

Registered number: SC557763 (Scotland)
Charity numbers: SC028193

Clyne Heritage Society
(A company limited by guarantee)

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

Clyne Heritage Society

(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 DECEMBER 2025

Trustees	Dr N G Lindsay, Chair Dr J G Alderson, Vice Chair R H C Lewin MS C M Sinclair Mrs D A Ferne Ms D Evers Mrs R Greenhill, Treasurer G Greenhill Mrs E Lindsay D MacKay A J A Gill
Company registered number	SC557763 (Scotland)
Charity registered numbers	SC028193
Registered office	Brora Heritage Centre Victoria Road Brora Sutherland KW9 6LN
Independent auditor	A9 Accountancy Limited Elm House Cradlehall Business Park Inverness IV2 5GH

Clyne Heritage Society
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2025

The Trustees present their annual report together with the audited financial statements of the Clyne Heritage Society for the period 1 January 2025 to 31 December 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

The Society exists to advance heritage, culture and education by collecting, conserving, interpreting and promoting the history of Brora and the surrounding area.

Strategies for achieving objectives

- the preservation of archaeological remains, buildings and structures of historical interest, artefacts and other objects that reflect or are connected with the life and history of the area.
- the preparation of reports and schedules of historic relics and to collect, collate and preserve pictorial and literary records.
- the investigation and tracing of local family histories.
- the acquisition of, by means of gift, purchase or loan, historical relics and records for the purpose of exhibition, preservation and safe custody.
- setting up a local museum, accessible to the local community and the general public.
- the creation and management of an environment, preferably including the museum referred to in the previous clause, through which members of the local community can be encouraged to meet to interact and engage with matters of historic and general interest relevant to the area.
- allowing for a business trading arm to be formed, as required to support the previous two clauses.
- the encouraging, supporting and carrying out of research into matters of historic and general interest in the area, and to publish the results in suitable form.
- the maintenance of liaison with educationalists and by means of meetings, lectures, exhibitions, publications and general publicity, to encourage students and others to take an interest in the aims of the Society.
- the making of such representations to official bodies as may in the opinion of the organisation be necessary to safeguard its purposes and the public interest.
- the undertaking of any projects of a charitable nature which will assist the foregoing purposes.

Significant activities

Through holding exhibitions, events, walks, tours, lectures and excavations, operating the Brora Heritage Centre and producing publications and magazines, the trustees believe that keeping people aware of, and informed about, the area's heritage, history and archaeology will help to preserve them.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2025

(continued)

Volunteers

The charity could not operate without the assistance of a dedicated and loyal band of volunteers who normally give up their time to help operate the Brora Heritage Centre.

Achievements and performance

This has been the most significant year in the history of Clyne Heritage Society. After many years of planning, fundraising and determination, we have opened our new home at the Old Clyne School and established Brora Heritage as a vibrant, working heritage centre for the community and for visitors alike.

To ensure long-term sustainability, we have built the centre around three core income streams: **Clyne Kitchen, gift shop, and museum admissions, including Gift Aid. Together, these provide the foundation to support the** running costs of the organisation and secure its future.

Centre Opening and Early Success

Clyne Kitchen opened on 28 August 2025 and, even in a shortened season to 20 December 2025, served an astonishing **5,863 customers** - far exceeding all expectations. Demand was so strong that we took the decision to extend the kitchen to increase capacity, not as a correction, but as a response to success.

Following completion of the extension, Clyne Kitchen reopened on 18 March 2026 and is now well placed for the full season ahead.

The museum itself opened on 4 April 2026, following some unavoidable delays to the fit-out. It was opened by two of Brora's senior residents, Mary Warrior and Wattie MacBeath - an occasion that reflected our commitment to community at the heart of everything we do.

Early visitor numbers have been encouraging, averaging around 40 visitors per day in the opening weeks. While this reflects the usual initial surge of interest, we anticipate significantly higher numbers during the peak season, when the museum will be open seven days a week.

The permanent exhibition, housed in the former schoolroom, has been very well received, alongside the temporary exhibition curated by Aileen Ogilvie, Isla Campbell and our freelance curator, Rachael Thomas.

A Landmark Achievement

The redevelopment of the Old Clyne School is now complete, with all funding secured, including the kitchen extension. We are enormously grateful to our principal funders: the Community Ownership Fund, the Regeneration Capital Grant Fund, Highlands and Islands Enterprise and the National Lottery Heritage Fund, and nine other smaller funders, all of whom have played an important part in securing the future of heritage in Brora.

The building was handed over by our contractor, O'Brien's of Thurso, in early August 2025. The project was delivered approximately five months later than originally planned but importantly remained on budget.

