

**CHARITY NO: SC007862**

**THE CLAN DONALD LANDS TRUST**  
**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

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## **THE CLAN DONALD LANDS TRUST**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

|                             |                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>             | Sir Ian Macdonald of Sleat Bt., DL (resigned 01/03/2025, re-appointed 03/05/2025)<br>The Rt. Hon. Godfrey James Macdonald of Macdonald JP, DL, (resigned 01/03/2025)<br>Major Bruce W McDonald (Ret'd)<br>Diane Carey-Schmitz<br>Ranald Og Angus Macdonald, Younger of Clanranald<br>Andrew Macdonald of Boisdale (appointed 20/07/2026) |
| <b>Secretary</b>            | Campbell Stewart MacLennan & Co                                                                                                                                                                                                                                                                                                          |
| <b>Registered Office</b>    | Armadale Castle<br>Ardvasar<br>Sleat<br>Isle of Skye<br>IV45 8RS                                                                                                                                                                                                                                                                         |
| <b>Charity Number:</b>      | SC007862                                                                                                                                                                                                                                                                                                                                 |
| <b>Independent Auditors</b> | Wbg (Audit) Limited<br>168 Bath Street<br>Glasgow<br>G2 4TP                                                                                                                                                                                                                                                                              |
| <b>Bankers</b>              | The Royal Bank of Scotland plc<br>36 St Andrews Square<br>Edinburgh<br>EH2 2YB                                                                                                                                                                                                                                                           |
| <b>Solicitors</b>           | Shepherd + Wedderburn<br>1 Exchange Crescent<br>Conference Square<br>Edinburgh<br>EH3 8UL<br><br>Brodies LLP<br>58 Morrison Street<br>Edinburgh<br>EH3 8BP                                                                                                                                                                               |

## **THE CLAN DONALD LANDS TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025**

The Trustees are pleased to present their report together with the financial statements of The Clan Donald Lands Trust (the “Trust”, the “Charity” or “CDLT”) for the year ended 31 December 2025. The Legal and Administrative Information on page one forms part of this report

#### **Directors and Trustees**

The Directors of the Charity are its Trustees for the purpose of Charity law, and throughout this Report, are collectively referred to as “the Trustees” or “the Board”.

The Trustees, who served or were elected during the year, and since year-end, and their capacities, are as follows:

Sir Ian Macdonald of Sleat Bt., DL (resigned 01/03/2025, re-appointed 03/05/2025)  
The Rt. Hon. Godfrey James Macdonald of Macdonald JP, DL, (resigned 01/03/2025)  
Major Bruce W McDonald (Ret'd)  
Diane Carey-Schmitz  
Ranald Og Angus Macdonald, Younger of Clanranald  
Andrew Macdonald of Boisdale (appointed 20/07/2026)

#### **Structure, Governance and Management**

The Trust was established by Trust Deed registered 20 April 1971 and is governed by its duly appointed Board. The Executive Committee continues to support governance, working closely with the CEO.

Re-formation as a SCIO: In light of the estate sales and forward strategy, the Trustees are progressing re-formation as a Scottish Charitable Incorporated Organisation (SCIO). This modernises governance, removes the barrier of unlimited personal liability that hinders trustee recruitment, and better aligns with a heritage-led, grant-giving charity model.

Trustee recruitment: The Board continues to welcome expressions of interest from suitably qualified individuals, particularly those with expertise in Board-level governance, heritage and museums, Gaelic language and culture, digital engagement, fundraising, and grant-making. We are encouraged by recent approaches from several highly capable candidates and look forward to strengthening the Board with new skills and perspectives.

#### **Key Management Personnel**

The Trustees consider the Key Management Personnel of the Trust to comprise those individuals with responsibility for directing, controlling and managing the day-to-day operations of the charity. The Key Management Personnel are: (i.e. delete “during the year” and the staff other than Linda and me, as we have had so many staff changes):

- Alex Stoddart – Chief Executive Officer
- Linda Spence – Museum Manager

The remuneration of Key Management Personnel is determined by the Trustees, having regard to the responsibilities of each role and appropriate market benchmarks.

## **THE CLAN DONALD LANDS TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **Overview**

The period 2025–2026 was a significant time in the history of the Trust, culminating in the completion of the sale of the Armadale Estate.

The sale followed a detailed strategic review, professional advice and engagement with the Scottish Charity Regulator, and marked a pivotal moment in the Trust's development. It enabled the charity to move from managing a large estate and financially unsustainable business operation to focusing more directly on its core museum, archive, heritage and educational purposes, while placing those activities on a more sustainable long-term footing.

The Trustees recognise that the period involved challenging decisions and considerable change following more than fifty years of estate ownership and management. They believe, however, that the decisions taken have placed the charity in a stronger position from which to pursue its charitable purposes, steward its assets responsibly and deliver public benefit for future generations.

#### **Background and Strategic Context**

Since its establishment in 1971, the Trust has worked to preserve, promote and interpret the heritage, history and culture of Clan Donald, Skye and the wider Lordship of the Isles. Through the commitment of trustees, staff, volunteers, supporters, donors and funders, Armadale Castle became an important centre for heritage, education and cultural engagement, incorporating a museum, archive, library, collections, gardens and related activities.

The Trustees record their appreciation for those whose vision and generosity made this work possible, including the Glencoe Foundation and the many individuals and organisations who supported the development of the museum, archive, collections and wider estate over many decades.

The Trustees also recognise the particular contribution of Skye and its communities to the Trust's development over more than fifty years. Generations of staff, volunteers, supporters and local people contributed to the charity and its work in Sleat, while the estate itself formed the substantial charitable asset whose sale now provides the financial foundation for the Trust's next phase.

#### **Financial Sustainability and the Sale of Armadale**

Although Armadale delivered significant public benefit over many decades, the operating model was not financially sustainable. Its location, seasonality, estate responsibilities, maintenance obligations, staffing requirements and wider costs meant that trading income was insufficient to meet the full cost of operating the site.

The operation therefore depended on a combination of trading income, fundraising, charitable support and external grant funding. That support was invaluable, but it was discretionary and could not be assumed to continue indefinitely. The financial challenges associated with Armadale were longstanding, structural and increasingly difficult to address.

## **THE CLAN DONALD LANDS TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **Financial Sustainability and the Sale of Armadale (continued)**

Having considered the available options and taken professional advice, the Trustees concluded that continued ownership of the estate and operation of the visitor attraction represented an increasing financial risk to the charity and to its ability to fulfil its charitable purposes over the long term. The Trustees therefore determined that a sale was the most responsible means of safeguarding the future of the charity and preserving its ability to deliver public benefit.

Following the announcement of the proposed sale, the Trustees engaged with the Scottish Charity Regulator and provided information on the background to the decision, the charity's financial position, the options considered and the Trustees' assessment of the charity's long-term interests. The sale was undertaken to secure the continuation of the Trust's charitable purposes, including museum, archive, heritage and educational activities, rather than to reduce or abandon those purposes.

#### **Charitable Purposes**

During the year, the Trust's charitable purposes were updated to reflect its continuing museum, archive, heritage and educational purposes and to provide a clearer framework for future public benefit delivery.

The purposes include operating and maintaining the Clan Museum; fostering interest in Clan Donald and Highland history; encouraging education of members of the Clan and the general public; collecting and preserving records, traditions and objects of historic interest relating to Clan Donald; and advancing education, arts, heritage and culture through public understanding of the Lordship of the Isles, the Highland Clans and Clan Donald in particular.

The Trustees remain committed to these purposes and regard the museum, collections, library and archive as central assets through which they are advanced for public benefit.

#### **Collections, Archive and Heritage Stewardship**

The collections, archive and Macdonald Estate Papers are amongst the Trust's most significant assets. They are of particular importance to the people and communities of Skye and the Highlands, while also representing an important resource for Clan Donald members and the wider diaspora.

Together, they provide a valuable record of local families, communities, landholding, settlement, genealogy and social history across several centuries. For many people, the archive provides one of the few remaining links to their ancestors, family histories and places of origin, while also providing an important resource for wider historical and genealogical research.

The preservation, interpretation and accessibility of these resources remain central to the Trust's charitable purposes and future public benefit, and will continue to inform the Trust's museum, educational and heritage activities.

