



Paper for Members in General Meeting

Title: **Annual Report and Accounts FY2024**
Date of Meeting: **30 April 2025**
Owner: **Marie Livingstone**
Confidential: **Yes**
Purpose: **Information**

INTRODUCTION AND PURPOSE

1. The Members in General Meeting are asked to note the draft Annual Report and Accounts.

BACKGROUND

2. The Annual Report and Accounts for the financial year ended 30 November 2024 are presented in draft form and are prepared on the basis that the governance proposals set out below, will be approved by the Members.
3. These accounts do not yet contain the Auditor's report. The audit has been completed and there are no matters to highlight to the members. However, the going concern assessment requires to be completed by the Auditors before the Auditor's report can be provided. This relies on the governance proposals being passed.
4. If the governance proposals do not attain the 75% approval of Members present, these Accounts cannot be approved in their current form which would have critical, if not fatal, consequences for the future of RHASS.
5. The consequences of the governance changes not being passed at this AGM would be very serious for the future of RHASS and the Royal Highland Show.
 - a. RHASS's Audit and Risk Committee will only recommend the Annual Report and Accounts if the governance changes are passed.
 - b. The governance changes are required by the bank to continue their support of RHASS. Should the governance changes not be passed then RHASS's auditors, Azets, would look to qualify their audit report, or insert an 'emphasis of matter' paragraph highlighting that RHASS was not a going concern. This would require Azets to report the qualification to OSCR under a section 46 order prior to the accounts being published. Should that circumstance arise, the Chair of Audit and Risk Committee would consult with Azets and RHASS's legal advisors on the appropriate course of action and the accounts would require to be amended.

- c. Our bank also require the governance changes recommended by the Board to be passed and a “no” vote would require to be intimated to them, which would result in a question being raised over RHASS’s position as a going concern. Given RHASS’s level of debt, this could have extremely serious consequences.

RECOMMENDATION(S)

- 6. The Members are asked to note the Annual Report and Accounts.