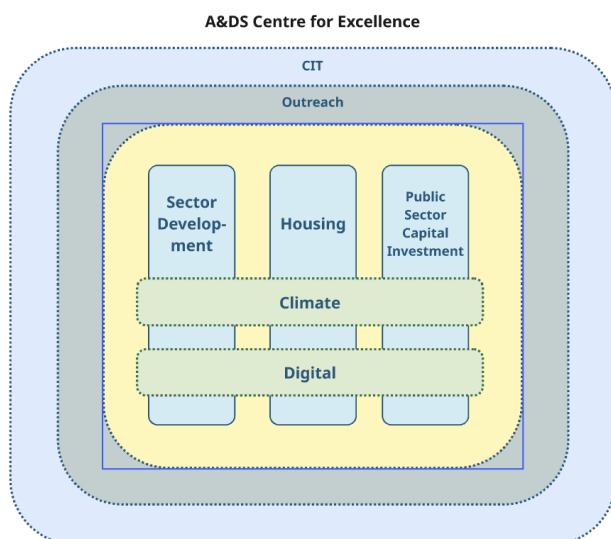
Digital Place

Through our work on Digital Place three Place-Tech Pilot projects were completed this year, in Glasgow, Perth & Kinross and Western Isles. The learning from this work will inform our future work on digital which will be threaded across all the strands of our refocussed work, following the Review recommendations.

Looking Ahead to 2025/26

In response to the Scottish Government's Review, we have spent significant time to reflect and refocus our work throughout 2025 to create the new vision and missions. Our future work plans will respond to the priorities set out in the Review and the details of the work will be rolled out throughout 2026.

We look to continue to grow awareness of the benefits of design, promote the potential of the architectural sector for economic growth, maximise the impact of the public sector investments in public buildings like the learning and health estate and take a renewed focus on housing. All our work will be undertaken with the needs to tackle the climate emergency at its heart and we will take advantage of the opportunities that digital approaches are bringing to the sector and how we deliver our work as effectively as possible.



You can find more information about our current and future work on our website at www.ads.org.uk which includes how to follow us across our social media platforms and how to subscribe to our newsletter.

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Financial Overview

The results for the year to 31 March 2025 are contained in the attached Accounts, prepared in accordance with the 2024/25 Government Financial Reporting Manual (FReM) and in the form directed by the Scottish Ministers, taking cognisance of the Scottish Public Finance Manual.

The FReM requires that the company should comply with the Companies Act, but, as a Non-Departmental Public Body, also follow the principles in the FReM (for example, in preparing a Remuneration Report) where these go beyond the Companies Act. The accounting policies explain the basis on which the Accounts are prepared, and transactions are recognised. The Accounts are prepared on an accruals basis in accordance with accounting standards.

Architecture and Design Scotland received Grant in Aid from Scottish Government of £1,837k in the year to 31 March 2025 (2023/24: £2,090k). This grant in aid is budgeted to be spent on people costs, overheads, and projects and was fully spent in 2024/25. The financial accounts are adjusted for accruals and other required adjustments.

In 2024/25 the noteworthy transactions in year were the disposal of Bakehouse Close lease, the rental agreement for six desk spaces at Edinburgh Futures Institute and two voluntary exit packages.

Other income in year was funding for the Venice Biennale and secondments of £46k (2023/24: £101k). Our expenditure on people costs was £1,565k (2023/24: £1,706k) and £233k on operating costs (2023/24: £618k).

Since the company commenced trading it has accumulated reserves of £278k as at 31 March 2025 (31 March 2024: £193k).

This represents the timing of work performed by Architecture and Design Scotland which spans multiple financial years. Scottish Government are fully aware and supportive.

The Directors are satisfied with the results for the year.

Procurement

We have policies and procedures in place for the procurement of all goods and services and we have a Memorandum of Understanding in place with Scottish Government Procurement Division which provides us with training and advice in-year along with policy updates.

Our procurement policy has six key priorities

- support for our core business
- compliance with legislation
- transparency, fairness and accountability
- achieving value for money
- raising the level of procurement knowledge, skills and expertise
- maximising access to Collaborative Contracts available via the contract's strategy directory

Freedom of Information

The Freedom of Information (Scotland) Act, which came into full force in January 2005, means members of the public can make a request to see information held by Architecture and Design Scotland. In 2024/25 we received and responded to ten Freedom of Information (FoI) requests (2023/24 we responded to eight). All FoI replies were actioned within the statutory 20 working day deadline.

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Data Loss

There were no incidents reported to the Information Commissioner in the year 2024/25.

Going Concern

As at 31 March 2025, Architecture and Design Scotland's balance sheet had net assets of £278k (31 March 2024: £193k). The Directors are confident that the relationship with the Scottish Government is such that the company will have sufficient funding for the foreseeable future. Accordingly, it is appropriate to prepare the Accounts on a going concern basis.

Supplier Payment Policy

It is our policy to agree terms of payment when orders for goods and services are placed and to adhere to these arrangements. In addition, where possible, it is our policy to comply with the Scottish Government's Prompt Payment Commitment of making payment of authorised invoices within ten days. In the year to 31 March 2025, 88% of authorised purchase invoices were paid within ten days (31 March 2024 – 93%).

Non-Financial Information Including Anti-Corruption and Anti-Bribery Matters

We report on matters of anti-corruption and anti-bribery in a quarterly governance statement from the Chief Executive to the Audit Committee. All policies are kept under review and align with Scottish Government's guidance.

Sustainability Report

Architecture and Design Scotland take sustainability seriously and it is a golden thread that is woven into all our work.

When our search to move premises began in 2023, our criteria contained a substantial section on ensuring the building we chose was sustainable both now and in the future.

Around the same time the "recycling a hospital" project (the old Edinburgh Royal Infirmary at Lauriston Place) was well underway. Sustainability was a cornerstone of the Edinburgh Futures Institute (EFI) project, and achieving the University of Edinburgh's sustainability goals required a focus on reducing embodied carbon, or the carbon footprint tied to the building's construction materials.

The project team chose to retain as much of the original structure as possible, lowering the embodied carbon by 40% compared to building anew. "Even with extensive reworking the project has a smaller carbon footprint than it would if the building were rebuilt entirely. Retaining the building's structure supports the University's long-term sustainability objectives."

We were therefore delighted to join the Public Service Unit at EFI. We have a six desk licence at EFI and this allows us to maximise our use of the smaller space and allows colleagues to work from home, be out and about visiting places and everyone getting together in the one office each Thursday.

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The climate emergency remains an overarching priority and is central to the Scottish Government's programme of work. We are working hard to make a positive contribution to Scottish Government's target to achieve net zero emissions by 2045. We will do this through the way we work, and also in the work we deliver.

We will continue to measure and report on our contribution towards net zero emissions.

Summary of Performance 2024/25

We continue to embrace the Public Bodies Climate Change Duties (PBCCD) reporting scheme and produced our second report on how we are performing against the climate change duties.

Office Supplies and Publications

We already actively encourage electronic communication in place of paper. Where a hard copy is required, we use recycled stationery and print double sided to decrease paper usage. The majority of output in terms of reports and publications is produced electronically only with our website being the main distribution channel. A monthly electronic newsletter keeps our stakeholders up to date with our activities.