In many ways, this delay proved beneficial, allowing us to open towards the end of the season and "bed in" operations before facing the full intensity of peak visitor numbers.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2025

(continued)

A Place to Be Proud Of

The site itself has been transformed into something truly distinctive. Highlights include Jon Asanga's striking 6-metre Megan Boyd fly sculpture, the restored Hunter's mill machinery framing our entrance, and the beautifully designed salt pan and shed, echoing Brora's industrial past.

The new A9 access was completed in February 2026, which completes the one-way traffic flow on site.

People and Performance

The success of the past year is down to our people. Centre Manager, Ross Lewin, has planned the business side in fine detail and the result is what you see all around you – and in the tills!

We now have a team of 15 across the organisation, including our apprentice in heritage studies, Thomas Wink. The addition of a second chef, Willie Gunn, alongside head chef, Stevie Oglesby, will allow us to expand our offering further in the coming season.

Clyne Kitchen and the gift shop have both exceeded expectations, and our introduction of gift cards proved particularly successful over the Christmas period.

Membership has grown dramatically - from around 200 to over 540 - reflecting not only strong support for our heritage work, but also the appeal of the wider offer we now provide.

Community at the Core

Community engagement continues to thrive. Through the sterling work of Aileen Ogilvie and Isla Campbell, we have engaged with over 1,000 people across the past year, including local groups such as the Brora Blethers, the Singing Group, schools, and Cambusavie Hospital.

The Gordonbush Estate Papers Research Group, under Debbie Gunn's leadership, continues its remarkable work, having now catalogued around 40,000 documents.

Our staff and volunteers remain the backbone of the Society. Their contribution - past and present - cannot be overstated.

A Truly Memorable Moment

A particular highlight of the year was the visit of **His Majesty King Charles III** on 6 August 2025, to mark the official opening of the redeveloped site. This was an extraordinary occasion for Brora and for the Society, made possible through the efforts of the Lord Lieutenant of Sutherland, Major General Patrick Marriott, with whom we had been planning since January.

Challenges

It would be unrealistic to suggest that the year has been without its challenges.

The delays to both the building programme and the museum fit-out required patience and flexibility, and the transition from project delivery to full operation has been demanding for all involved.

However, these challenges have been met with resilience, and the organisation is now in a stronger position moving forward.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2025

(continued)

'Normal' Activities

This past year also saw the publication of the largest-ever edition of our annual magazine, **The Clyne Chronicle**, coming in at a bumper **130 pages**. Thanks to all of our contributors who help to make it such a valued annual publication - now so established that the National Library of Scotland requests a copy for its archive each year.

Our 2025/26 Winter Lecture Series began in September 2025 and will end on 21 May 2026. The total audience of **307 across five talks**, averaging **61 attendees per session**, includes an engaged online audience. The Board has taken the decision to stop live online streaming of our talks, due to technical challenges and delays in starting the evening. Talks will be made available online afterwards.

Board meetings are now held in person, as all members are local. We are always keen to talk to anyone interested in becoming a Board member, to help broaden our collective skillset.

In a typical year, the Society remains active across a broad range of activities: lectures, guided walks, research, education, genealogy, publishing, and archaeological excavations.

With Brora Development Trust making changes to its agreements at The Otter's Couch shop in Brora, the Board took the decision to withdraw after six years. All sales will continue in our gift shop, which now carries an expanded range of top-quality crafts and produce, mostly from local Highland suppliers.

Remembering those members who have passed away:

Jim Cunningham (May 2025) – 23 years a member

Thanks

Finally, I would like to thank our staff, volunteers, Board members, funders, partners, and members for their continued support. Also to:

- All depositors of archives
- Our funders, especially for the Old Clyne School
- Nigel Jones, MacKenzie & Cormack, for pro bono legal work and advice
- Brora Development Trust for allowing us to use their Zoom membership.

What has been achieved over the past year is remarkable - and it now belongs to all of you.

My sincere apologies if I have inadvertently omitted any contributions in what has been an exceptionally busy year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2025

(continued)

FINANCIAL REVIEW

Financial position

The reduction in funding for museums from Highland Council is well documented and presents major challenges for all small museums, not least Clyne Heritage Society in its role of running the Brora Heritage Centre.

The group's total income for the year was £1,580,517 (2024: £2,716,100) and total expenditure, including taxation, was £2,588,181 (2024: £1,496,077). This gave a net deficit for the year of £1,007,664 (2024: surplus £1,220,023).