#### **Engagement and Consultation**

The Trustees recognise the importance of engaging with staff, volunteers, Clan members, heritage partners, the wider international diaspora and local communities as the Trust develops its future direction.

## **THE CLAN DONALD LANDS TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **Engagement and Consultation (continued)**

Consultation and engagement will help shape future priorities and ensure that decisions are informed by local, national and international perspectives.

#### **Governance and Transition Planning**

The year involved significant governance activity, including regulatory engagement, review of governing documents, financial restructuring and transition planning.

The Trustees continued preparations for the proposed transition of the charity's activities and assets to a Scottish Charitable Incorporated Organisation to be known as the Clan Donald Heritage Trust.

The proposed SCIO is intended to provide a modern and flexible governance framework through which the charity's existing purposes and activities can continue to be delivered.

#### **Financial Stewardship**

The completion of the Armadale sale has significantly strengthened the Trust's financial position and created an opportunity to support the long-term delivery of its charitable purposes. The Trustees recognise that the sale proceeds represent a significant and irreplaceable charitable resource, and remain committed to their prudent stewardship in support of long-term public benefit.

Pending completion of longer-term strategic planning, the Trustees have adopted a cautious investment and treasury approach designed to preserve capital, maintain appropriate liquidity and generate income in support of the charity's purposes.

The Trustees are satisfied that the charity enters the next financial period with the financial resources necessary to pursue its charitable purposes on a sustainable basis. Capital preservation, responsible stewardship and long-term public benefit will remain central to financial decision-making.

#### **Financial Review**

The Group reported total incoming resources of £1,307,275 for the year ended 31 December 2025 (2024: £1,448,671). Income from other trading activities decreased to £503,913 (2024: £657,693), whilst income from charitable activities reduced to £394,796 (2024: £432,187). Donations, grants and legacies totalled £321,434, broadly consistent with the prior year.

Total expenditure amounted to £1,491,256 (2024: £1,687,468). As a result, the Group recorded a net expenditure before gains and losses on investments of £183,981 (2024: £238,797), representing an improvement on the previous year.

At 31 December 2025, the Group's total funds were £3,938,395 (2024: £4,122,376), comprising unrestricted funds of £232,804 and restricted funds of £3,705,591. The reduction in total funds reflects the operating deficit incurred during the year.

During the year, the Group's cash balances increased from £151,988 to £332,336, reflecting cash generated from operations together with proceeds received from the disposal of fixed assets. Tangible fixed assets reduced to £2,694,116 (2024: £3,029,701) following disposals and depreciation during the year.

## **THE CLAN DONALD LANDS TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **Financial Review (continued)**

As part of the year-end review, provision has been made against historic intercompany balances due to CDLT from its subsidiaries, reflecting that these amounts are not expected to be recovered. Following completion of the estate sale and cessation of the former trading activities, the subsidiaries are expected to be wound up once their remaining affairs have been concluded. The impairment reflects the historic financial position of the subsidiaries and does not represent a new cash outflow by the Trust in the current period.

Subsequent to the year end, the Trust completed the sale of the Armadale Estate. As outlined elsewhere in this report, the sale has significantly strengthened the Trust's financial position and provides a stable financial foundation from which the Trustees can focus on delivering the Trust's charitable purposes over the long term.

#### **Risk Management**

The Trustees maintain a live Risk Register which is reviewed regularly by the Board. The register identifies the principal strategic, operational, financial and regulatory risks facing the Trust together with the controls and mitigation measures in place to manage those risks. The Trustees review the register periodically to ensure that emerging risks are identified and that appropriate mitigating actions remain in place.

#### **Principal Risks and Uncertainties**

The principal risks currently facing the Trust are:

- Governance and strategy – The charity lacks clear post-sale direction, strategy and forward planning. Mitigation includes implementation of a Board-approved strategic framework, business planning and oversight by the Trustees.
- Regulatory, legal and restructuring – The transition to the proposed Scottish Charitable Incorporated Organisation (SCIO) is delayed or inadequately managed. Mitigation includes maintaining a detailed transition plan, obtaining specialist legal advice and continuing engagement with OSCR.
- Financial, treasury and investment – Sale proceeds are not protected or deployed prudently during the transition period. Mitigation includes an interim treasury policy focused on capital preservation, maintaining liquidity and Board oversight.
- Museum, collections and heritage delivery – Museum collection care, documentation and future access are not progressed during the transition. Mitigation includes continued collection management, documentation, professional oversight and Board monitoring.
- People, employment and compliance – Loss of key staff or institutional knowledge during the transition. Mitigation includes staff retention, documentation of key systems and appropriate Board oversight.

#### **Reserves Policy**

The Trustees review the reserves policy on a regular basis to ensure the Trust has sufficient financial resources to meet its charitable objectives and ongoing commitments.

Following the disposal of the Armadale Estate after the year end, the Trustees intend to adopt a revised reserves policy to reflect the Trust's new operating model. The revised policy will maintain unrestricted reserves equivalent to at least six months' average unrestricted expenditure, providing an appropriate level of financial resilience during the transition to a

## **THE CLAN DONALD LANDS TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **Reserves Policy (continued)**

Scottish Charitable Incorporated Organisation (SCIO) and supporting the long-term delivery of the Trust's heritage and charitable activities. This represents an increase from the previous target of three months' unrestricted expenditure.

At 31 December 2025, the Group's total funds amounted to £3,938,395 (2024: £4,122,376), comprising restricted funds of £3,705,591 (2024: £3,734,597) and unrestricted funds of £232,804 (2024: £387,779).

The Trustees consider that the unrestricted reserves held at the year end, together with the significant proceeds received following the post year-end sale of the estate, provide an appropriate level of financial resilience to support the Trust's transition and future charitable activities.

#### **Future Direction**

The completion of the Armadale sale marks the beginning of a new phase in the Trust's history. The Trustees' focus is now on ensuring that the Trust's resources are managed prudently and applied to secure the long-term advancement of its charitable purposes and maximise public benefit.

The Trustees are currently developing a long-term strategy for the charity which they expect to complete during 2027. In addition, the Trust is committed to expanding the Board to support long-term succession planning and ensure the charity continues to benefit from an appropriate range of skills and experience.

Meanwhile, the Trust will continue to develop educational programmes, cultural initiatives, research activity, digital resources and public engagement projects which support greater understanding of Clan Donald, the history of the Highlands and Gaelic culture.

An important initiative supporting the charity's future direction is the development of a new website as a platform for communication, education and engagement. It will provide information on the Trust, its governance, heritage activities, collections and future plans, and support wider engagement with local communities, Clan Donald members and the international diaspora.

The Trustees regard the website as complementing the Trust's museum, collections and heritage activities. While the form and delivery of future museum, archive and heritage provision remain under consideration, the Trustees recognise that these functions remain central to the charity's purposes.

With a strengthened financial position, significant heritage assets, a clear charitable mission and renewed strategic focus, the Trustees believe the Trust is well placed to advance its charitable purposes for the benefit of present and future generations.

## THE CLAN DONALD LANDS TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

#### Trustees' responsibilities in relation to the financial statements

The Charity Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the Charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustees on 24<sup>th</sup> August 2026 and signed on their behalf by:

DocuSigned by:

*Ranald Macdonald*

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Ranald Og Angus Macdonald, Younger of Clanranald  
Chairman of the Board

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CLAN DONALD LANDS TRUST FOR THE YEAR ENDED 31 DECEMBER 2025**

### **Opinion**

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

In our opinion the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CLAN DONALD LANDS TRUST FOR THE YEAR ENDED 31 DECEMBER 2025**

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

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor responsibilities for the audit of the financial statements**

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CLAN DONALD LANDS TRUST FOR THE YEAR ENDED 31 DECEMBER 2025**

misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates, and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries.