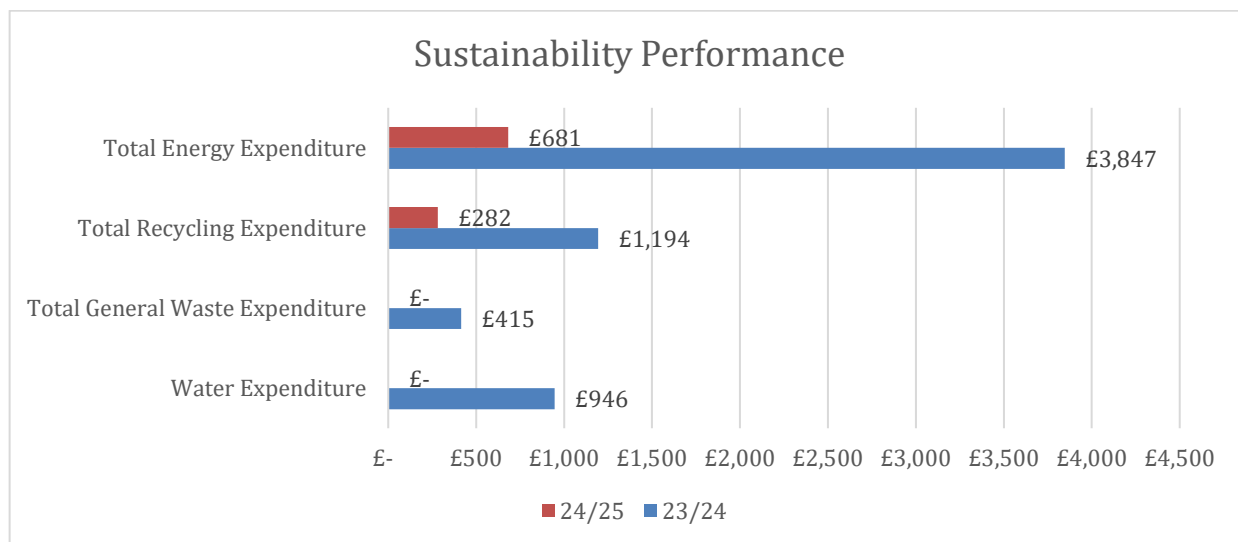
Sustainability Performance

As we are now based in EFI, all costs of operating the building including energy, recycling, water and waste are included in the cost of the desk licence arrangement, which means there are no longer any direct costs or energy consumption information.

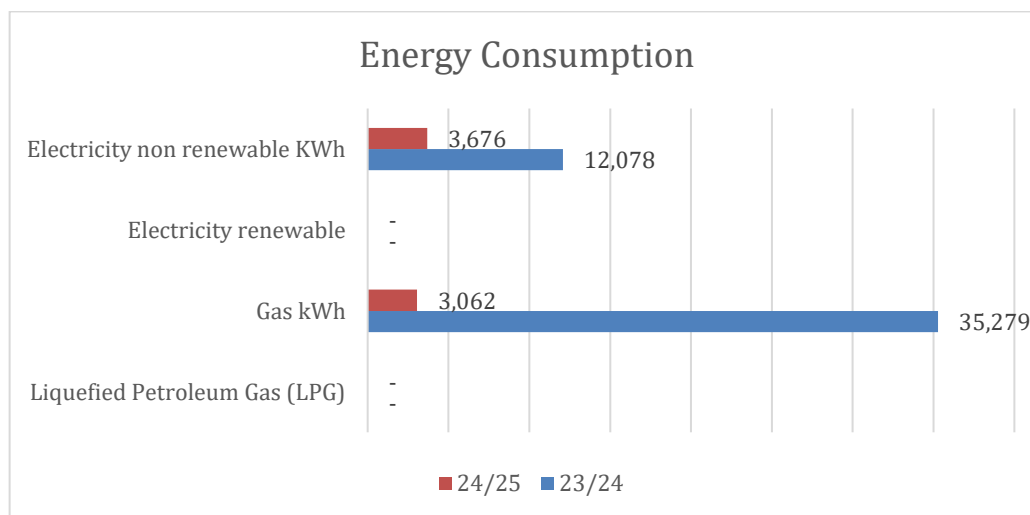
**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**PERFORMANCE REPORT
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The costs in 2024/25 have significantly reduced as they only relate to the month of April 2024 when we were still based in our previous office at Bakehouse Close, Edinburgh.

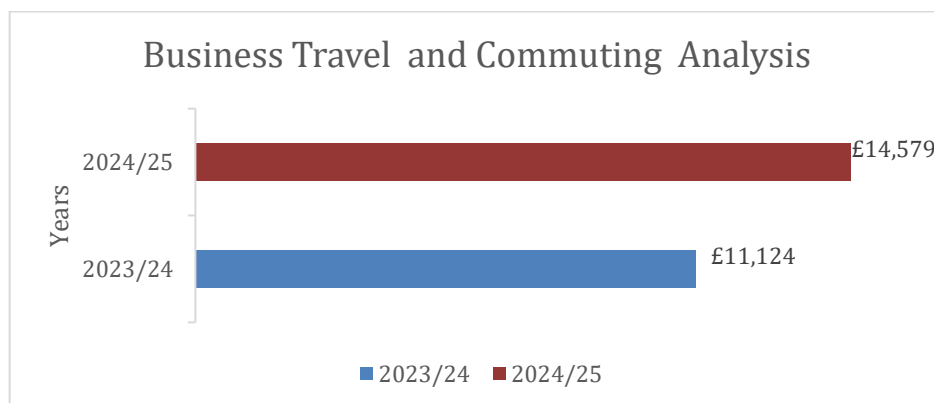


Analysis of our energy consumption is shown below:



Travel - Business Travel and Commuting

Business travel in 2024/25 has increased in line with the increase in travel for project work and the increased cost of train fares.



**ARCHITECTURE AND DESIGN SCOTLAND
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In general, all employees are encouraged to reduce the carbon footprint by using active travel routes and we offer incentives such as our Bike to Work Scheme loans and season ticket loans for public transport.

Flexible and hybrid working is also available to all staff, depending on the required business need.

Sustainable Procurement

Architecture and Design Scotland uses Scottish Government procurement framework contracts. The Scottish Government framework is committed to sustainable procurement and the sustainability strategy.

Social and Community Relations

We offered our office meetings spaces and garden space to Scottish Government, other Non-Departmental Public Bodies and the third sector organisations when we had a dedicated office at Bakehouse Close.

We continue to work collaboratively with all our stakeholders and regularly host collaborative meetings at our new office space.

Sustainability Going Forward

We will continue to use feedback from stakeholders to see how we are adding value on climate issues through our unique role in helping Scotland to design for the future needs of its population.

What Will That Journey Look Like?

- we will incorporate our approach to the climate emergency within the next Corporate Plan
- we will learn from our stakeholders and partners through collaboration and share the learning
- our carbon footprint, climate action plan priorities and achievements will be reported in our future Annual Report and Accounts and on our website and through the Public Bodies Climate reporting

Strategic Priorities - Next Year and Beyond

The Review recommendations have provided an opportunity to refine our purpose, strengthen and expand our position within the sector, and ensure we are providing expertise, leadership and support where it is most needed.

We will continue to work closely with the Scottish Government and key partners to develop a delivery plan that implements the Review recommendations. We are developing our Business Plan for 2026/27 and will be preparing our Corporate Plan. As the process develops, Architecture and Design Scotland's commitment to high-quality design will remain at the heart of the organisation.

We're energised by the opportunity to refocus our work, deepen our expertise, and collaborate across the sector to help Scotland's built environment respond to increasing pressure from climate, economic, and demographic change.

As we transition into our new role as a centre for excellence, we remain committed to championing design as a powerful force for delivering sustainable, inclusive and thriving communities.



J MacDonal
Chief Executive/Accountable Officer
10 December 2025

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

ACCOUNTABILITY REPORT

Corporate Governance Report

The requirements of the Directors' Report are set out in Chapter 5 of Part 15 of the Companies Act 2006 and Schedule 7 of SI 2008 No 410, and in the Remuneration and Staff Report, as set out in Chapter 6 of the Companies Act 2006 and SI 2013 No 1981.

Directors' Report

Introduction

The Directors present their Report and the Accounts of the company for the year ended 31 March 2025.

The Accounts have been prepared in a form directed by the Scottish Ministers in accordance with the Government Financial Reporting Manual (FReM) and fulfil the requirements of the Companies Act 2006.

In accordance with section 414(c)(11) of the Companies Act 2006, Architecture and Design Scotland has chosen to include the Review of Business Performance in the Performance Report which would otherwise be included in the Directors' Report.