This deficit arises after an impairment charge of £2,198,038 (2024: £1,368,933) against the Old Clyne School. The charge reduces the building's carrying amount to its recoverable amount. It follows an impairment review by the trustees, informed by an independent valuation carried out by Shepherd, Chartered Surveyors, in June 2025. The impairment is a non-cash charge. Before it, the group recorded a net surplus of £1,190,374, which mainly reflects restricted capital grants received towards the redevelopment.

At 31 December 2025 the group held total funds of £1,428,769 (2024: £2,436,433). Of this, £176,927 (2024: £51,952) was unrestricted and £1,251,842 (2024: £2,384,481) was restricted. Of the restricted funds, £1,023,137 is represented by tangible fixed assets.

The charitable company on its own recorded a net deficit of £1,010,415 (2024: surplus £1,220,023). At the year end it held unrestricted funds of £174,176 (2024: £51,952) and restricted funds of £1,251,842 (2024: £2,384,481). The difference between the group and the charity is the result of the trading subsidiary, which carries out the charity's commercial trading activities.

During the year the charity received income from a range of sources in support of its activities, as set out in notes 2 to 5 to the financial statements.

The trustees are satisfied that the level of funds held at the year end is sufficient to enable the charity to continue in the immediate future.

Reserves policy

The trustees' policy is to hold free reserves equal to at least three months of the group's unrestricted expenditure. These reserves allow the charity to keep operating if income falls suddenly or unexpected costs arise, and to meet its commitments while it takes corrective action.

Free reserves are unrestricted funds less the amount of those funds tied up in tangible fixed assets. Restricted funds are not included, because they can only be used for the purposes the donors or grantors specified.

At 31 December 2025, the group's free reserves were £175,438 (2024: £51,480). This is unrestricted funds of £176,927 less unrestricted tangible fixed assets of £1,489.

Based on unrestricted expenditure for the year of £192,577, the target level of free reserves is £48,144. Free reserves are therefore £127,294 above the target and equal to about eleven months of unrestricted expenditure.

The trustees consider this level of reserves appropriate for now. The Old Clyne School was fully operational for only part of 2025, so running costs are expected to increase considerably in 2026. The trustees will review the policy and the target level of reserves each year, using the budget for the coming year. The charity has no designated funds.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2025

(continued)

FUTURE PLANS

We now turn our focus to building on this strong foundation.

Clyne Kitchen will operate six days a week, with plans to introduce a licensed evening offering later in the season. The museum will open seven days a week, supported by a more flexible café provision.

A new summer menu will be introduced shortly, and we look forward to welcoming locals and visitors alike in what we expect to be a very busy season.

Above all, our aim is to continue developing Brora Heritage as a place that serves its community, attracts visitors, tells the unique Highland story of Brora's heritage and contributes meaningfully to the local economy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity operated as an unincorporated association governed by its constitution until it incorporated on 15 February 2017 and is now a limited company with charitable status. The charity is controlled by its governing document, the Memorandum and Articles of Association of the company, and constitutes a limited company, limited by guarantee of £1 per member, as defined by the Companies Act 2006. Permission has been obtained from the Registrar of Companies to omit the word "limited" from the company's name.

Organisational structure

The Board of Trustees is elected annually by members, with co-options used to fill skills gaps where appropriate. The Society employs five heritage staff and is supported by around 40 active volunteers. New Board members are handed an induction pack, both to familiarise themselves with the Society and its rules and also for the Society to identify any gaps in skills which can be addressed by training.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees feel that they have considered all circumstances and identified and mitigated, to the best of their ability, the risks to which the charity is exposed and will continue to review this on a regular basis.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2025

(continued)

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC557763 (Scotland)

Registered Charity number

SC028193

Registered office

Brora Heritage Centre
Victoria Road
Brora
Sutherland
KW9 6LN

Principal address

Brora Heritage Centre
Victoria Road
Brora
Sutherland
KW9 6LN

Trustees

Dr N G Lindsay Chair
Dr J G Alderson Vice Chair
R H C Lewin (appointed 13.3.25) (resigned 1.5.25)
Ms C M Sinclair
Mrs D A Ferne (resigned 9.4.25)
Ms D Evers (resigned 15.7.25)
Ms D Mackay
Mrs R Greenhill Treasurer (resigned 16.3.25)
G Greenhill
Mrs E Lindsay (resigned 1.5.25)
A J A Gill

Trustee expenses represent reimbursement of out-of-pocket charity expenditure.