### **Audit response to the risks identified;**

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates:
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements:
- Enquiring of management and trustees concerning actual and potential litigation and claims: Reading minutes of meetings of those charged with governance:
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business.
- We scrutinised the nominal ledger for the following:
  - Duplicate journal entries
  - Journals posted at unusual times
  - Journals with detail which included key words or phrases.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CLAN DONALD LANDS TRUST FOR THE YEAR ENDED 31 DECEMBER 2025**

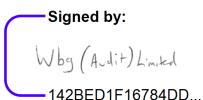
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

### **Use of our report**

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

Signed by:  
  
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Wbg (Audit) Limited  
168 Bath Street  
Glasgow  
G2 4TP

Date: 24<sup>th</sup> August 2026

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

**THE CLAN DONALD LANDS TRUST**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 DECEMBER 2025**

(Including an Income and Expenditure account)

|                                    | Note      | Unrestricted<br>Funds<br>2025<br>£ | Restricted<br>Funds<br>2025<br>£ | Total<br>Funds<br>2025<br>£ | Unrestricted<br>Funds<br>2024<br>£ | Restricted<br>Funds<br>2024<br>£ | Total<br>Funds<br>2024<br>£ |
|------------------------------------|-----------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Income and endowments from:</b> |           |                                    |                                  |                             |                                    |                                  |                             |
| Donations and legacies             | 5         | 306,896                            | 14,538                           | 321,434                     | 339,397                            | -                                | 339,397                     |
| Charitable activities              | 6         | 394,796                            | -                                | 394,796                     | 432,187                            | -                                | 432,187                     |
| Other trading activities           | 7         | 503,913                            | -                                | 503,913                     | 657,693                            | -                                | 657,693                     |
| Investments                        | 8         | 2,242                              | -                                | 2,242                       | 1,579                              | -                                | 1,579                       |
| Other incoming resources           | 9         | 84,890                             | -                                | 84,890                      | 17,815                             | -                                | 17,815                      |
| <b>Total Income</b>                |           | <b>1,292,737</b>                   | <b>14,538</b>                    | <b>1,307,275</b>            | <b>1,448,671</b>                   | <b>-</b>                         | <b>1,448,671</b>            |
| <b>Expenditure on:</b>             |           |                                    |                                  |                             |                                    |                                  |                             |
| Raising funds                      |           |                                    |                                  |                             |                                    |                                  |                             |
| Other trading activities           | 10        | 858,915                            | -                                | 858,915                     | 1,030,712                          | -                                | 1,030,712                   |
| Charitable activities              | 12        | 588,797                            | 43,544                           | 632,341                     | 612,648                            | 44,108                           | 656,756                     |
| <b>Total Expenditure</b>           |           | <b>1,447,712</b>                   | <b>43,544</b>                    | <b>1,491,256</b>            | <b>1,643,360</b>                   | <b>44,108</b>                    | <b>1,687,468</b>            |
| <b>Net movement in funds</b>       |           | <b>(154,975)</b>                   | <b>(29,006)</b>                  | <b>(183,981)</b>            | <b>(194,689)</b>                   | <b>(44,108)</b>                  | <b>(238,797)</b>            |
| Funds reconciliation               |           |                                    |                                  |                             |                                    |                                  |                             |
| Total Funds brought forward        | 23        | 387,779                            | 3,734,597                        | 4,122,376                   | 582,468                            | 3,778,705                        | 4,361,173                   |
| <b>Total Funds carried forward</b> | <b>23</b> | <b>232,804</b>                     | <b>3,705,591</b>                 | <b>3,938,395</b>            | <b>387,779</b>                     | <b>3,734,597</b>                 | <b>4,122,376</b>            |

The Statement of Financial Activities includes all gains and losses recognised in the year.

**THE CLAN DONALD LANDS TRUST**  
**CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 DECEMBER 2025**  
(Including an Income and Expenditure account)

|                                    | Note | Unrestricted<br>Funds<br>2025<br>£ | Restricted<br>Funds<br>2025<br>£ | Total<br>Funds<br>2025<br>£ | Unrestricted<br>Funds<br>2024<br>£ | Restricted<br>Funds<br>2024<br>£ | Total<br>Funds<br>2024<br>£ |
|------------------------------------|------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Income and endowments from:</b> |      |                                    |                                  |                             |                                    |                                  |                             |
| Donations and legacies             | 5    | 306,896                            | 14,538                           | 321,434                     | 339,397                            | -                                | 339,397                     |
| Charitable activities              | 6    | 394,796                            | -                                | 394,796                     | 432,187                            | -                                | 432,187                     |
| Other trading activities           | 7    | 580                                | -                                | 580                         | 2,166                              | -                                | 2,166                       |
| Investments                        | 8    | 2,242                              | -                                | 2,242                       | 1,579                              | -                                | 1,579                       |
| Other incoming resources           | 9    | 84,890                             | -                                | 84,890                      | 17,815                             | -                                | 17,815                      |
| <b>Total Income</b>                |      | <b>789,404</b>                     | <b>14,538</b>                    | <b>803,942</b>              | <b>793,144</b>                     | <b>-</b>                         | <b>793,144</b>              |
| <b>Expenditure on:</b>             |      |                                    |                                  |                             |                                    |                                  |                             |
| Raising funds                      |      |                                    |                                  |                             |                                    |                                  |                             |
| Other trading activities           | 10   | 23,851                             | -                                | 23,851                      | 28,080                             | -                                | 28,080                      |
| Charitable activities              | 12   | 2,564,508                          | 43,544                           | 2,608,052                   | 612,648                            | 44,108                           | 656,756                     |
| <b>Total Expenditure</b>           |      | <b>2,588,359</b>                   | <b>43,544</b>                    | <b>2,631,903</b>            | <b>640,728</b>                     | <b>44,108</b>                    | <b>684,836</b>              |
| <b>Net movement in funds</b>       |      | <b>(1,798,955)</b>                 | <b>(29,006)</b>                  | <b>(1,827,961)</b>          | <b>152,416</b>                     | <b>(44,108)</b>                  | <b>108,308</b>              |
| Funds reconciliation               |      |                                    |                                  |                             |                                    |                                  |                             |
| Total funds brought forward        |      | 2,117,182                          | 3,734,597                        | 5,851,779                   | 1,964,766                          | 3,778,705                        | 5,743,471                   |
| <b>Total Funds carried forward</b> |      | <b>318,227</b>                     | <b>3,705,591</b>                 | <b>4,023,818</b>            | <b>2,117,182</b>                   | <b>3,734,597</b>                 | <b>5,851,779</b>            |

The Statement of Financial Activities includes all gains and losses recognised in the year.

## THE CLAN DONALD LANDS TRUST

## CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 DECEMBER 2025

|                                              | Note     | Group<br>2025<br>£ | Group<br>2024<br>£ | Charity<br>2025<br>£ | Charity<br>2024<br>£ |
|----------------------------------------------|----------|--------------------|--------------------|----------------------|----------------------|
| <b>Fixed assets:</b>                         |          |                    |                    |                      |                      |
| Tangible assets                              | 15, 16   | 2,694,116          | 3,029,701          | 2,924,013            | 3,245,690            |
| Heritage assets                              | 15,16,17 | 1,020,784          | 1,020,784          | 1,020,784            | 1,020,784            |
| Investments                                  | 18       | -                  | -                  | 2                    | 2                    |
| <b>Total Fixed Assets</b>                    |          | <u>3,714,900</u>   | <u>4,050,485</u>   | <u>3,944,799</u>     | <u>4,266,476</u>     |
| <b>Current assets:</b>                       |          |                    |                    |                      |                      |
| Stocks                                       | 19       | -                  | 38,122             | -                    | -                    |
| Debtors                                      | 20       | 15,489             | 28,426             | 9,594                | 1,595,511            |
| Cash at bank and in hand                     | 26       | 332,336            | 151,988            | 139,884              | 60,788               |
| <b>Total Current Assets</b>                  |          | <u>347,825</u>     | <u>218,536</u>     | <u>149,478</u>       | <u>1,656,299</u>     |
| <b>Liabilities:</b>                          |          |                    |                    |                      |                      |
| Creditors falling due within one year        | 21       | (124,330)          | (143,624)          | (70,459)             | (67,975)             |
| <b>Net Current Assets</b>                    |          | <u>223,495</u>     | <u>74,912</u>      | <u>79,019</u>        | <u>1,588,324</u>     |
| <b>Total assets less current Liabilities</b> |          | 3,938,395          | 4,125,397          | 4,023,818            | 5,854,800            |
| Creditors due falling after one year         | 22       | -                  | (3,021)            | -                    | (3,021)              |
| <b>Net assets</b>                            |          | <u>3,938,395</u>   | <u>4,122,376</u>   | <u>4,023,818</u>     | <u>5,851,779</u>     |
| <b>The funds of the Charity:</b>             |          |                    |                    |                      |                      |
| Restricted income funds                      | 23       | 3,705,591          | 3,734,597          | 3,705,591            | 3,734,597            |
| Unrestricted funds                           | 23       | 232,804            | 387,779            | 318,227              | 2,117,182            |
| <b>Total Charity funds</b>                   | 23       | <u>3,938,395</u>   | <u>4,122,376</u>   | <u>4,023,818</u>     | <u>5,851,779</u>     |