Organisational Excellence

We want to deliver the best possible service to our stakeholders.

We achieve this by understanding our strengths, by having strong leadership and motivated employees, by having confidence in our ability and by ensuring we have the correct systems and processes in place. Reviewing and monitoring of these key organisational priorities is undertaken on a regular basis.

Company Status

Architecture and Design Scotland is an Executive Non-Departmental Public Body (NDPB) sponsored directly by the Scottish Government, whose purpose is to champion good architecture, design and planning in the built environment. Architecture and Design Scotland is a company limited by guarantee and registered in Scotland - Company Registration Number SC267870. The sole members are the Scottish Ministers.

Scottish Ministers appoint the Chair, Chief Executive and non-executive Directors of Architecture and Design Scotland.

The Board is responsible for the overall direction and strategy of Architecture and Design Scotland. There is a formal scheme of delegated authority, which includes matters specifically reserved to the Board for decision. All non-executive Directors are independent.

The Audit Committee has responsibility for risk, governance and performance. This Committee recommends the appointment of our internal auditors and receives our internal audit reports and Annual Report and Accounts.

Ministerial Responsibility

The minister with responsibility for Architecture and Design Scotland is Angus Robertson MSP, Cabinet Secretary for Constitution, External Affairs and Culture.

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
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Directors and Their Interests

The non-executive Directors of the company who held office during the period and to the date of signing of these Accounts were as follows

A Allen (Chair) (resigned on 18 October 2025)

K Macari (Deputy Chair)

A Bonney

A Scott

B Ross

C Parkinson

D Narayanan

G Varna

L Wilson

S McCabe

Relevant Directors' Interests

Details of Directors' interests are given in **Note 14 Related Parties Transactions**. No Board Members held any significant interests that conflicted with their responsibilities.

The Board, chaired by Ann Allen, met nine times during the year. Audit Committee, chaired by Kirsty Macari, met five times during the year. Attendance of these meetings was as follows

Board Member	Board Meetings (9)	Audit Committee Meetings (5)
A Allen ¹	8	n/a
A Bonney	8	4
A Scott	9	5
B Ross	7	4
C Parkinson	8	5
D Narayanan	7	4
G Varna	5	3
K Macari	9	5
L Wilson	9	4
S McCabe	5	4

¹ The Chair can attend Audit Committee on an observer basis only.

Conflicts of Interest Procedures

Architecture and Design Scotland has procedures to deal with potential conflicts of interest and provided training for Directors. The procedures include each Board Member providing a Register of Interests on appointment and advising of updates as and when they occur. In addition, Declarations of Interest is a standard item on the Agenda for all Board Meetings and Audit Committee meetings.

**ARCHITECTURE AND DESIGN SCOTLAND
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ACCOUNTABILITY REPORT
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Leadership Team

The Leadership Team comprised of the Chief Executive, Director of Outreach and Operations, Director of Design, Corporate Infrastructure Manager and the Communications Manager. This team is responsible for overseeing the day to day running of the organisation.

Specifically, the Leadership Team is responsible for

- monitoring delivery of work within the approved Business Plan
- agreeing amendments to the allocation of operational budgets
- initiating new projects additional to the approved Business Plan

Currently, these roles and responsibilities are supported by the Management Statement and Financial Memorandum (2019) and a Scheme of Delegated Responsibility (2012). In addition, the Board was supported by one sub-committee, namely Audit Committee. The Audit Committee worked to Terms of Reference approved by the Board.

The business is framed by a ten-year Corporate Strategy, three-year Corporate Plan and yearly Business Plan, progress against which is reported to the Board. These reports separately describe the business undertaken as set out in the Business Plan and, in parallel, the management and expenditure of budgets. These are all undergoing revision as a result of the Review.

In addition, a Risk Register is maintained and reported to the Audit Committee quarterly.

Audit Committee

The Audit Committee oversees the strategic process for business reporting, risk management, internal control, corporate governance and statutory financial obligations.

The committee is chaired by a Board Member and all Board Members, except for the Chair, are members of Audit Committee.

The committee meets quarterly and works to the Terms of Reference setting out its authority agreed by the Board. Internal auditors and external auditors are invited to the Audit Committee meetings.

The Audit Committee continues to review corporate and strategic risks in line with our Risk Policy. This includes quarterly updates on risk appetite, assurance definitions and inherent and residual risk.

TIAA are contracted to provide internal audit services to 31 March 2026.

Political and Charitable Donations

The company made no political or charitable donations during the year.

Taxation Status

As an Executive NDPB sponsored directly by the Scottish Government, the Directors are of the opinion that the company's activities do not constitute a trade for Corporation Tax purposes and therefore consider that the company will not be subject to Corporation Tax.

**ARCHITECTURE AND DESIGN SCOTLAND
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Auditor and Disclosure of Information to Auditor

As a non-profit making public sector company, which carries out functions of a public nature in terms of section 483(2) of the Companies Act 2006, under the Companies Act 2006 (Scottish public sector companies to be audited by the Auditor General for Scotland Order 2008), the Scottish Ministers have determined that the Accounts of the company shall be audited by the Auditor General for Scotland. The Auditor General for Scotland has appointed Audit Scotland to undertake the audit for the year ended 31 March 2025.

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each Director has taken all steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the Board



J MacDonald
Chief Executive/Accountable Officer
10 December 2025



K Macari
Deputy Chair
10 December 2025

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

Statement of the Directors and Accountable Officer's Responsibilities

The Directors and Accountable Officer are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare Accounts for each financial year. As required by the Accounts Direction applicable for the year issued by the Scottish Ministers, they are required to prepare the Accounts in accordance with IFRSs as adopted by the UK and applicable law and have elected to prepare the Accounts on the same basis.

Under company law the Directors must not approve the Accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its surplus or deficit for that period. In preparing the Accounts, the Directors are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether they have been prepared in accordance with IFRSs as adopted by the UK and the Accounts Direction applicable to the year issued by the Scottish Ministers
- prepare the Accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its Accounts comply with the Companies Act 2006 and the Accounts Direction applicable to the year issued by the Scottish Ministers. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Disclosure of Relevant Audit Information

As Accountable Officer, I am not aware of any relevant audit information of which our auditors are unaware. I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that the auditors are also aware of this information.

Accounts Direction

The Accounts have been prepared in accordance with a direction given by the Scottish Ministers in pursuance of Section 19(4) of the Public Finance and Accountability (Scotland) Act 2000.

The Statement of Accounts shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the Statement of Accounts are prepared.

The Accounts shall be prepared to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.

This direction is shown as an appendix to these Accounts on page 56.

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

Governance Statement

Introduction

This statement has been prepared by me as Accountable Officer for Architecture and Design Scotland as part of the Accounts required under the terms of the Scottish Public Finance Manual (SPFM).

The statement, for which I am personally responsible, covers the systems of internal control for the accounting period 2024/25 and additionally the period up to the date of signing. It sets out Architecture and Design Scotland's governance procedures and how it implements these. The statement is informed by work undertaken throughout the period relating to performance and risk management and, on this basis, provides useful information relating to the organisation's approach to risk and its responses to identified and emerging risks.

Scope

Effective governance is about more than clarity of role and process, important though both are. To be truly effective a governance framework must support the business in question and those responsible for delivering it. In addition, it must encourage accountability and promote a positive culture where everyone in the organisation is empowered.

This statement therefore outlines both the procedural aspects of our governance and the methods by which these operate.

In particular, the statement

- sets out the governance framework of Architecture and Design Scotland
- explains the operation of the framework during the period in question
- provides an assessment of our corporate governance and its compliance with generally accepted best practice principles and relevant guidance
- offers an assessment of our risk management arrangements
- details any significant lapses of data security

Preparation

The preparation of the statement has been informed by the work of Internal Audit and our Audit Committee on the corporate performance management and staff performance reviews and follow up items from the previous year.