Auditors

A9 Accountancy Limited
Elm House
Cradlehall Business Park
Inverness
Highland
IV2 5GH

Senior Management

R H C Lewin - Business Development Officer

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2025

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

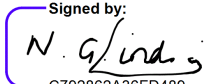
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, A9 Accountancy Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 30 September 2026
and signed on their behalf by:

Signed by:

C792862A36FD489.....
Dr N G Lindsay
 (Trustee)

Clyne Heritage Society
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLYNE HERITAGE SOCIETY

Opinion

We have audited the financial statements of Clyne Heritage Society for the period ended 31 December 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows, the Company Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our 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's or the parent charitable company'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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLYNE HERITAGE SOCIETY (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our report of the Independent Auditors thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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
- the parent charitable company has not kept sufficient and proper accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLYNE HERITAGE SOCIETY (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and 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 a report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity, focusing on provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks identified include:

- >United Kingdom Generally Accepted Accounting Practice
- >Charities and Trustee Investment (Scotland) Act 2005
- >Charities Accounts (Scotland) Regulations 2006
- >VAT legislation

We gained an understanding of how the charity is complying with these laws and regulations by making enquiries of management and those charged with governance. These enquiries were corroborated through our review of relevant correspondence and board meeting minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where there was considered to be susceptibility to fraud. This evaluation also considered how management were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- >Reviewing minutes of meetings of those charged with governance
- >Reviewing the level of, and reasoning behind, the charity's procurement of legal and professional services;
- >Performing audit work procedures over the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing judgements made by management in their calculation of accounting estimates for potential management bias.
- >Procedures to confirm the existence and completeness of revenue, ensuring it was recognised in line with the charity's accounting policies.
- >Enquiries with management regarding compliance with laws and regulations.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLYNE HERITAGE SOCIETY (CONTINUED)

recognising that the risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission, or misrepresentation. There are inherent limitations in audit procedures, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in a report of the Independent Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

A9 Accountancy Limited is eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

DocuSigned by:

010941270234065

Paul Capewell FCA CA (Senior Statutory Auditor)
for and on behalf of A9 Accountancy Limited, Statutory Auditor
Chartered Accountants

Elm House
Cradlehall Business Park
Inverness
IV2 5GH

Date: 30 September 2026

Clyne Heritage Society
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 DECEMBER 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	2	13,474	1,818	15,292	114,607
Charitable activities	3	191,589	1,260,765	1,452,354	2,583,491
Commercial trading	4	103,960	-	103,960	-
Investments	5	8,911	-	8,911	18,002
Total income		317,934	1,262,583	1,580,517	2,716,100
Expenditure on:					
Commercial trading costs		97,949	-	97,949	-
Charitable activities	7	94,628	2,395,222	2,489,850	1,496,077
Total expenditure		192,577	2,395,222	2,587,799	1,496,077
Net income/(expenditure) before taxation					
		125,357	(1,132,639)	(1,007,282)	1,220,023
Taxation	13	(382)	-	(382)	-
Net movement in funds		124,975	(1,132,639)	(1,007,664)	1,220,023
Reconciliation of funds:					
Total funds brought forward		51,952	2,384,481	2,436,433	1,216,410
Net movement in funds		124,975	(1,132,639)	(1,007,664)	1,220,023
Total funds carried forward		176,927	1,251,842	1,428,769	2,436,433

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 22 to 42 form part of these financial statements.

Clyne Heritage Society
(A company limited by guarantee)
REGISTERED NUMBER: SC557763 (Scotland)

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	1,024,626	505,679
		<u>1,024,626</u>	<u>505,679</u>
Current assets			
Stocks	16	15,208	13,361
Debtors	17	248,668	282,251
Cash at bank and in hand		196,507	1,807,147
		<u>460,383</u>	<u>2,102,759</u>
Creditors: amounts falling due within one year	18	(56,240)	(172,005)
Net current assets		<u>404,143</u>	<u>1,930,754</u>
Total assets less current liabilities		<u>1,428,769</u>	<u>2,436,433</u>
Net assets excluding pension asset		<u>1,428,769</u>	<u>2,436,433</u>
Total net assets		<u><u>1,428,769</u></u>	<u><u>2,436,433</u></u>
Charity funds			
Restricted funds	19	1,251,842	2,384,481
Unrestricted funds	19	176,927	51,952
Total funds		<u><u>1,428,769</u></u>	<u><u>2,436,433</u></u>

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

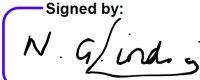
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

Clyne Heritage Society
(A company limited by guarantee)
REGISTERED NUMBER: SC557763 (Scotland)

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

The financial statements were approved and authorised for issue by the Trustees on 30 September 2026
and signed on their behalf by:

Signed by:

C792862A36FD489...
Dr N G Lindsay
(Trustee)

The notes on pages 22 to 42 form part of these financial statements.