Approved by the Trustees on 24<sup>th</sup> August 2026 and signed on their behalf by:

DocuSigned by:

Ranald Macdonald

397A53B7F36049C

Ranald Og Angus Macdonald, Younger of Clanranald

## THE CLAN DONALD LANDS TRUST

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDING 31 DECEMBER 2025

|                                                             | Note      | Group<br>2025<br>£ | Group<br>2024<br>£ | Charity<br>2025<br>£ | Charity<br>2024<br>£ |
|-------------------------------------------------------------|-----------|--------------------|--------------------|----------------------|----------------------|
| <b><i>Cash flows from operating activities:</i></b>         |           |                    |                    |                      |                      |
| <b>Net cash generated by/(used in) operating activities</b> | <b>25</b> | (165,807)          | (171,047)          | (268,204)            | (79,870)             |
| <b><i>Cash flows from investing activities:</i></b>         |           |                    |                    |                      |                      |
| Interest received                                           |           | 2,242              |                    | 2,242                |                      |
| Purchase of property, plant and equipment                   |           | (2,887)            | (18,882)           | (913)                | (15,582)             |
| Proceeds from sale of property, plant and equipment         |           | 350,829            | -                  | 350,000              | -                    |
| <b>Net cash provided by/(used in) investing activities</b>  |           | <u>350,184</u>     | <u>(18,882)</u>    | <u>351,329</u>       | <u>(15,582)</u>      |
| <b><i>Cash flows from financing activities:</i></b>         |           |                    |                    |                      |                      |
| Repayments of borrowing                                     |           | <u>(4,029)</u>     | <u>(6,674)</u>     | <u>(4,029)</u>       | <u>(6,674)</u>       |
| <b>Net cash provided by/(used in) financing activities</b>  |           | <u>(4,029)</u>     | <u>(6,674)</u>     | <u>(4,029)</u>       | <u>(6,674)</u>       |
| <b>Change in cash and cash equivalents in the year</b>      |           | 180,348            | (196,603)          | 79,096               | (102,126)            |
| Cash and cash equivalent brought forward                    | <b>26</b> | 151,988            | 348,591            | 60,788               | 162,914              |
| <b>Cash and cash equivalents carried forward</b>            | <b>26</b> | <u>332,336</u>     | <u>151,988</u>     | <u>139,884</u>       | <u>60,788</u>        |

## THE CLAN DONALD LANDS TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 1. Accounting Policies

##### (a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The financial statements consolidate the results of the Charity's wholly owned subsidiaries, CDLT Management Services Limited and CDLT Operations Limited, on a line-by-line basis.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The Trustees have assessed the Charity's ability to continue as a going concern and are satisfied that it has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these financial statements. This assessment takes account of the completion of the post year-end sale of the Armadale Estate, together with the Trust's future budgets and cash flow forecasts. Although the Charity's wholly owned subsidiaries are expected to be wound up as part of the Trust's planned restructuring, this does not affect the appropriateness of preparing the financial statements on the going concern basis.

##### (b) Funds structure

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 23.

##### (c) Income recognition

Income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity, and it is probable that those conditions will be fulfilled in the reporting period.

## THE CLAN DONALD LANDS TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 1. Accounting Policies (continued)

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Turnover from partial disposals of land which are credited in full to revenue as sales proceeds are considered by the directors to be relatively insignificant in relation to land area owned by the trust. For this reason, no attempt is made to estimate relevant original cost applicable to such disposals.

#### (d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

- Costs of raising funds comprise the costs of commercial trading including investment management costs and certain legal fees and their associated support costs;
- Expenditure on charitable activities includes estate maintenance, gardens and museums and other activities undertaken to further the purposes of the Charity and their associated support costs;

THE CLAN DONALD LANDS TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting Policies (continued)

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

(e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Trustees is not recognised but refer to the Trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on time spent/usage. The allocation of support and governance costs is analysed in note 11.

(g) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

|                             | Basis                       |
|-----------------------------|-----------------------------|
| Land                        | Not depreciated             |
| Museum and Library exhibits | Not depreciated             |
| Improvements                | 0 – 50 years straight line  |
| Heritable Property          | 20 – 50 years straight line |
| Equipment                   | 5 – 15 years straight line  |
| Vehicles                    | 4 – 7 years straight line   |

(h) Fixed asset investments

Fixed asset investments comprise the Trust's investments in its wholly owned subsidiary undertakings. Investments are initially recognised at cost and are subsequently measured at cost less any provision for impairment. The carrying value of the investments is reviewed for indicators of impairment at each reporting date and written down where necessary to reflect any permanent diminution in value.

## THE CLAN DONALD LANDS TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 1. Accounting Policies (continued)

##### (i) Heritage assets

Heritage assets are defined as tangible items with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge or culture. Depreciation is not provided on heritage assets as these have indefinite lives.

Clan Donald Lands Trust's Collections Management Policy sets out its policies for the acquisition, preservation, management and disposal of heritage assets, including description of records maintained and the extent to which access is permitted. The Trust is dedicated to ensuring that its most important heritage assets remain protected and accessible, even as the estates pass into new ownership.

#### Armadale Castle, Gardens, and Wider Estate

When the estate was first placed into Trust, no accounting value was attributed to the Armadale Castle ruin, the gardens, or the wider estate. The Castle has never been a stated charitable purpose of the Trust, and there has never been an obligation to maintain the ruin in perpetuity. Similarly, the Trust holds no special duty of care for the Castle beyond its general responsibilities as a landowner.

From the early 1980s, the Castle and gardens were developed as a means of generating income to support the Trust's wider purposes. Despite these efforts, the operations were never financially sustainable. With OSCR's consent to amend its purposes, the Trust can now focus its resources on heritage, culture, and education—ensuring that its future activities are both viable and of lasting benefit.

#### Museum and library collections

Clan Donald Lands Trust has acquired numerous collections of furniture, paintings, books, documents and other artefacts since it was established in 1971. The Trust recognises that many of the items in store are of limited relevance to Clan Donald itself. It is the policy of the Trust not to capitalise heritage assets belonging to the museum. The collections remain under Trust stewardship, are not for sale, and continue to receive professional care. A structured review is underway to focus interpretation on Clan Donald heritage, consult lenders, and re-home non-core items where appropriate to recognised institutions.

Before the publication of FRS 30, heritage assets were required to be capitalised and donated assets were historically valued up receipt. As FRS 102 requires heritage assets to be capitalised where information is available on cost or value, these assets continue to be recognised at this value on the balance sheet. The highest possible standards of collection management are applied to all assets, whether capitalised or not, and the catalogues are made available as widely as possible to facilitate all enquiries and requests for information, subject to appropriate security and data protection guidelines.

## THE CLAN DONALD LANDS TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 1. Accounting Policies (continued)

##### (j) **Stock**

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

##### (k) **Debtors**

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

##### (l) **Cash at bank and in hand**

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

##### (m) **Creditors and provisions**

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

##### (n) **Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

##### (o) **Pensions**

The trust operated a defined contribution scheme for the benefit of its employees. The assets of the scheme are administered by Trustees in a fund independent from those of the trust.

The pension costs charged to the statement of financial activities represent the amount of employer's contributions payable to the scheme in respect of the accounting period.

## THE CLAN DONALD LANDS TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 2. Critical accounting estimates and judgements

In the application of the trust's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that, or in the period of revision and future periods if the revision affects both current and future periods.

There are no estimates or assumptions which are likely to have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities included within these accounts.

#### 3. Legal status of the Trust

The Charity is a Trust and was established by its Trust Deed registered in 1971.

#### 4. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2024: £nil). Expenses paid to the Trustees in the year totalled £nil (2024: £nil). No donations were given to the Trust in the year (2024: £4,700).