The Governance Framework of Architecture and Design Scotland

Architecture and Design Scotland is an Executive Non-Departmental Public Body of the Scottish Government and is a company limited by guarantee under the Companies Act 2006. Its remit and responsibility is set out by the Management Statement prepared by the Scottish Government's Planning, Architecture and Regeneration Directorate. This statement effectively sets out the scope of our activities on behalf of Scottish Ministers.

The organisation's work is overseen by a Board appointed by the Scottish Ministers. At 31 March 2025 the Board was made up of a Chair and nine ordinary Board Members. The Chair resigned in October 2025 and the Deputy Chair is currently covering the Chair position supported by eight ordinary Board Members. The Board's role is to ensure that Architecture and Design Scotland fulfils the aims and objectives set by the Scottish Ministers and to promote the efficient and effective use of staff and other resources.

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Specifically, the Board

- sets the overall strategic direction of Architecture and Design Scotland within the policy, planning and resources framework determined by the Scottish Ministers
- ensures that any statutory or administrative requirements for the use of public funds falling within the stewardship of Architecture and Design Scotland are complied with
- demonstrates high standards of corporate governance at all times
- provides commitment and leadership in the development and promotion of Best Value principles throughout the organisation
- appoints, with the approval of the Scottish Ministers, Architecture and Design Scotland's Chief Executive, following appropriate approval of the Chief Executive's remuneration package in line with Scottish Government Pay Policy for Senior Appointments and, in consultation with the Scottish Government, sets appropriate performance objectives which give due weight to the proper management and use of resources within the stewardship of Architecture and Design Scotland and the delivery of outcomes

The Chief Executive is the designated Accountable Officer and is personally responsible for safeguarding the public funds for which he has charge, ensuring propriety and regularity in the handling of those public funds and managing the day-to-day operations and management of Architecture and Design Scotland.

Specifically, the Chief Executive as Accountable Officer is required to

- establish Architecture and Design Scotland's Corporate and Business Plans in the light of the Scottish Ministers' wider strategic aims
- establish a robust performance management framework which supports the achievement of Architecture and Design Scotland's aims and objectives as set out in those plans
- ensure full performance reporting to the Board, the sponsor Directorate and the wider public
- inform the sponsor Directorate of Architecture and Design Scotland's progress in helping to achieve the Scottish Ministers' policy objectives and in demonstrating how resources are being used to achieve those objectives
- ensure that timely forecasts and monitoring information on performance and finance are provided to the sponsor Directorate and that any issues are notified to the sponsor Directorate in a timely fashion
- advise the Board on the discharge of its responsibilities
- advise the Board on Architecture and Design Scotland's performance compared with its aims and objectives
- ensure that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions
- take action if the Board, or the Chair, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration or efficiency or effectiveness
- ensure that a system of risk management is embedded in the organisation
- ensure that an effective system of programme and project management and contract management is maintained
- ensure that the funds made available to Architecture and Design Scotland are used for the purpose intended by the Parliament, and that such monies, together with Architecture and Design Scotland's assets, equipment and staff, are used economically, efficiently and effectively
- ensure that adequate internal management and financial controls are maintained by Architecture and Design Scotland, including effective measures against fraud and theft

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- maintain a comprehensive system of internal delegated authorities which are notified to all staff, together with a system for regularly reviewing compliance with these delegations
- ensure that effective human resource management policies are maintained, and that strategic human resource planning is related to Architecture and Design Scotland's objectives
- sign the Accounts and be responsible for ensuring that proper records are kept relating to the Accounts and that the Accounts are properly prepared and presented in accordance with any directions issued by the Scottish Ministers
- prepare a Governance Statement regarding Architecture and Design Scotland's system of internal control, for inclusion in the Annual Report and Accounts
- sign a Certificate of Assurance on the maintenance and review of Architecture and Design Scotland's internal control systems
- ensure that an effective complaints procedure is in place including, where applicable, reference to the Scottish Public Services Ombudsman and made widely known
- give evidence when summoned before Committees of the Scottish Parliament on the use and stewardship of public funds by Architecture and Design Scotland
- ensure that an effective Freedom of Information mechanism is in place for prompt and accurate reporting

The system has been in place for the year ended 31 March 2025 and up to the date of approval of the Annual Report and Accounts.

As Accountable Officer, I have overall responsibility for reviewing and maintaining effective internal controls and risk management arrangements for the organisation. This responsibility was assigned to me by the Scottish Ministers. The following processes provide me reasonable assurance

- an assurance framework established in accordance with the Scottish Public Finance Manual which provides assurance from employees who are responsible for developing, implementing and maintaining internal controls across their delegated areas
- the work of the internal auditors, which is directed through an internal audit plan agreed by the Audit Committee and focuses on identified control risk areas. The internal auditors submit reports on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement
- quarterly reviews by the Audit Committee of the organisation's Corporate Risk Register in assessing the effectiveness of risk management arrangements
- comments made by the external auditors in their management letters and other reports
- performance reporting, risk reporting and balanced scorecard measuring on a quarterly basis
- reporting from projects and the Corporate Infrastructure team via monthly Leadership Team

Internal Audit

TIAA, our internal auditors, aim to add value to the work we do by ensuring their Annual Audit Report provides a summary of the audit work done in the year together with clear judgements and conclusions on how well we have discharged our responsibilities and demonstrated the effectiveness of our arrangements.

TIAA carried out ten days of internal audit on the following topics

- review of risk management
- review of staff appraisal system
- reporting on follow up actions

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All recommendations were considered by the Leadership Team and implemented where appropriate by the organisation to improve systems and processes.

Where it is appropriate the internal auditors will recommend actions that support continuous improvement and summarise areas of good practice identified from their audit work.

The Head of Internal Audit's Annual Opinion stated that we have reasonable and effective risk management, control and governance processes in place.

The Operation of the Framework

During the period in question (April 2024 to March 2025) the Board had nine formal business meetings where papers were presented, and decisions reached. The Audit Committee met five times.

Notably during this time topics the Board and its Sub-Committee covered

- Strategic Reviews and Organisational Response
 - implementation of the recommendations of the Review
- Planning and Governance
 - reviewed performance against the 2024/25 budget and approved the 2025/26 budget
 - approved the Annual Report and Accounts for 2023/24
 - reviewed internal and external audit reports
 - approved the Business Plan for 2025/26
 - reviewed regular CEO Governance Statements
 - reviewed the Framework Document
 - updated the Terms of Reference for Board and Audit Committee
- Campaigns and Communications
 - Value of Design Campaign
- Developing a stakeholder strategy to support stakeholder engagement
- Projects and Initiatives including Town Centre Living, Routemap to Regeneration, Digital Place Hub and Outdoor Learning Hub at QMU
- Staff and Board Development
 - staff survey results
 - Board shadows
 - carried out Board skills audit and matrix

The Leadership Team had 42 formal meetings during the same period. The Leadership Team meet weekly for one hour.

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Role of Audit Committee

Audit Committee's responsibilities include

- acting on behalf of the Board, in overseeing the finalisation of the Accounts and the Statement on Internal Control, summarising its conclusions from the work internal audit has done during the year
- establish and review the strategic processes for risk, control and governance and the Statement on Internal Control
- reviewing accounting policies, the Accounts, and the Annual Report of the organisation, including the process for review of the Accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors
- overseeing the planned activity and results of both internal and external audit
- reviewing the adequacy of management response to issues identified by audit activity, including external audit's management letter/report
- providing assurances relating to the corporate governance requirements for the organisation
- providing assurances for tendering proposals for internal audit services or for purchase of non-audit services from contractors who provide audit services
- reviewing anti-fraud policies, whistle-blowing processes, and arrangements for special investigations

The Audit Committee can

- co-opt additional members for a period not exceeding a year to provide specialist skills, knowledge and experience
- procure specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by Board or Accountable Officer

Assessment of Corporate Governance

Based on a review of best practice and feedback from Board and staff, I am satisfied that our corporate governance arrangements are satisfactory. The roles of key elements (Board, Chief Executive, Leadership Team) are clear and understood. Decision making within the organisation is clearly set out and supported by guidance.