Clyne Heritage Society
(A company limited by guarantee)
REGISTERED NUMBER: SC557763 (Scotland)

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	1,023,507	505,679
		<u>1,023,507</u>	<u>505,679</u>
Current assets			
Stocks	16	-	13,361
Debtors	17	282,298	282,251
Cash at bank and in hand		159,079	1,807,147
		<u>441,377</u>	<u>2,102,759</u>
Creditors: amounts falling due within one year	18	(38,866)	(172,005)
Net current assets		<u>402,511</u>	<u>1,930,754</u>
Total assets less current liabilities		<u>1,426,018</u>	<u>2,436,433</u>
Net assets excluding pension asset		<u>1,426,018</u>	<u>2,436,433</u>
Total net assets		<u><u>1,426,018</u></u>	<u><u>2,436,433</u></u>
Charity funds			
Restricted funds	19	1,251,842	2,384,481
Unrestricted funds	19	174,176	51,952
Total funds		<u><u>1,426,018</u></u>	<u><u>2,436,433</u></u>

The Company's net movement in funds for the year was £(1,010,415) (2024 - £1,220,023).

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

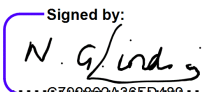
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

Clyne Heritage Society
(A company limited by guarantee)
REGISTERED NUMBER: SC557763 (Scotland)

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 30 September 2026 and signed on their behalf by:

Signed by:

C792602A36FD499.....
Dr N G Lindsay
(Trustee)

The notes on pages 22 to 42 form part of these financial statements.

Clyne Heritage Society
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	1,103,116	2,586,053
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,722,667)	(1,724,898)
Interest received	8,911	18,002
Net cash used in investing activities	(2,713,756)	(1,706,896)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(1,610,640)	879,157
Cash and cash equivalents at the beginning of the year	1,807,147	927,990
Cash and cash equivalents at the end of the year	196,507	1,807,147

The notes on pages 22 to 42 form part of these financial statements

Clyne Heritage Society
(A company limited by guarantee)

COMPANY STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	1,064,579	2,586,053
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,721,548)	(1,724,898)
Interest received	8,901	18,002
Net cash used in investing activities	(2,712,647)	(1,706,896)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(1,648,068)	879,157
Cash and cash equivalents at the beginning of the year	1,807,147	927,990
Cash and cash equivalents at the end of the year	159,079	1,807,147

The notes on pages 22 to 42 form part of these financial statements

Clyne Heritage Society
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

1. Accounting policies

Basis of preparation of financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require the income to be deferred.

Legacies are recognised on receipt, or earlier if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. Where the amount cannot be reliably measured, the legacy is treated as a contingent asset.

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income. to be released.

Expenditure

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

Expenditure is accounted for on an accruals basis and is classified under headings that aggregate all costs related to the relevant activity. Where costs cannot be directly attributed to particular headings, they are allocated to activities on a basis consistent with the use of resources.

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

1.1 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciable amount and depreciation period

An entity shall allocate the depreciable amount of an asset on a systematic basis over its useful life.

Factors such as a change in how an asset is used, significant unexpected wear and tear, technological advancement, and changes in market prices may indicate that the residual value or useful life of an asset has changed since the most recent annual reporting date. If such indicators are present, an entity shall review its previous estimates and, if current expectations differ, amend the residual value, depreciation method or useful life. The entity shall account for the change in residual value, depreciation method or useful life as a change in an accounting estimate.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases when the asset is derecognised. Depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. However, under usage methods of depreciation the depreciation charge can be zero while there is no production.

An entity shall consider all the following factors in determining the useful life of an asset:

(a) The expected usage of the asset. Usage is assessed by reference to the asset's expected capacity or physical output.

(b) Expected physical wear and tear, which depends on operational factors such as the number of shifts for which the asset is to be used and the repair and maintenance programme, and the care and maintenance of the asset while idle.

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	20% on reducing balance
Fixtures and fittings	-	20% on reducing balance
Works of art exterior to the building	-	4% Straight line
Museum Fixtures and fittings	-	10% on reducing balance
Catering equipment	-	20% Straight line

Impairment of fixed assets

At each balance sheet date, the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Debtors

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

Cash at bank and in hand

Cash at bank and 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.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

Financial instruments

The charity has elected to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments Issues of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, only where there is a legally enforceable right to set off the recognised amounts and an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, including debtors and cash and bank balances, are initially measured at transaction price including transaction costs. They are subsequently measured at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, in which case the asset is measured at the present value of future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, in which case the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors represent obligations to pay for goods or services that have been received in the ordinary course of business. Amounts payable within one year are classified as current liabilities. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations are discharged, cancelled, or expire.

Employee benefits

The cost of unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminating the employment of an employee or to providing termination benefits.