During the year no Trustee had any personal interest in any contract or transaction entered into by the Charity (2024: none).

#### 5. Income from donations and legacies

|                          | Group          |                | Charity        |                |
|--------------------------|----------------|----------------|----------------|----------------|
|                          | 2025           | 2024           | 2025           | 2024           |
|                          | £              | £              | £              | £              |
| Donations                | 7,324          | 58,267         | 7,324          | 58,267         |
| Membership subscriptions | 25             | 25             | 25             | 25             |
| General grants           | 314,085        | 281,105        | 314,085        | 281,105        |
|                          | <u>321,434</u> | <u>339,397</u> | <u>321,434</u> | <u>339,397</u> |

#### 6. Income from charitable activities

|                     | Group          |                | Charity        |                |
|---------------------|----------------|----------------|----------------|----------------|
|                     | 2025           | 2024           | 2025           | 2024           |
|                     | £              | £              | £              | £              |
| Gate admission      | 371,270        | 407,944        | 371,270        | 407,944        |
| Fees and rents      | 23,526         | 20,344         | 23,526         | 20,344         |
| Management Services | -              | 3,899          | -              | 3,899          |
|                     | <u>394,796</u> | <u>432,187</u> | <u>394,796</u> | <u>432,187</u> |

**THE CLAN DONALD LANDS TRUST****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025****7. Income from other trading activities**

|         | <b>Group</b>   |                | <b>Charity</b> |              |
|---------|----------------|----------------|----------------|--------------|
|         | <b>2025</b>    | <b>2024</b>    | <b>2025</b>    | <b>2024</b>  |
|         | <b>£</b>       | <b>£</b>       | <b>£</b>       | <b>£</b>     |
| Trading | 503,913        | 657,693        | 580            | 2,166        |
|         | <u>503,913</u> | <u>657,693</u> | <u>580</u>     | <u>2,166</u> |

**8. Investment income**

|                           | <b>Group</b> |              | <b>Charity</b> |              |
|---------------------------|--------------|--------------|----------------|--------------|
|                           | <b>2025</b>  | <b>2024</b>  | <b>2025</b>    | <b>2024</b>  |
|                           | <b>£</b>     | <b>£</b>     | <b>£</b>       | <b>£</b>     |
| Interest on cash deposits | 2,242        | 1,579        | 2,242          | 1,579        |
|                           | <u>2,242</u> | <u>1,579</u> | <u>2,242</u>   | <u>1,579</u> |

**9. Other income**

|                                                                          | <b>Group</b>  |               | <b>Charity</b> |               |
|--------------------------------------------------------------------------|---------------|---------------|----------------|---------------|
|                                                                          | <b>2025</b>   | <b>2024</b>   | <b>2025</b>    | <b>2024</b>   |
|                                                                          | <b>£</b>      | <b>£</b>      | <b>£</b>       | <b>£</b>      |
| Gains on disposal of tangible fixed asset held for the Charity's own use | 84,832        | -             | 84,832         | -             |
| Miscellaneous Income                                                     | 58            | 15            | 58             | 15            |
| Insurance Income                                                         | -             | 17,800        | -              | 17,800        |
|                                                                          | <u>84,890</u> | <u>17,815</u> | <u>84,890</u>  | <u>17,815</u> |

**10. Raising funds – expenditure on other trading activities**

|                        | <b>Group</b>      |                     |                      | <b>Charity</b>    |                     |                      |
|------------------------|-------------------|---------------------|----------------------|-------------------|---------------------|----------------------|
|                        | <b>Total 2025</b> | <b>Direct costs</b> | <b>Support costs</b> | <b>Total 2024</b> | <b>Direct costs</b> | <b>Support costs</b> |
|                        | <b>£</b>          | <b>£</b>            | <b>£</b>             | <b>£</b>          | <b>£</b>            | <b>£</b>             |
| Trading - Group        | 835,064           | 835,064             | -                    | 1,002,632         | 1,002,632           | -                    |
| Trading - Subsidiaries | 23,851            | -                   | 23,851               | 28,080            | 116                 | 27,964               |
|                        | <u>858,915</u>    | <u>835,915</u>      | <u>23,851</u>        | <u>1,030,712</u>  | <u>1,002,748</u>    | <u>27,964</u>        |

|         | <b>Total 2025</b> | <b>Direct costs</b> | <b>Support costs</b> | <b>Total 2024</b> | <b>Direct costs</b> | <b>Support costs</b> |
|---------|-------------------|---------------------|----------------------|-------------------|---------------------|----------------------|
|         | <b>£</b>          | <b>£</b>            | <b>£</b>             | <b>£</b>          | <b>£</b>            | <b>£</b>             |
| Trading | 23,851            | -                   | 23,851               | 28,080            | 116                 | 27,964               |
|         | <u>23,851</u>     | <u>-</u>            | <u>23,851</u>        | <u>28,080</u>     | <u>116</u>          | <u>27,964</u>        |

# THE CLAN DONALD LANDS TRUST

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 11. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below. Costs were allocated on the basis of time spent/usage, depending on the nature of the expense:

| Cost type                                     | Total<br>Allocated<br>2025<br>£ | Raising<br>Funds<br>£ | Estate<br>Maintenance<br>£ | Total<br>Allocated<br>2024<br>£ | Raising<br>Funds<br>£ | Estate<br>Maintenance<br>£ |
|-----------------------------------------------|---------------------------------|-----------------------|----------------------------|---------------------------------|-----------------------|----------------------------|
| Marketing & Advertising                       | 17,788                          | 889                   | 16,899                     | 19,190                          | 960                   | 18,230                     |
| Rates/Insurance/H&L                           | 118,356                         | 5,918                 | 112,438                    | 167,932                         | 8,397                 | 159,535                    |
| Motor expenses/Travel                         | 3,671                           | 184                   | 3,487                      | 2,096                           | 105                   | 1,991                      |
| Post/Stationery/Telephone                     | 4,111                           | 206                   | 3,905                      | 4,441                           | 222                   | 4,219                      |
| Consultants fees/Factor<br>fees & management  | 142,079                         | 7,104                 | 134,975                    | 156,618                         | 7,831                 | 148,787                    |
| Repairs/Supplies/Materials                    | 34,058                          | 1,703                 | 32,355                     | 79,937                          | 3,997                 | 75,940                     |
| Bank charges                                  | 16,422                          | 821                   | 15,601                     | 2,979                           | 149                   | 2,830                      |
| Training costs                                | 451                             | 23                    | 428                        | 2,441                           | 122                   | 2,319                      |
| Miscellaneous expenses                        | 13,260                          | 663                   | 12,597                     | 3,503                           | 175                   | 3,328                      |
| Museum events,<br>Conservation & Acquisitions | 4,134                           | 207                   | 3,927                      | -                               | -                     | -                          |
| Depreciation                                  | 57,422                          | 2,871                 | 54,551                     | 63,690                          | 3,185                 | 60,505                     |
| Non recoverable VAT                           | 65,235                          | 3,262                 | 61,973                     | 56,413                          | 2,821                 | 53,592                     |
| <b>Total</b>                                  | <b>476,987</b>                  | <b>23,851</b>         | <b>453,136</b>             | <b>559,240</b>                  | <b>27,964</b>         | <b>531,276</b>             |

#### Governance costs:

|                        | 2025<br>£     | 2024<br>£     |
|------------------------|---------------|---------------|
| Consultancy            | 12,764        | 25,264        |
| Auditor's remuneration | 9,200         | 9,200         |
|                        | <u>21,964</u> | <u>34,464</u> |