Assessment of Risk Management

Management of risk continued to develop effectively. The Risk Registers provided the basis for an informed and uniform approach to risk management across the organisation supported by routine reporting and review.

Both the Audit Committee and Board review risk on a quarterly basis. The Leadership Team consider project and operational risk on a monthly basis.

Data Security Issues

During the year in question, there were no significant data security issues encountered.

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Conclusion

Architecture and Design Scotland's governance arrangements have continued to develop during the period in question. Building on work undertaken in previous periods, improvements have been made to the management and reporting of risk, the management of our finances and the control and reporting of our business.

On this basis, I am satisfied that the governance of the organisation is adequately addressed through the implementation of the framework described and that it is operating satisfactorily.



J MacDonald
Chief Executive/Accountable Officer
10 December 2025

**ARCHITECTURE AND DESIGN SCOTLAND
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**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

Remuneration and Staff Report

Remuneration Report

This report has been prepared in light of the relevant guidance set out in the Financial Reporting Manual prepared by the Treasury.

Chair and Non-Executive Directors

The Chair and Board Members (Directors) of Architecture and Design Scotland are public appointments made by Scottish Ministers under the procedures set by the Office of the Commissioner for Public Appointments.

The Chair was appointed in October 2018 and reappointed for a second term of four years on 1 October 2022. However A Allen resigned as Chair of Board on 18 October 2025 due to personal circumstances. K Macari has been appointed as Deputy Chair as from 13 May 2025 to 31 May 2026.

Three Board members appointed in June 2018 were reappointed for a second term of four years on 1 June 2022 along with two new Board Members who were appointed for a term of four years on 16 June 2022. The remaining four Board Members appointed in April 2019 were reappointed for a second term of four years on 15 April 2023. The remuneration of Directors, and any agreed annual increase, is set by the Scottish Ministers and is non pensionable.

Chief Executive

The salary of the Company Secretary/Chief Executive is set by Scottish Ministers, and any increase is dependent upon performance which is assessed by the Chair of Architecture and Design Scotland using a system of annual appraisal. Any salary increase must be agreed by Scottish Ministers. This post is pensionable under Civil Service pension arrangements.

Service Contracts

All appointments to Architecture and Design Scotland are based upon merit and on the basis of fair and open competition. Permanent members of staff hold contracts of employment which have been developed in line with best practice. Notice periods are a maximum of three months with the majority being one month. No contract provides for additional sums payable in the event of termination of employment other than would normally be expected to be included in line with best practice. Any increase is dependent upon performance which is assessed using a system of annual appraisal.

There are no early termination payment clauses within the contracts.

There were two voluntary severances in the year 2024/25.

Remuneration and Appointments

Due to the company's NDPB status, the remuneration policy is aligned to Scottish Government and reviewed annually through an exercise carried out with the Scottish Government Finance and Pay Policy Unit; this is in accordance with government guidelines with regard to public sector pay. No benefits in kind were paid to the Chair or non-executive Directors.

Appointments are carried out in line with employment legislation, except for the Chief Executive and non-executive Directors' positions, which are carried out within the guidelines for senior public sector appointments process.

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Salary and Allowances

Salary includes gross salary but not employer's pension contributions. There were no payments in respect of performance pay or bonuses during the year.

Architecture and Design Scotland offers employees the opportunity to participate in salary sacrifice schemes such as the Bike to Work Scheme, Childcare Vouchers Scheme and Travel Season Ticket loans.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – **classic, premium, and classic plus** provide benefits on a final salary basis, whilst **nuvos** provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and **alpha** are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the **partnership** pension account.

In **alpha**, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to **alpha** from the PCSPS had their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of **classic, premium, and classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. The pension figures in this report show pension earned in PCSPS or **alpha** – as appropriate. Where a member has benefits in both the PCSPS and **alpha**, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to **alpha**. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members (the "McCloud judgment").

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The Public Service Pensions Remedy is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of **alpha** from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023.

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YEAR ENDED 31 MARCH 2025**

The accrued pension benefits, Cash Equivalent Transfer Value and single total figure of remuneration reported for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the PCSPS for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the PCSPS for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the **alpha** scheme for the period from 1 April 2015 to 31 March 2022

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Master trust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

The following sections of this report are presented for audit - remuneration (including salaries and allowances, accrued pension, benefits in kind), pension benefits (including cash equivalent transfer values), fair pay, exit packages and compensation payments.

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

A&DS Board Remuneration

Remuneration of the Chair and non-executive Directors for the year to 31 March 2025 was as follows

	2024/25		2023/24	
	Salary Band	Total	Salary Band	Total
Name	£'000	£'000	£'000	£'000
	In bands of £5k	In bands of £5k	In bands of £5k	In bands of £5k
A Allen (The Chair)	10-15	10-15	10-15	10-15
K Macari	0-5	0-5	0-5	0-5
C Parkinson	0-5	0-5	0-5	0-5
L Wilson	0-5	0-5	0-5	0-5
A Bonney	0-5	0-5	0-5	0-5
D Narayanan	0-5	0-5	0-5	0-5
B Ross	0-5	0-5	0-5	0-5
A Scott	0-5	0-5	0-5	0-5
G Varna	0-5	0-5	0-5	0-5
S McCabe	0-5	0-5	0-5	0-5

A&DS Staff Remuneration

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

Remuneration of the Chief Executive and Leadership Team for the year to 31 March 2025 was as follows

	2024/25			2023/24		
	Salary Band	Pension Benefit	Total	Salary Band	Pension Benefit (restated)	Total (restated)
Name	£'000	£'000	£'000	£'000	£'000	£'000
	In bands of £5k		In bands of £5k	In bands of £5k		In bands of £5k
Jim MacDonald (CEO)	95-100	77	170-175	80-85	59	140-145
Lynne Lineen	70-75	28	95-100	65-70	27	95-100
Heather Claridge	60-65	24	85-90	55-60	23	80-85
Sue Reynolds ³	50-55	24	75-80	50-55	30	80-85
Anja Ekelof ²	20-25	8	30-35	50-55	22	70-75

Note:

- Salary is gross salary only.
- In post part of the year as went on a year's sabbatical from 31 August 2024 to 31 August 2025 inclusive. Full year equivalent salary was in salary band £50-55k.

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

3. MyCSP advised last year's PCSPS benefits post Remedy action incorrectly stated as classic, should be premium therefore figure differs from last year's Accounts.
4. Performance related pay: The Chief Executive received an increase of £13,038 in pay during the 2024/25 year which was not performance related.
5. Benefits in kind: The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. There were none in 2024/25.
6. There are no bonus payments, car allowances or other benefits paid.
7. There are no allowances.
8. The total emoluments, including pension benefit of all Board Members and the Chief Executive for the year to 31 March 2025 were £171,045 (2023/24: £156,405).

Fair Pay Disclosure

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

Total remuneration includes salary, non-consolidated performance related pay and benefits-in-kind. It does not include severance payments, employer pension contributions or the CETV of pensions.

	2024/25	2023/24
Remuneration banding for highest paid individual	£95,000 - £100,000	£80,000 - £85,000
Percentage change from previous financial year for highest paid individual	15.89%	2.42%
Average percentage change from previous financial year for employees	1.8%	17.6%
Lower quartile remuneration	£35,203	£37,156
Lower quartile ratio	2.77	2.22
Median remuneration	£42,244	£45,855
Median ratio	2.31	1.80
Upper quartile remuneration	£54,952	£53,351
Upper quartile ratio	1.77	1.55
Remuneration range	£31,177 – £95,000-£100,000	£29,677 – £80,000-£85,000

Architecture and Design Scotland believe the median pay ratio for 2024/25 is consistent with the pay, reward and progression policies for employees taken as a whole.