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

Retirement benefits

Contributions payable to defined contribution pension schemes are charged as an expense in the period in which they fall due.

Critical accounting estimates and judgements

In applying the charity’s accounting policies, the trustees are required to make judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors considered relevant.

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 period, or in the current and future periods if the revision affects both.

Going concern

At the time the financial statements are approved, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	13,474	1,818	15,292	114,607
Total 2024	4,548	110,059	114,607	

Clyne Heritage Society
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

3. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Subscriptions general	3,085	33	3,118	3,868
Grants	184,069	1,260,682	1,444,751	2,566,482
Fundraising	370	-	370	-
Other trading activities	4,065	50	4,115	13,141
	<u>191,589</u>	<u>1,260,765</u>	<u>1,452,354</u>	<u>2,583,491</u>
<i>Total 2024</i>	<u>24,572</u>	<u>2,558,919</u>	<u>2,583,491</u>	

Grants received, included in the above, are as follows:

	2025 £	2024 £
High Life Highland	-	7,000
SSE	-	110,000
Garfield Weston	50,000	-
Kibraur Wind Farm	-	10,000
Association Independent Museums	-	1,584
EB Scotland	10,344	-
Highlands & Islands Enterprise	240,467	-
Beatrice Windfarm	-	50,000
Highland Council Regeneration Capital Grant Fund	-	434,993
North Highlands Initiative	-	2,500
Community Ownership Fund	-	1,950,000
Feisean Nan Gaidheal	-	405
Rural Community Regeneration Fund	854,521	-
Highland Coastal Communities Fund	52,000	-
Others	30,074	-
Community Regeneration Fund	46,119	-
National Heritage Lottery Fund	161,226	-
	<u>1,444,751</u>	<u>2,566,482</u>

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

4. Income from other trading activities

Income from non-charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Trading income	103,960	103,960	-

5. Investment income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Deposit account income	8,911	-	8,911	18,002
Total 2024	-	18,002	18,002	

6. Support costs

	Support costs 2025 £	Governance cost 2025 £	Total funds 2025 £	Total funds 2024 £
General	73,058	10,250	83,308	1,284
Old Clyne School	-	-	-	26,074
	73,058	10,250	83,308	27,358
Total 2024	-	-	-	

Clyne Heritage Society
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Charitable Activities Costs	94,628	2,395,222	2,489,850	1,496,077
<i>Total 2024</i>	15,053	1,481,024	1,496,077	

8. Analysis of expenditure by activities

	Support costs 2025 £	Direct costs 2025 £	Total funds 2025 £	Total funds 2024 £
Charitable Activities	83,308	2,406,542	2,489,850	1,496,077
<i>Total 2024</i>	-	-	-	

Charitable Activities Costs

	Direct Cost 2025 £	Support Costs 2025 £	Total funds 2025 £	Total funds 2024 £
General	40,526	49,212	89,738	(3,833)
Trading	-	-	-	4,767
Brora Heritage Centre	6,500	-	6,500	14,853
Old Clyne School	2,359,516	34,096	2,393,612	1,481,119
Greeanan excavation	-	-	-	(829)
Total 2025	2,406,542	83,308	2,489,850	1,496,077
<i>Total 2024</i>	1,468,719	27,358	1,496,077	

Clyne Heritage Society
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

9. NET INCOME/(EXPENDITURE)

	2025 £	<i>2024</i> £
Depreciation -owned assets	5,680	<i>1,420</i>
	5,680	<i>1,420</i>

10. Auditors' remuneration

	2025 £	<i>2024</i> £
Audit of the financial statements of the charity	10,250	<i>9,750</i>

11. Staff costs

	Group 2025 £	<i>Group</i> <i>2024</i> £	Company 2025 £	<i>Company</i> <i>2024</i> £
Wages and salaries	206,194	<i>76,903</i>	147,534	<i>76,903</i>
Social security costs	7,476	<i>1,816</i>	6,429	<i>1,816</i>
Pension costs	3,013	<i>1,033</i>	2,205	<i>1,033</i>
	216,683	<i>79,752</i>	156,168	<i>79,752</i>

The average number of persons employed by the Company during the year was as follows:

	Group 2025 No.	<i>Group</i> <i>2024</i> No.	Company 2025 No.	<i>Company</i> <i>2024</i> No.
Average number of employees	9	<i>3</i>	6	<i>3</i>

No employee received remuneration amounting to more than £60,000 in either year.

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

Remuneration of key management personnel

	2025 £	2024 £
The remuneration of key management personnel was as follows:		
Key management personnel remuneration	31,930	19,505
	<u>31,930</u>	<u>19,505</u>

12. Trustees' remuneration and expenses

During the year, the charity made the following transactions with the trustees:

Under article 9.4 of the Articles of Association of Clyne Heritage Society, remuneration of £10,238 (2024: £8,809) was paid to Dawn Evers for her role as Curator. She served as a trustee until 15.07.2025.