**THE CLAN DONALD LANDS TRUST****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025****12. Analysis of expenditure on charitable activities - Group**

|                                           | <b>Estate<br/>Maintenance,<br/>Gardens &amp;<br/>Museum</b> | <b>Total<br/>2025</b> | <b>Total<br/>2024</b> |
|-------------------------------------------|-------------------------------------------------------------|-----------------------|-----------------------|
|                                           | <b>£</b>                                                    | <b>£</b>              | <b>£</b>              |
| Marketing & Advertising                   | 2                                                           | 2                     | 30                    |
| Rates/Insurance/H&L                       | 39,320                                                      | 39,320                | 42,319                |
| Motor expenses/Travel                     | 10,253                                                      | 10,253                | 4,276                 |
| Post/Stationery/Telephone                 | 671                                                         | 671                   | 931                   |
| Consultants fees/Factor fees & management | 58,417                                                      | 58,417                | 575                   |
| Repairs/Supplies/Materials                | 39,122                                                      | 39,122                | 25,478                |
| Bank revaluations                         | -                                                           | -                     | 6,633                 |
| Training costs                            | 3,240                                                       | 3,240                 | 7,619                 |
| Miscellaneous expenses                    | 6,216                                                       | 6,216                 | 3,155                 |
| Governance costs                          | 21,964                                                      | 21,964                | 34,464                |
| Support costs                             | 453,136                                                     | 453,136               | 531,276               |
|                                           | <b>632,341</b>                                              | <b>632,341</b>        | <b>656,756</b>        |

**Analysis of expenditure on charitable activities - Charity**

|                                             | <b>Estate<br/>Maintenance,<br/>Gardens &amp;<br/>Museum</b> | <b>Total<br/>2025</b> | <b>Total<br/>2024</b> |
|---------------------------------------------|-------------------------------------------------------------|-----------------------|-----------------------|
|                                             | <b>£</b>                                                    | <b>£</b>              | <b>£</b>              |
| Marketing & Advertising                     | 2                                                           | 2                     | 30                    |
| Rates/Insurance/H&L                         | 39,320                                                      | 39,320                | 42,319                |
| Motor expenses/Travel                       | 10,253                                                      | 10,253                | 4,276                 |
| Post/Stationery/Telephone                   | 671                                                         | 671                   | 931                   |
| Consultants fees/Factor fees & management   | 58,417                                                      | 58,417                | 575                   |
| Repairs/Supplies/Materials                  | 39,122                                                      | 39,122                | 25,478                |
| Bank revaluations                           | -                                                           | -                     | 6,633                 |
| Training costs                              | 3,240                                                       | 3,240                 | 7,619                 |
| Miscellaneous expenses                      | 6,216                                                       | 6,216                 | 3,155                 |
| Provision for amounts due from subsidiaries | 1,975,711                                                   | 1,975,711             | -                     |
| Governance costs                            | 21,964                                                      | 21,964                | 34,464                |
| Support costs                               | 453,136                                                     | 453,136               | 531,276               |
|                                             | <b>2,608,052</b>                                            | <b>2,608,052</b>      | <b>656,756</b>        |

# THE CLAN DONALD LANDS TRUST

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 13. Analysis of staff costs and remuneration of key management personnel

|                                                                | Group          |                | Charity  |          |
|----------------------------------------------------------------|----------------|----------------|----------|----------|
|                                                                | 2025           | 2024           | 2025     | 2024     |
|                                                                | £              | £              | £        | £        |
| Salaries and wages                                             | 474,837        | 567,658        | -        | -        |
| Social security costs                                          | 41,648         | 39,971         | -        | -        |
| Employer contributions to defined contribution pension schemes | 9,903          | 11,406         | -        | -        |
| <b>Total staff costs and employee benefits</b>                 | <b>526,388</b> | <b>619,035</b> | <b>-</b> | <b>-</b> |

|                                       | 2025    | 2024    |
|---------------------------------------|---------|---------|
|                                       | £       | £       |
| Key management personnel remuneration | 154,442 | 191,121 |

The number of employees whose employee benefits (gross salary) fell within the following bands are as follows;

|                   | 2025 | 2024 |
|-------------------|------|------|
|                   | £    | £    |
| £60,000 - £70,000 | 1    | 1    |

The average number of employees during the year, calculated on the basis of average headcount, was as follows:

|                | 2025   | 2024   |
|----------------|--------|--------|
|                | number | number |
|                | £      | £      |
| Administration | 6      | 6      |
| Other          | 20     | 30     |
| Total          | 26     | 36     |

### 14. Net income/(expenditure) for the year

|                                | Group  |        | Charity |        |
|--------------------------------|--------|--------|---------|--------|
| This is stated after charging: | 2025   | 2024   | 2025    | 2024   |
|                                | £      | £      | £       | £      |
| Depreciation                   | 72,475 | 78,993 | 57,422  | 63,690 |
| Bank interest payable          | 929    | 1,661  | 914     | 1,644  |
| Auditor's remuneration:        |        |        |         |        |
| Audit fees                     | 14,300 | 14,300 | 9,200   | 9,200  |

# THE CLAN DONALD LANDS TRUST

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 15. Tangible Fixed Assets - Group

|                          | Land & Improvements<br>£ | Heritable Property<br>£ | Museum & Library Exhibits<br>£ | Motor Vehicles & Equipment<br>£ | Total<br>£ |
|--------------------------|--------------------------|-------------------------|--------------------------------|---------------------------------|------------|
| <b>Cost or valuation</b> |                          |                         |                                |                                 |            |
| At 1 January 2025        | 591,899                  | 3,961,404               | 1,020,784                      | 676,272                         | 6,250,359  |
| Additions                | -                        | -                       | -                              | 2,887                           | 2,887      |
| Disposals                | -                        | (274,776)               | -                              | (148,043)                       | (422,819)  |
| At 31 December 2025      | 591,899                  | 3,686,628               | 1,020,784                      | 531,116                         | 5,830,427  |
| <b>Depreciation</b>      |                          |                         |                                |                                 |            |
| At 1 January 2025        | 37,904                   | 1,604,192               | -                              | 557,778                         | 2,199,874  |
| Charge for the year      | 506                      | 43,544                  | -                              | 28,425                          | 72,475     |
| Eliminated on disposals  | -                        | (9,776)                 | -                              | (147,046)                       | (156,822)  |
| At 31 December 2025      | 38,410                   | 1,637,960               | -                              | 439,157                         | 2,115,527  |
| <b>Net book value</b>    |                          |                         |                                |                                 |            |
| At 31 December 2025      | 553,489                  | 2,048,668               | 1,020,784                      | 91,959                          | 3,714,900  |
| At 31 December 2024      | 553,995                  | 2,357,212               | 1,020,784                      | 118,494                         | 4,050,485  |

### 16. Tangible Fixed Assets - Charity

|                          | Land & Improvements<br>£ | Heritable Property<br>£ | Museum & Library Exhibits<br>£ | Motor Vehicles & Equipment<br>£ | Total<br>£ |
|--------------------------|--------------------------|-------------------------|--------------------------------|---------------------------------|------------|
| <b>Cost or valuation</b> |                          |                         |                                |                                 |            |
| At 1 January 2025        | 591,898                  | 4,248,594               | 1,020,784                      | 494,169                         | 6,355,444  |
| Additions                | -                        | -                       | -                              | 913                             | 913        |
| Disposals                | -                        | (274,776)               | -                              | (115,789)                       | (390,565)  |
| At 31 December 2025      | 591,898                  | 3,973,818               | 1,020,784                      | 379,293                         | 5,965,792  |
| <b>Depreciation</b>      |                          |                         |                                |                                 |            |
| At 1 January 2025        | 37,904                   | 1,604,192               | -                              | 446,875                         | 2,088,971  |
| Charge for the year      | 506                      | 43,544                  | -                              | 13,372                          | 57,422     |
| Eliminated on disposals  | -                        | (9,776)                 | -                              | (115,621)                       | (125,397)  |
| At 31 December 2025      | 38,410                   | 1,637,960               | -                              | 344,626                         | 2,020,996  |
| <b>Net book value</b>    |                          |                         |                                |                                 |            |
| At 31 December 2025      | 553,489                  | 2,335,858               | 1,020,784                      | 34,667                          | 3,944,797  |
| At 31 December 2024      | 553,994                  | 2,644,402               | 1,020,784                      | 47,294                          | 4,266,474  |

## THE CLAN DONALD LANDS TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 17. Heritage Assets – Group & Charity

Heritage assets exclude Armadale Castle, a ruined former mansion home of the MacDonalds, built around 1790 at Armadale, Skye. In 1815 a Scottish baronial style mock-castle, intended for show rather than defence, designed by James Gillespie Graham, was built next to the house. A fire in 1855 destroyed part of the house and was replaced by a central wing, designed by David Bryce. The castle was abandoned by the Macdonald family in 1925 and was in a ruinous state when acquired by Clan Donald Lands Trust in 1971.