Note:

1. Salary is gross salary only.
2. Performance related pay: none in 2024/25.
3. Benefits in kind: The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. There were none in 2024/25.
4. There are no allowances.
5. The increase in the percentage change for the highest paid individual resulted from the Scottish Government Public Sector pay policy 2024/25 – Chief Executive Framework.
6. The percentage change from previous financial year for highest paid individual is normally calculated using mid-point of the banding which would be calculated as 18% change. However to provide accurate information, the actual figures have been used to present the actual position.
7. The increase in the median ratio from 2023/24 to 2024/25 is attributable to the increase in the highest paid director's remuneration.
8. Previously the median ratio decreased from 2022/23 to 2023/24 as the Chief Executive Framework was not implemented until 2024/25.
9. The median pay ratio is consistent with the pay, reward and progression policy for employees taken as a whole.

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

Exit Packages

In the year to 31 March 2025, two members of staff left under a voluntary early release arrangement.

Exit Package Cost Band	2024/25	2023/24
£25,000 - £50,000	2	-
£50,001 - £100,000	-	-
£100,001 - £150,000	-	-
£150,000 +	-	-
Totals costs disclosed in financial statements	£71,457	-

Compensation for Loss of Office

No employees left under compulsory early retirement terms in the year 2024/25 (2023/24: nil).

Pension Benefits

Pension Benefits of the Leadership Team for the year to 31 March 2025 was as follows

	Accrued Pension at pension age as at 31 March 2025	Real increase in pension at pension age	Cash Equivalent Transfer Value		
			At 31 March 2025	At 31 March 2024 (restated)	Real increase/ (decrease) in CETV
	£'000	£'000	£'000	£'000	£'000
	In bands of £5k	In bands of £2.5k			
Jim MacDonald	50-55	2.5-5	1,127	1,010	73
Lynne Lineen	15-20	0-2.5	268	223	22
Heather Claridge	0-5	0-2.5	40	22	12
Sue Reynolds ¹	5-10	0-2.5	171	142	19
Anja Ekelof	15-20	0-2.5	258	231	4

Note:

1. MyCSP advised last year's PCSPS benefits post Remedy action incorrectly stated as classic, should be premium therefore figure differs from last year's Accounts.

Members may elect to take a maximum of 25% of their accrued pension as a lump sum payment. This will subsequently reduce their future pension entitlement.

Staff Report

Employees

Our employees are dedicated to ensuring Architecture and Design Scotland undertakes its role effectively and creatively.

We provide all employees with opportunities for advancement regardless of their age, sex, marital status, disability, race, ethnic origin, sexual orientation or religious beliefs. We also share information about company progress, achievement of objectives and developments affecting employees.

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

Staff Costs

Staff costs comprise of

	2024/25	£			2023/24	£		
	Directors	Permanent Staff	Other staff	Total	Directors	Permanent Staff	Other staff	Total
Salaries	48,388	1,057,431	48,493	1,154,312	49,470	1,070,549	127,728	1,247,747
National Insurance	191	109,245	5,229	114,665	191	116,079	13,237	129,507
Pension costs	-	281,600	14,048	295,648	-	293,299	35,322	328,621
Total employment costs	48,579	1,448,276	67,770	1,564,625	49,661	1,479,927	176,287	1,705,875

The gender balance of employees at 31 March 2025 is as follows

	Male Employees 2024/25 No	Female Employees 2024/25 No	Male Employees 2023/24 No	Female Employees 2023/24 No
Non-Executive Directors (excluding Leadership Team)	2	8	2	8
Leadership Team	1	4	1	4
Employees	5	13	9	14
Totals	8	25	12	26

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. Architecture and Design Scotland makes contributions to PCSPS on behalf of employees but is unable to identify its share of the underlying assets and liabilities of the scheme. The contributions to the scheme have therefore been accounted for as if it were a defined contribution scheme and are charged to the income statement in the year in which they become payable. The scheme actuary last valued the scheme as at 31 March 2020. You can find details in the resource Accounts of the Cabinet Office: Civil Superannuation www.civilservicepensionscheme.org.uk

As the scheme is unfunded, although the actuary can determine a notional surplus or deficit within the whole scheme based on the Superannuation Contributions Adjusted for Past Experience approach, there is no actual deficit or surplus for the scheme as a whole. As such no disclosure about the deficit or surplus or the implications thereof has been made in the Accounts as normally required under IAS 19.

In 2024/25, employer's contributions of £295,648 (2023/24: £319,032) were payable to both PCSPS and the Partnership pension. The 2023/24 contributions noted above excluded the pension cost accrual in relation to untaken annual leave. The scheme's actuary reviews employer contributions usually every four years following a full scheme valuation.

Staff Numbers

The number of persons employed as at 31 March was as follows

	2025 No	2024 No
Directors (9 employed for 2 days per month, 1 for 4 days per month)	10	10
Permanent employees	22	25
Other staff (short term contract)	1	3
Total persons employed	33	38

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ACCOUNTABILITY REPORT
YEAR ENDED 31 MARCH 2025**

Employment of Disabled Persons

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retain them, and adjustments made to work and or facilities where reasonably practicable and as appropriate in order that their employment with the company can continue.

It is the policy of the company that training, career development and promotion opportunities should be available to all employees.

Sickness Absence

In the year to 31 March 2025 1.87% (2023/24: 2.29%) of working time was lost due to staff sickness absence. These figures exclude any long-term absences.

Employee Involvement and Communication

Architecture and Design Scotland recognises that good communication is a key issue and is achieved through weekly updates by the Chief Executive and the cascade of briefings from Leadership Team meetings to all staff.

We have members of staff who are Trade Union members.

We have aligned ourselves to Scottish Government's wellbeing policies.

Diversity and Equality

We are committed to ensure diversity and equality for all employees and to have appropriate policies in place.

Parliamentary Accountability

Architecture and Design Scotland is held to account by the Parliament through the Public Finance and Accountability (Scotland) Act 2000.

Our spending and use of resources are reported to our Sponsor Department (Planning, Architecture and Regeneration Directorate) within Scottish Government.

The Auditor General for Scotland appoints external auditors to Architecture and Design Scotland. Audit Scotland has now been appointed for the period 2022/23 to 2026/27.

Signed by order of the Directors



J MacDonald
Chief Executive/Accountable Officer
10 December 2025

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of Architecture and Design Scotland, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of Architecture and Design Scotland for the year ended 31 March 2025 under The Companies Act 2006 (Scottish public sector companies to be audited by the Auditor General for Scotland) Order 2008. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity, and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (the 2024/25 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the company as at 31 March 2025 and of the surplus for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers, and the Companies Act 2006.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 2 December 2022. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the company. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

These conclusions are not intended to, nor do they, provide assurance on the company's current or future financial sustainability. However, I report on the company's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer and directors for the financial statements

As explained more fully in the Statement of the Directors' and Accountable Officer's Responsibilities, the Accountable Officer and directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer and directors 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 Accountable Officer and directors are responsible for assessing the company'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 there is an intention to discontinue the company's operations.

Auditor's responsibilities for the audit of the financial statements

My 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 my 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 decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers, and the Companies Act 2006 are significant in the context of the company;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the company;

- inquiring of the Accountable Officer concerning the company's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the company's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

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

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with directions made under the Public Finance and Accountability (Scotland) Act 2000 by the Scottish Ministers and the Companies Act 2006.