Trustee expenses

The following expenses were paid on behalf of the trustees in their role as trustees of the charity:

N G Lindsay – travel and subsistence of £192 (2024: £767)

No trustees received any other benefits from the charity during the year.

At the period end, there was a balance of trustee advances of £1,654 (2024: £1,890).

13. Taxation

	2025 £	2024 £
Corporation tax		
Current tax on net income/(expenditure) for the year	382	-
Taxation on net income/(expenditure)	<u>382</u>	<u>-</u>

There were no factors that affected the tax charge for the year, which has been calculated on net income/(expenditure) at the standard rate of corporation tax in the UK of 19% (2024 - 19%).

There are no factors considered likely to affect future tax charges.

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

14. Impairments

Impairment tests have been carried out where appropriate, and the following losses have been recognised in the statement of financial activities:

	2025 £	2024 £
In respect of:		
Old Clyne School	2,198,038	1,368,933
	<u>2,198,038</u>	<u>1,368,933</u>

The trustees carried out an impairment review of the Old Clyne School following completion of the redevelopment. They estimated the property's recoverable amount at £500,000, based on an independent valuation by Shepherd, Chartered Surveyors, in June 2025. The valuation was prepared in accordance with the RICS Valuation – Global Standards 2025.

The carrying amount was higher than the recoverable amount, so an impairment loss of £2,198,038 (2024: £1,368,933) has been recognised within charitable activities in the statement of financial activities. The property continues to be carried under the cost model.

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

15. Tangible fixed assets

Group

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Artwork £	Total £
Cost						
At 1 January 2025	500,000	7,580	-	-	-	507,580
Additions	2,198,038	105	380,672	53,701	90,149	2,722,665
Impairment	(2,198,038)	-	-	-	-	(2,198,038)
At 31 December 2025	500,000	7,685	380,672	53,701	90,149	1,032,207
Depreciation						
At 1 January 2025	-	1,901	-	-	-	1,901
Charge for the year	-	1,136	1,099	2,243	1,202	5,680
At 31 December 2025	-	3,037	1,099	2,243	1,202	7,581
Net book value						
At 31 December 2025	500,000	4,648	379,573	51,458	88,947	1,024,626
At 31 December 2024	500,000	5,679	-	-	-	505,679

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

15. Tangible fixed assets (continued)

Group (continued)

Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Cost						
At 1 January 2025	500,000	7,580	-	-	-	507,580
Additions	2,198,038	105	380,672	52,582	90,149	2,721,546
Impairment	(2,198,038)	-	-	-	-	(2,198,038)
At 31 December 2025	500,000	7,685	380,672	52,582	90,149	1,031,088
Depreciation						
At 1 January 2025	-	1,901	-	-	-	1,901
Charge for the year	-	1,136	1,099	2,243	1,202	5,680
At 31 December 2025	-	3,037	1,099	2,243	1,202	7,581

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

15. Tangible fixed assets (continued)

Company (continued)

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Net book value						
At 31 December 2025	500,000	4,648	379,573	50,339	88,947	1,023,507
At 31 December 2024	500,000	5,679	-	-	-	505,679

Clyne Heritage Society
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

Old Clyne School

	2025 £	2024 £
Cost at 31 December 2024	1,868,933	1,868,933
Additions in the year to 31 December 2025	2,198,038	-
Total cost	4,066,971	1,868,933
	2025 £	2024 £
Impairment at 31 December 2024	1,368,933	1,368,933
Impairment at 31 December 2025	2,198,038	-
Total impairment	3,566,971	1,368,933
	2025 £	2024 £
Old Clyne School valuation amount per note 14.	500,000	500,000
	500,000	500,000

16. Stocks

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Goods for resale	15,208	13,361	-	13,361

Clyne Heritage Society
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

17. Debtors

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade debtors	3,146	-	3,000	-
Amounts owed by group undertakings	-	-	33,777	-
Trustee advances	1,654	1,890	1,654	1,890
VAT	62,677	102,854	62,677	102,854
Accrued income	181,191	177,507	181,190	177,507
	248,668	282,251	282,298	282,251

18. Creditors: amounts falling due within one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade creditors	13,053	-	13,013	-
Other creditors	12,021	-	-	-
Other taxation and social security	12,692	2,849	7,379	2,849
Accruals and deferred income	18,474	169,156	18,474	169,156
	56,240	172,005	38,866	172,005