Museum and library exhibits obtained by the Trust have been recognised at either purchase price or estimated market value at the time of the receipt. Further analysis and detailed valuations prior to 2011 are not readily available and it is therefore not possible to summarise transactions in the accounting period and each of the previous four accounting periods between cost and value. Dates of any valuation since 2011, together with the methods used to produce valuations, the valuer's name and professional qualification, where applicable, and any significant limitations on the valuation, are disclosed from 2012 onwards.

Heritage assets are not included in the balance sheet where no costs or valuation is readily available and cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements. Assets donated and loaned to the Trust include paintings, books, photos, documents, clothing, pottery and other small artefacts relating to the history of the Highland Clans, the Clan Donald and broader local and regional interest.

| Year ended       | No. donated collections | No. loaned collections |
|------------------|-------------------------|------------------------|
| 31 December 2025 | -                       | -                      |
| 31 December 2024 | -                       | -                      |
| 31 December 2023 | -                       | -                      |
| 31 December 2022 | -                       | -                      |
| 31 December 2021 | -                       | -                      |
| 31 December 2020 | -                       | -                      |
| 31 December 2019 | -                       | -                      |
| 31 December 2018 | -                       | -                      |
| 31 December 2017 | -                       | -                      |
| 31 December 2016 | -                       | -                      |
| 31 December 2015 | -                       | -                      |
| 31 December 2014 | 10                      | 14                     |
| 31 December 2013 | 17                      | 3                      |
| 31 December 2012 | 17                      | 3                      |
| 31 December 2011 | 29                      | 2                      |
| 31 December 2010 | 16                      | 8                      |
| 31 December 2009 | 36                      | 12                     |
| 31 December 2008 | 36                      | -                      |

No heritage assets were disposed of, nor were any impairments recognised during the accounting period, or the previous five periods.

# THE CLAN DONALD LANDS TRUST

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 18. Investments

#### Group

|                                | 2025<br>Investment in<br>Subsidiary<br>£ | 2024<br>Investment in<br>Subsidiary<br>£ |
|--------------------------------|------------------------------------------|------------------------------------------|
| Opening Balance                | -                                        | -                                        |
| Gains                          | -                                        | -                                        |
| Impairment                     | -                                        | -                                        |
| <b>Cost and Net Book Value</b> | <b>-</b>                                 | <b>-</b>                                 |

#### Charity

|                                | 2025<br>Investment in<br>Subsidiary<br>£ | 2024<br>Investment in<br>Subsidiary<br>£ |
|--------------------------------|------------------------------------------|------------------------------------------|
| Opening Balance                | 2                                        | 2                                        |
| Gains/(Losses)                 | -                                        | -                                        |
| Impairment                     | -                                        | -                                        |
| <b>Cost and Net Book Value</b> | <b>2</b>                                 | <b>2</b>                                 |

The wholly owned subsidiary CDLT Operations Limited is incorporated in the United Kingdom (Company number SC368668). A profit of £190,000 was incurred in the year (2024: loss of £54,258).

CDLT Operations Limited was incorporated in 2009 to carry out preliminary investigations into the design and construction of a new village at Kilbeg, Sleat, Isle of Skye and, if viable, to implement the development. Following completion of the preliminary investigations, the company became dormant. The Trust owns the entire issued share capital, comprising two ordinary shares of £1 each. Following the post year-end sale of the estate, the Directors intend to cease trading and wind up the company.

The summary financial performance of the subsidiary alone is:

|                         | 2025<br>£ | 2024<br>£ |
|-------------------------|-----------|-----------|
| Other income            | -         | 300       |
| Administration expenses | 190,000   | (54,558)  |
| Retained in subsidiary  | 190,000   | (54,258)  |

The assets and liabilities of the subsidiary were:

|                                      |           |           |
|--------------------------------------|-----------|-----------|
| Current assets                       | 1,062     | 1,062     |
| Current liabilities                  | (587,655) | (777,655) |
| Total net assets                     | (586,593) | (776,593) |
| Aggregate share capital and reserves | (586,593) | (776,593) |

**THE CLAN DONALD LANDS TRUST****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025****18. Investments (cont'd)**

The wholly owned trading subsidiary C.D.L.T. Management Services Limited is incorporated in the United Kingdom (Company number SC117333). A loss of £521,731 was generated in the year (2024: loss of £292,847). The principal activity of the company during the year was the operation of the commercial activities of, and the provision of management services to, Clan Donald Lands Trust. The Trust owns the entire issued share capital of 100 ordinary shares of £1 each. Following the post year-end sale of the estate, the Directors intend to cease trading and wind up the company.

|                                                    | <b>2025</b>        | <b>2024</b>        |
|----------------------------------------------------|--------------------|--------------------|
|                                                    | <b>£</b>           | <b>£</b>           |
| Revenue                                            | 503,333            | 655,227            |
| Cost of sales and administration costs             | (1,020,064)        | (948,074)          |
| Retained in subsidiary                             | <u>(521,731)</u>   | <u>(292,847)</u>   |
| The assets and liabilities of the subsidiary were: |                    |                    |
| Fixed Assets                                       | 57,293             | 71,201             |
| Current assets                                     | 197,285            | 325,018            |
| Current liabilities                                | <u>(1,441,927)</u> | <u>(1,061,837)</u> |
| Total net liabilities                              | <u>(1,187,349)</u> | <u>(665,618)</u>   |
| Aggregate retained earnings                        | <u>(1,187,349)</u> | <u>(665,618)</u>   |

**19. Stock**

|              | <b>Group</b> |               | <b>Charity</b> |             |
|--------------|--------------|---------------|----------------|-------------|
|              | <b>2025</b>  | <b>2024</b>   | <b>2025</b>    | <b>2024</b> |
|              | <b>£</b>     | <b>£</b>      | <b>£</b>       | <b>£</b>    |
| Retail stock | -            | 32,354        | -              | -           |
| Bar stock    | -            | 5,768         | -              | -           |
|              | <u>-</u>     | <u>38,122</u> | <u>-</u>       | <u>-</u>    |

**20. Debtors**

|                                  | <b>Group</b>  |               | <b>Charity</b> |                  |
|----------------------------------|---------------|---------------|----------------|------------------|
|                                  | <b>2025</b>   | <b>2024</b>   | <b>2025</b>    | <b>2024</b>      |
|                                  | <b>£</b>      | <b>£</b>      | <b>£</b>       | <b>£</b>         |
| Trade debtors                    | 5,195         | 8,925         | 2,660          | 4,963            |
| Other debtors                    | 8,596         | 19,501        | 5,236          | 16,705           |
| Due from subsidiary undertakings | -             | -             | -              | 1,573,843        |
| VAT Debtor                       | 1,698         | -             | 1,698          | -                |
|                                  | <u>15,489</u> | <u>28,426</u> | <u>9,594</u>   | <u>1,595,511</u> |

**21. Creditors: amounts falling due within one year**

|                                    | <b>Group</b>   |                | <b>Charity</b> |               |
|------------------------------------|----------------|----------------|----------------|---------------|
|                                    | <b>2025</b>    | <b>2024</b>    | <b>2025</b>    | <b>2024</b>   |
|                                    | <b>£</b>       | <b>£</b>       | <b>£</b>       | <b>£</b>      |
| Trade creditors                    | 51,650         | 48,005         | 45,772         | 42,510        |
| Other creditors and accruals       | 55,095         | 62,630         | 21,666         | 21,436        |
| Hire purchase creditor             | 3,021          | 4,029          | 3,021          | 4,029         |
| Taxation and social security costs | 14,563         | 28,961         | -              | -             |
|                                    | <u>124,330</u> | <u>143,624</u> | <u>70,459</u>  | <u>67,975</u> |

# THE CLAN DONALD LANDS TRUST

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 22. Creditors – amount falling due after one year

|                        | Group     |           | Charity   |           |
|------------------------|-----------|-----------|-----------|-----------|
|                        | 2025<br>£ | 2024<br>£ | 2025<br>£ | 2024<br>£ |
| Hire purchase creditor | -         | 3,021     | -         | 3,021     |
|                        | -         | 3,021     | -         | 3,021     |

|                            | Group     |           | Charity   |           |
|----------------------------|-----------|-----------|-----------|-----------|
|                            | 2025<br>£ | 2024<br>£ | 2025<br>£ | 2024<br>£ |
| Payable within 1 - 2 years | -         | 3,021     | -         | 3,021     |
|                            | -         | 3,021     | -         | 3,021     |

There are no securities held over the hire purchase assets.