Other information

The Accountable Officer and directors are responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with directions made under the Public Finance and Accountability (Scotland) Act 2000 by the Scottish Ministers and the Companies Act 2006; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with directions made under the Public Finance and Accountability (Scotland) Act 2000 by the Scottish Ministers and the Companies Act 2006.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Stephanie Harold

Stephanie Harold CA

10 December 2025

Audit Scotland

4th Floor, 8 Nelson Mandela Place

Glasgow

G2 1BT

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ANNUAL ACCOUNTS
YEAR ENDED 31 MARCH 2025**

ANNUAL ACCOUNTS

Statement of Comprehensive Net Expenditure

		2024/25 £	2023/24 £
	Notes		
Income			
Other operating income	2	(46,108)	(101,207)
		<u>(46,108)</u>	<u>(101,207)</u>
Expenditure			
Staff costs	3	1,564,625	1,705,875
Other expenditure	4	233,437	617,866
		<u>1,798,062</u>	<u>2,323,741</u>
Net expenditure		<u>1,751,954</u>	<u>2,222,534</u>

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ANNUAL ACCOUNTS
YEAR ENDED 31 MARCH 2025**

Statement of Financial Position

		31 March 2025 £	31 March 2024 £
	Notes		
Non-current assets			
Right-of-use assets	10	-	4,700
Trade and other receivables	5	90	-
Total non-current assets		<u>90</u>	<u>4,700</u>
Current assets			
Trade and other receivables	6	111,224	51,307
Cash and cash equivalents	7	338,120	353,094
Total current assets		<u>449,344</u>	<u>404,401</u>
Total Assets		449,434	409,101
Current liabilities			
Trade and other payables	8	(171,223)	(168,503)
Provisions	11	-	(47,485)
Total current liabilities		<u>(171,223)</u>	<u>(215,988)</u>
Non-current assets less net current assets/liabilities		278,211	193,113
Non-current liabilities			
Lease liability	10	-	-
Total non-current liabilities		<u>-</u>	<u>-</u>
Assets less liabilities		<u>278,211</u>	<u>193,113</u>
Represented by:			
General Reserve		<u>278,211</u>	193,113
		<u>278,211</u>	<u>193,113</u>

These Accounts were approved by the Board of Directors and authorised for issue on 10 December 2025



J MacDonald
Chief Executive/Accountable Officer
10 December 2025



K Macari
Deputy Chair
10 December 2025

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ANNUAL ACCOUNTS
YEAR ENDED 31 MARCH 2025**

Statement of Cash Flows

		2024/25 £	2023/24 £
	Notes		
Cash flows from operating activities			
Net expenditure	SoCNE	(1,751,954)	(2,222,534)
<i>Adjustments for non-cash items</i>			
(Decrease)/increase in provision	11	(47,485)	(17,784)
(Increase)/decrease in non-current assets	5	(90)	4,190
Depreciation – right-of-use assets	4	4,700	56,400
<i>Movements in working capital</i>			
(Increase)/decrease in trade receivables and other current assets	6	(59,917)	168,360
Increase/(decrease) in trade payables and other current liabilities	8	2,720	(52,071)
Net cash inflow from operating activities		(1,852,026)	(2,063,439)
Cash flows from financing activities			
Scottish Government funding for the year	SoCTE	1,837,052	2,090,000
Net cash flows from financing activities		1,837,052	2,090,000
Net (decrease)/increase in cash and cash equivalents in the year	7	(14,974)	26,561
Cash and cash equivalents as at 1 April		353,094	326,533
Cash and cash equivalents at 31 March		338,120	353,094

Analysis of Changes in net Funds

	Cash at bank and in hand £	Cash at bank and in hand £
1 April	353,094	326,533
Cash flows	(14,974)	26,561
31 March	338,120	353,094

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ANNUAL ACCOUNTS
YEAR ENDED 31 MARCH 2025**

Statement of Changes in Taxpayers' Equity

	General reserve £
Changes in taxpayers' equity 2023/24	
Balance at 1 April 2023	325,647
Incurred deficit	(2,222,534)
Grant in Aid Transfer	2,090,000
Balance at 31 March 2024	193,113
Changes in taxpayers' equity 2024/25	
Balance at 1 April 2024	193,113
Incurred deficit	(1,751,954)
Grant in Aid Transfer	1,837,052
Balance at 31 March 2025	278,211

**ARCHITECTURE AND DESIGN SCOTLAND
COMPANY LIMITED BY GUARANTEE**

**ANNUAL ACCOUNTS
YEAR ENDED 31 MARCH 2025**

Notes to the Accounts

1. Statement of Accounting Policies

The Accounts have been prepared in accordance with the Accounts Direction issued by Scottish ministers (page 56) under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 and also in accordance with the Financial Reporting Manual (FReM) applicable for the year. The accounting policies contained in the FReM apply UK adopted International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Architecture and Design Scotland for the purpose of giving a true and fair view has been selected. The accounting policies adopted by Architecture & Design Scotland are described below. They have been applied consistently in dealing with items considered material in relation to the Accounts

a. Basis of Accounting

These Accounts have been prepared under the historical cost convention.

Figures are presented in pounds sterling. In common with similar public bodies, the future of Architecture and Design Scotland's liabilities will be met by future grant funding to be approved annually by the Scottish Government. The approval of amounts for 2025/26 has already been given and there is no reason to believe that future approvals will not be forthcoming. Accordingly, it is considered appropriate to adopt a going concern basis for the preparation of these Accounts.

b. Adoption of New Accounting Standards

There are no new accounting standards adopted in 2024/25.

c. New Accounting Standards not yet Effective

Architecture and Design Scotland disclose accounting standards not yet applied and assesses the possible impact that initial application would have on the financial statements. There are no new standards not yet effective that will have an impact on Architecture and Design Scotland's Accounts.

d. Non-Current Assets

The minimum level of capitalisation for a non-current asset is £5,000 for individual or group purchases. Non-current assets are held at fair value.

e. Operating Income and Expenditure

Income represents other income, principally comprising income from work performed during the year.

Income is recognised in the period to which it relates and when expenditure associated with that income has been incurred by the company. The majority of operating expenditure is shown gross of VAT as the company is not able to recover VAT on expenditure incurred in relation to Grant in Aid funded projects.

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f. Trade and Other Receivables

Trade and other receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established. An expected credit loss for impairment of trade receivables is established when there is objective evidence that the company may not be able to collect all amounts due according to the original terms of receivables. The amount of the expected credit loss is recognised in the statement of comprehensive net expenditure immediately. Subsequent to initial recognition, receivables are stated at cost less expected credit loss for impairment.

g. Cash and Cash Equivalents

Cash and cash equivalents include bank deposits with commercial banks and cash in hand.

h. Trade and Other Payables

Trade and other payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

i. Grants Received

Grant in Aid received to cover general operating activities is shown as Grant in Aid transfer and credited directly to the General Reserve.

j. Pensions

Employees of the company are covered by the provisions of the Principal Civil Service Pension Scheme which are described in the Remuneration and Staff Report on pages 31 to 38. Full superannuation costs are an expense of the company at rates determined by HM Treasury.

k. Financial Instruments

Financial instruments include cash and bank balances, receivables and payables. Financial instruments are recognised in the statement of financial position when the company has become a party to the contractual provisions of the instrument.

l. Leases

IFRS 16, as adapted and interpreted by the FReM, has been applied with the initial application date of 1 April 2022. Previously leases were classified as either 'operating' or 'finance' leases based upon the assessment of the risks and rewards being incidental to ownership of the underlying asset.

Under IFRS 16 Architecture and Design Scotland recognises assets where they consider they have exclusive right to use the asset (right-of-use assets) and the lease liability for most leases on the balance sheet. Recognition exemptions are applied for short-term and low-value leases.

At transition, lease liabilities have been measured at the cost excluding VAT of the remaining lease payments at 1 April 2022. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The definition of a lease under IFRS 16 has been applied to contracts entered into after the 1 April 2022. Upon lease commencement a right-of-use asset is recognised measured at cost, being the initial amount of lease liability adjusted for any lease payments made before the commencement date, less incentives received. The right-of-use asset is subsequently depreciated, in the same way as other assets of the same type, using a straight-line method from the commencement date over the lease term, which is equal to, or shorter than, the asset's useful life. The right-of-use asset will be periodically reviewed to account for any potential impairment losses and any material remeasurement of the lease liability.