Clyne Heritage Society
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2025 £	Income £	Expenditure £	Balance at 31 December 2025 £
Unrestricted funds				
Clyne Heritage Society	20,533	-	-	20,533
Brora Heritage Centre	31,419	213,852	(104,424)	140,847
General Funds	-	104,082	(88,535)	15,547
	<u>51,952</u>	<u>317,934</u>	<u>(192,959)</u>	<u>176,927</u>
Restricted funds				
Old Clyne School	2,380,696	1,211,145	(2,388,722)	1,203,119
Brora Heritage Centre	2,956	51,438	(6,500)	47,894
Greeanan excavation	829	-	-	829
	<u>2,384,481</u>	<u>1,262,583</u>	<u>(2,395,222)</u>	<u>1,251,842</u>
Total of funds	<u><u>2,436,433</u></u>	<u><u>1,580,517</u></u>	<u><u>(2,588,181)</u></u>	<u><u>1,428,769</u></u>

Clyne Heritage Society
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2024 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2024 £</i>
Unrestricted funds					
Clyne Heritage Society	19,790	10,745	(8,793)	(1,209)	20,533
Brora Heritage Centre	17,290	18,376	(6,671)	2,424	31,419
	<u>37,080</u>	<u>29,121</u>	<u>(15,464)</u>	<u>1,215</u>	<u>51,952</u>
Restricted funds					
Old Clyne School	1,176,374	2,686,979	(1,481,442)	(1,215)	2,380,696
Brora Heritage Centre	2,956	-	-	-	2,956
Greeanan excavation	-	-	829	-	829
	<u>1,179,330</u>	<u>2,686,979</u>	<u>(1,480,613)</u>	<u>(1,215)</u>	<u>2,384,481</u>
Total of funds	<u><u>1,216,410</u></u>	<u><u>2,716,100</u></u>	<u><u>(1,496,077)</u></u>	<u><u>-</u></u>	<u><u>2,436,433</u></u>

20. Summary of funds

Summary of funds - current year

	<i>Balance at 1 January 2025 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 December 2025 £</i>
General funds	51,952	317,934	(192,959)	176,927
Restricted funds	2,384,481	1,262,583	(2,395,222)	1,251,842
	<u><u>2,436,433</u></u>	<u><u>1,580,517</u></u>	<u><u>(2,588,181)</u></u>	<u><u>1,428,769</u></u>

Clyne Heritage Society
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025**

20. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 January 2024 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2024 £</i>
General funds	37,080	29,121	(15,464)	1,215	51,952
Restricted funds	1,179,330	2,686,979	(1,480,613)	(1,215)	2,384,481
	<u>1,216,410</u>	<u>2,716,100</u>	<u>(1,496,077)</u>	<u>-</u>	<u>2,436,433</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,489	1,023,137	1,024,626
Current assets	225,858	234,525	460,383
Creditors due within one year	(50,420)	(5,820)	(56,240)
Total	<u>176,927</u>	<u>1,251,842</u>	<u>1,428,769</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Total funds £</i>
Tangible fixed assets	472	505,207	505,679
Current assets	55,877	2,046,882	2,102,759
Creditors due within one year	(4,397)	(167,608)	(172,005)
Total	<u>51,952</u>	<u>2,384,481</u>	<u>2,436,433</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	(1,007,664)	1,220,023	(1,010,415)	1,220,023
Adjustments for:				
Depreciation charges	5,680	1,420	5,680	1,420
Interest received	(8,911)	(18,002)	(8,901)	(18,002)
Increase in stocks	(1,847)	(13,361)	13,361	(13,361)
Increase in debtors	(193)	(144,125)	(47)	(144,125)
Increase/(decrease) in creditors	(81,987)	171,165	(133,137)	171,165
Impairment of tangible fixed assets	2,198,038	1,368,933	2,198,038	1,368,933
Net cash provided by operating activities	1,103,116	2,586,053	1,064,579	2,586,053

23. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Cash in hand	196,507	1,807,147	159,079	1,807,147
Total cash and cash equivalents	196,507	1,807,147	159,079	1,807,147

24. Analysis of changes in net debt

	At 1 January 2025 £	Cash flows £	At 31 December 2025 £
Cash at bank and in hand	1,807,147	(1,610,640)	196,507
	1,807,147	(1,610,640)	196,507

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

25. Capital commitment

At 31 December 2025, the charity had committed to adding an extension to the building at a cost of £184,000.

26. GIFT OF BUILDING

Clyne Heritage Society was gifted the former parish school building and associated site in Brora, together with a renovation budget of £1,000,000.

At the balance sheet date, renovation of the building had been completed, and the value of the building based on the 2025 valuation was included within land and buildings on the balance sheet.