### 23. Analysis of charitable funds – Group

| Analysis of<br>Fund movements           | As<br>restated<br>2023<br>Balance<br>b/fwd<br>£ | Income<br>£ | Expenditure<br>£ | (Gains)<br>Losses<br>£ | 2024<br>Fund<br>c/fwd<br>£ |
|-----------------------------------------|-------------------------------------------------|-------------|------------------|------------------------|----------------------------|
| <b>Unrestricted funds</b>               |                                                 |             |                  |                        |                            |
| General funds                           | 582,468                                         | 1,448,671   | 1,643,360        | -                      | 387,779                    |
| <b>Total unrestricted funds</b>         | 582,468                                         | 1,448,671   | 1,643,360        | -                      | 387,779                    |
| <b>Restricted funds</b>                 |                                                 |             |                  |                        |                            |
| Forestry Project                        | 279,754                                         | -           | -                | -                      | 279,754                    |
| Fixed Assets                            | 3,385,365                                       | -           | 44,108           | -                      | 3,341,257                  |
| John Milner Museum<br>Acquisitions Fund | 1,000                                           | -           | -                | -                      | 1,000                      |
| Castle Project                          | 36,543                                          | -           | -                | -                      | 36,543                     |
| Museum Project                          | 76,043                                          | -           | -                | -                      | 76,043                     |
| <b>Total restricted funds</b>           | 3,778,705                                       | -           | 44,108           | -                      | 3,734,597                  |
| <b>TOTAL FUNDS</b>                      | 4,361,173                                       | 1,448,671   | 1,687,468        | -                      | 4,122,376                  |

| Analysis of<br>Fund movements           | 2024<br>Balance<br>b/fwd<br>£ | Income<br>£ | Expenditure<br>£ | (Gains)<br>Losses<br>£ | 2025<br>Fund<br>c/fwd<br>£ |
|-----------------------------------------|-------------------------------|-------------|------------------|------------------------|----------------------------|
| <b>Unrestricted funds</b>               |                               |             |                  |                        |                            |
| General funds                           | 387,779                       | 1,482,737   | 1,637,712        | -                      | 232,804                    |
| <b>Total unrestricted funds</b>         | 387,779                       | 1,482,737   | 1,637,712        | -                      | 232,804                    |
| <b>Restricted funds</b>                 |                               |             |                  |                        |                            |
| Forestry Project                        | 279,754                       | 14,538      | -                | -                      | 294,292                    |
| Fixed Assets                            | 3,341,257                     | -           | 43,544           | -                      | 3,297,713                  |
| John Milner Museum<br>Acquisitions Fund | 1,000                         | -           | -                | -                      | 1,000                      |
| Castle Project                          | 36,543                        | -           | -                | -                      | 36,543                     |
| Museum Project                          | 76,043                        | -           | -                | -                      | 76,043                     |
| <b>Total restricted funds</b>           | 3,734,597                     | 14,538      | 43,544           | -                      | 3,705,591                  |
| <b>TOTAL FUNDS</b>                      | 4,122,376                     | 1,497,275   | 1,681,256        | -                      | 3,938,395                  |

## THE CLAN DONALD LANDS TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 23. Analysis of charitable funds – Group (continued)

The unrestricted funds are available to be spent for any of the purposes of the Charity.

Restricted funds comprise:

During 2009, Armadale House was refurbished funded by grants from Glencoe Foundation Inc. This work was completed in that year and the outgoing resources represent the depreciation charge on the capitalised costs. The majority of the fixed assets owned by the Trust were funded out of restricted funds. The expenses in the year represent the depreciation charge on those assets.

Forestry Project – Capital & Maintenance Grants provided by Scottish Government Rural Payments & Inspections Division (SGRPID)

John Milner Museum Acquisitions Fund - provided by the Glencoe Foundation USA for Museum acquisitions.

Castle Project – provided by the Clan Donald Foundation USA for work to stabilise the Castle

Museum Project – Grants donated for the specific purpose of upgrading the Museum environment to meet collection care standards.

#### 24. Net group assets over funds

|                     | <b>Unrestricted<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Total<br/>2025</b> |
|---------------------|-------------------------------|-----------------------------|-----------------------|
|                     | <b>£</b>                      | <b>£</b>                    | <b>£</b>              |
| Fixed assets        | 417,187                       | 3,297,713                   | 3,714,900             |
| Current assets      | (60,053)                      | 407,878                     | 347,825               |
| Current liabilities | (124,330)                     | -                           | (124,330)             |
|                     | <u>232,804</u>                | <u>3,705,591</u>            | <u>3,938,395</u>      |

|                       | <b>Unrestricted<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>As restated<br/>Total<br/>2024</b> |
|-----------------------|-------------------------------|-----------------------------|---------------------------------------|
|                       | <b>£</b>                      | <b>£</b>                    | <b>£</b>                              |
| Fixed assets          | 709,228                       | 3,341,257                   | 4,050,485                             |
| Current assets        | (174,804)                     | 393,340                     | 218,536                               |
| Current liabilities   | (143,624)                     | -                           | (143,624)                             |
| Long term liabilities | <u>(3,021)</u>                | <u>-</u>                    | <u>(3,021)</u>                        |
|                       | <u>387,779</u>                | <u>3,734,597</u>            | <u>4,122,376</u>                      |

**THE CLAN DONALD LANDS TRUST****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025****25. Reconciliation of net (expenditure)/income to net cash flow from operating activities**

|                                                                                       | <b>Group</b>            |                         | <b>Charity</b>          |                        |
|---------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|------------------------|
|                                                                                       | <b>2025</b>             | <b>2024</b>             | <b>2025</b>             | <b>2024</b>            |
|                                                                                       | <b>£</b>                | <b>£</b>                | <b>£</b>                | <b>£</b>               |
| Net (expenditure)/ income for the year (as per the Statement of Financial Activities) | (183,981)               | (238,797)               | (1,827,961)             | 108,308                |
| Adjustments for:                                                                      |                         |                         |                         |                        |
| Depreciation charges                                                                  | 72,475                  | 78,993                  | 57,422                  | 63,690                 |
| Interest received                                                                     | (2,242)                 |                         | (2,242)                 |                        |
| (Gain) on sale of fixed assets                                                        | (84,832)                | -                       | (84,832)                | -                      |
| Decrease/ (Increase) in stocks                                                        | 38,122                  | (18,423)                | -                       | -                      |
| Decrease/ (Increase) in debtors                                                       | 12,937                  | (426)                   | 1,585,917               | (236,865)              |
| Increase/ (Decrease) in creditors                                                     | (18,286)                | 7,606                   | 3,492                   | (15,003)               |
| <b>Net cash Provided by/ (used in) operating activities</b>                           | <b><u>(165,807)</u></b> | <b><u>(171,047)</u></b> | <b><u>(268,204)</u></b> | <b><u>(79,870)</u></b> |

**26. Analysis of cash and cash equivalents**

|              | <b>Group</b>   |                | <b>Charity</b> |               |
|--------------|----------------|----------------|----------------|---------------|
|              | <b>2025</b>    | <b>2024</b>    | <b>2025</b>    | <b>2024</b>   |
|              | <b>£</b>       | <b>£</b>       | <b>£</b>       | <b>£</b>      |
| Cash in hand | <u>332,336</u> | <u>151,988</u> | <u>139,884</u> | <u>60,788</u> |

**27. Post balance sheet events**

Subsequent to the year end, the Trust completed the sale of the estate to Armadale Estate Limited for gross consideration of approximately £9.0m. The sale constituted the disposal of the Trust's principal estate assets and formed part of the Trustees' strategic decision to restructure the charity following the conclusion that the previous operating model was no longer financially sustainable.

Following completion of the sale, the Trustees commenced implementation of a revised operating model, including investment of the sale proceeds, progression of a transition to a Scottish Charitable Incorporated Organisation (SCIO) and the planned wind-up of the subsidiary companies.

As the transaction completed after the reporting date, it has been treated as a non-adjusting post balance sheet event and no adjustment has been made to the amounts recognised in these financial statements.