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Upon commencement of a new lease Architecture and Design Scotland will recognise a lease liability measured at cost excluding VAT of unpaid lease payments.

m. Taxation

As an Executive NDPB sponsored directly by the Scottish Government, the Directors are of the opinion that the company's activities do not constitute a trade for Corporation Tax purposes and therefore consider that the company will not be subject to Corporation Tax.

n. Provisions

The company recognises provisions when: the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resource will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using the discount rate prescribed by HM Treasury.

o. Reserves

The General Reserve represents the excess of income over expenditure on Grant in Aid funded activities, after adjusting for accruals and prepayments.

p. Key Sources of Judgement and Estimation Uncertainty

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 nature of estimation means that the actual outcomes could differ from the assumptions and estimates. There are no items in the financial statements at 31 March 2025 for which there is a significant risk of material adjustment in the following financial year.

There were also no critical judgements used in applying accounting policies.

2. Revenue

	2024/25	2023/24
	£	£
Other income	46,108	101,207
Total Revenue	46,108	101,207

3. Staff Costs

Staff costs comprise of

	2024/25	2023/24
	£	£
Salaries	1,154,312	1,247,747
National Insurance	114,665	129,507
Pension costs	295,648	328,621
Total employment costs	1,564,625	1,705,875

Directors' emoluments and further detailed information relating to staff costs is disclosed within the Remuneration and Staff Report on pages 31 to 38.

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4. Other Expenditure

	2024/25	2023/24
	£	£
Legal and professional fees	8,200	20,330
Other establishment expenses	19,934	64,641
Publications	811	5,720
Travel, subsistence and motor expenses	15,244	35,593
Advertising and sponsorship	-	365
Project costs	5,579	231,740
Accountancy fees	8,576	2,484
IT and consumables	107,204	109,517
Right-of-use assets depreciation	4,700	56,400
Release of dilapidation provision	-	(14,064)
Other expenditure	63,189	105,140
Total	233,437	617,866

The External Audit fees from Audit Scotland within other expenditure were

	2024/25	2023/24
	£	£
Audit services	12,150	11,920
	12,150	11,920

A refund of £348 was received in respect of audit services expenses for 2023/24 which was not utilised.

5. Non-Current Assets

	31 March 2025	31 March 2024
	£	£
Prepayments	90	-
Total Non-current Assets	90	-

6. Trade and Other Receivables

	31 March 2025	31 March 2024
	£	£
Amounts falling due within one year:		
Trade receivables	10,630	-
Accrued income	42,052	-
Prepayments	58,542	51,307
	111,224	51,307

Payment terms for trade receivables vary but are generally 14 days from invoice date. The invoices in relation to the trade receivables noted above of £10,630 (31 March 2024: £nil) are dated within three months of the year end date. Prepayments consist of prepaid information technology, training and insurance costs.

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	31 March 2025	31 March 2024
	£	£
Intra-government receivable	42,052	-
Bodies external to government	69,172	51,307
Total receivables and other current assets	111,224	51,307

7. Cash and Cash Equivalents

	2025	2024
	£	£
Balance at 1 April	353,094	326,533
Net change in cash and cash equivalent balances	(14,974)	26,561
Balance at 31 March	338,120	353,094
The following balances at 31 March were held at:		
Commercial banks and cash in hand	338,120	353,094
Balance at 31 March	338,120	353,094

8. Trade Payables and Other Current Liabilities

	31 March 2025	31 March 2024
	£	£
Amounts falling due within one year:		
Trade payables	2,398	5,031
Accruals	167,053	163,472
Other creditors	1,772	-
	171,223	168,503
	31 March 2025	31 March 2024
	£	£
Intra-government trade payables and other liabilities:		
Central Government	-	-
Bodies external to government	171,223	168,503
Total trade payables and other current liabilities	171,223	168,503

The dilapidations provision is analysed at Note 11 – Provisions for Liabilities and Charges.

9. Capital Commitments

The company had £nil material capital commitments at 31 March 2025 (31 March 2024: £nil).

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10. Leases

Right-of-Use Assets

Architecture and Design Scotland recognises a right-of-use asset upon lease commencement. The right-of-use asset is initially measured at cost, being the initial amount of the lease liability adjusted for any lease payments made before the commencement date, less incentives received.

At transition to IFRS 16 on 1 April 2022 the right-of-use assets have been measured at an equal amount to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date over the term (which is equal to, or shorter than, the asset's useful life). The right-of-use asset will be periodically reviewed for impairment losses and adjustments on remeasurement of the lease liability.

In 2024/25 there was one right-of-use asset with depreciation charged to the SoCNE on a straight line basis over the term of the lease.

The Edinburgh premises which the company operated from was occupied under a lease which expired on 30 April 2024.

	2024/25 £	2023/24 £
Cost		
At 1 April	117,559	117,559
Recognition of right-to-use asset on initial application of IFRS 16	-	-
Additions	-	-
Disposals	(117,559)	-
At 31 March	-	117,559
Depreciation		
At 1 April	112,859	56,459
Charge for the year	4,700	56,400
Depreciation on Disposals	(117,559)	-
At 31 March	-	112,859
Net Book Value at 31 March	-	4,700

Obligations Under Leases

On transition to IFRS 16 lease liabilities have been measured at cost of the remaining lease payments at 1 April 2022. Upon commencement of new leases the liability is measured at cost of unpaid lease payments. A judgement not to use the present value approach has been made as currently the difference is not material. Periodic reviews of this approach will be undertaken and any re-measurement adjustments will be made as required.

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The Edinburgh premises which the company operated from was occupied under a lease which expired on 30 April 2024.

	Lease Liability 2024/25 £	Lease Liability 2023/24 £
Cost		
At 1 April	-	-
Recognition of lease liability on initial application of IFRS 16	-	-
Prepayment adjustment		-
Revised lease liability	-	-
Prepayment in year	-	-
At 31 March	-	-

Desk Licence

We have entered into an agreement for a six desk licence at Edinburgh Futures Institute. This has been assessed under IFRS 16 requirements and concluded that it is not a lease.

11. Provisions for Liabilities and Charges

	At 1 April 2024 £	Release in year £	Transferred to Current Liabilities £	Utilised £	At 31 March 2025 £
Dilapidations	47,485	-	-	47,485	-
Total	47,485	-	-	47,485	-

The dilapidations provision relates to the costs, over the period of the lease, to return leased premises to their original condition, per the lease agreement and other legal costs.

The Edinburgh premises which the company operated from was occupied under a lease which expired on 30 April 2024. The costs to return leased premises to its original condition per the lease agreement and other legal costs have been finalised prior to 31 March 2025.

12. Financial Instruments

The company's activities and the way government bodies are funded means that Architecture and Design Scotland is not exposed to the degree of financial risk faced by other non-public sector bodies.

Accordingly, the company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is minimal.

13. Contingent Liabilities

At 31 March 2025 there were no contingent liabilities (2023/24: nil).

14. Related Party Transactions

During the year, Grant in Aid of £1,837,052 (2023/24: £2,090,000) was granted by the Scottish Ministers to Architecture and Design Scotland. The Scottish Ministers are the sole member of the company.

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The Scottish Government has effective control over the general operations of Architecture and Design Scotland. It is responsible for providing the statutory framework within which Architecture and Design Scotland operates and provides the majority of its funding in the form of grants.

All related party transactions are conducted on an arm's length basis.

There were no other related party transactions during the year.

15. Events After the Reporting Period

There have been no significant events after 31 March 2025 that require adjustment to, or disclosure in the Accounts.

16. Segmental Reporting

Architecture and Design Scotland is considered to have just one operating segment and therefore no segmental information is produced.

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Direction by the Scottish Ministers



ARCHITECTURE AND DESIGN SCOTLAND

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of Section 19(4) of the Public Finance and Accountability (Scotland) Act 2000, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts.

A handwritten signature in black ink, appearing to read 'G. A. Brown'.

A member of the staff of the Scottish Ministers

Dated 20 September 2006