

Skye and Kyle Rail Development Company
Company Limited by Guarantee
Unaudited Financial Statements
For the year ended
31 December 2025

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2025

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Skye and Kyle Rail Development Company

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2025

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2025.

Reference and administrative details

Registered charity name Skye and Kyle Rail Development Company

Charity registration number SC030238

Company registration number SC198517

Principal office and registered office Railway Buildings
Railway Station
Kyle of Lochalsh
IV40 8AQ

The trustees

T G Campbell
A I Campbell
M J M Campbell
C Langlands

Independent examiner M J Macnab, BSc, FCCA
Tulloch Street
Dingwall
Ross-shire
IV15 9JY

Structure, governance and management

Skye and Kyle Rail Development Company incorporated on 29th July 1999 as a Company Limited by Guarantee and does not have any Share Capital. The Organisation is governed by its Memorandum and Articles of Association. The management of the Organisation is the responsibility of the Trustees who are elected under the terms of the Articles. A list of those serving is given above.

Objectives and activities

The primary objective of the Company as stated in the articles of incorporation is to advance education by the promotion, protection, and conservation and development of the historical background and importance of the Kyle Line, being the railway line between Inverness and Kyle of Lochalsh.

Skye and Kyle Rail Development Company

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2025

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

MUSEUM

Our Museum reopened in February 2025 after a winter break with volunteers keen to return to work after our break. The premises then stayed open until mid-December 2025 with a break just before Christmas. Noting that funding reserves had decreased from the same time in 2024 it was decided to avail of a payment holiday in our residual payments of the bounce back loan for a period of six months. There had been discussions also with our museum landlords Scotrail in November regarding a reduction in our rent of £330 per month to assist our cash flow. Following an online meeting it has been agreed that a nominal rent of £1 pa would be payable but heating and general electrical costs would be agreed following inspection of the premises.

SIGNAL BOX

A review of our Health and safety procedures at the box, including repair of the access steps and lighting, was conducted in advance of an inspection by Network Rail our landlords, and there were no issues raised by them. All legally required records relating to this are stored at our museum.

It was noted that long term letting at the upper floor of the box was not bringing sufficient income and it was decided that both floors should be short term letting. This also aligns with the aims of our charity because of the extra financial support.

The charity would have had considerable difficulty in paying winter bills but two four month winter lets relieved this burden. This brought in an unexpected £1200 per month for both flats but electricity costs were in the order of £500 per month.

Two small grants were acquired from Museums Galleries Scotland one for £2600 the repair of the signal box steps and the other for two new electronic donation boxes which was not paid or spent in 2025. Discussions were ongoing with MGS above regarding schemes to achieve greater income. These are still ongoing but a key to further funds is governance improvements.

Digital marketing with weekly posts was carried out by Christine Davis for a fee of £225 but statistics on this have not been analysed or compared with previous years.

Skye and Kyle Rail Development Company

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2025

An action plan to improve governance was presented by Suzie Burt and Alasdair Burt had offered to come in as a new director. Note: May 26 ... (Alasdair was proposed and accepted as a new director and his admission is to be submitted to Companies House). Suzie has also kindly agreed to assist in further governance issues.

A total of four volunteers carried out the daily activities of the museum and sales on trains. General supervision was by T.Campbell who attended on a daily basis and looked after the accounts and shop trading. Amy Campbell completely manages the letting and cleaning of the Signal Box and it was agreed her fee needs to be increased to reflect her extra work. Amy's position as a PAYE employee or contractor is under review in reference to our Articles of Incorporation.

The museum has again been the subject of almost unanimous approval and has increased its local presence, with a few local people visiting and expressing approval.

Once again T.Campbell had expressed a desire to reduce his input to the accounting and daily running of the museum and is concerned that he should not be the only person to understand the functioning of the charity as is currently the case.

Directors will have the opportunity to review our financial position when full accounts are published.

Financial review

The Museum had an income of approximately £19,700 in the period February to December 2025. The Signal Box holiday lettings have performed well, with income of approximately £23,000. The bounceback loan has been fully repaid.

As in last year T.Campbell has run the business as agreed by directors in 2013. He has been paid mileage and some accommodation expenses as well as an hourly rate for project and general museum management and critical maintenance and gardening.

Plans for future periods

We hope to increase our internet presence in 2026 to attract more footfall at the museum and action on the signal box lettings. Additional signs are also proposed to increase visitor numbers. Plans are also ongoing to seek help from Museums Galleries Scotland to place our business on a more sound administrative and financial footing.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2025

The trustees' annual report and the strategic report were approved on 25 September 2026 and signed on behalf of the board of trustees by:

T G Campbell
Trustee

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Skye and Kyle Rail Development Company

Year ended 31 December 2025

I report to the trustees on my examination of the financial statements of Skye and Kyle Rail Development Company ('the charity') for the year ended 31 December 2025.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 44(1)(c) of the 2005 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent examiner's statement

Since the charity is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of the Association of Chartered Certified Accountants which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act, section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; or
2. the financial statements do not accord with those records or with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Skye and Kyle Rail Development Company *(continued)*

Year ended 31 December 2025

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

M J Macnab, BSc, FCCA
Independent Examiner

Tulloch Street
Dingwall
Ross-shire
IV15 9JY

25 September 2026

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2025

			2025		2024
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	–	2,600	2,600	2,350
Other trading activities	6	42,780	–	42,780	37,204
Total income		<u>42,780</u>	<u>2,600</u>	<u>45,380</u>	<u>39,554</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	7	25,790	–	25,790	26,122
Expenditure on charitable activities	8,9	14,269	2,723	16,991	15,788
Total expenditure		<u>40,059</u>	<u>2,723</u>	<u>42,781</u>	<u>41,910</u>
Net income/(expenditure) and net movement in funds		<u>2,721</u>	<u>(123)</u>	<u>2,599</u>	<u>(2,356)</u>
Reconciliation of funds					
Total funds brought forward		<u>3,086</u>	<u>3,731</u>	<u>6,817</u>	<u>9,173</u>
Total funds carried forward		<u>5,807</u>	<u>3,608</u>	<u>9,415</u>	<u>6,817</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 15 form part of these financial statements.

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Statement of Financial Position

31 December 2025

	Note	2025 £	£	2024 £
Fixed assets				
Tangible fixed assets	15		5,774	5,920
Current assets				
Stock	16	3,413		4,676
Debtors	17	1,449		—
Cash at bank and in hand		5,056		3,694
		9,918		8,370
Creditors: amounts falling due within one year	18	6,276		7,473
Net current assets			3,642	897
Total assets less current liabilities			9,416	6,817
Net assets			9,416	6,817
Funds of the charity				
Restricted funds			3,608	3,731
Unrestricted funds			5,807	3,086
Total charity funds	19		9,415	6,817

For the year ending 31 December 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 25 September 2026, and are signed on behalf of the board by:

T G Campbell
Trustee

The notes on pages 9 to 15 form part of these financial statements.

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2025

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is Railway Buildings, Railway Station, Kyle of Lochalsh, IV40 8AQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2025

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2025

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 10% straight line
Equipment	- 10% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

4. Limited by guarantee

Company limited by guarantee

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2025

5. Donations and legacies

	Restricted Funds £	Total Funds 2025 £	Restricted Funds £	Total Funds 2024 £
Grants				
Museums and Galleries Grant	2,600	2,600	350	350
Historic Environment Scotland	–	–	2,000	2,000
	<u>2,600</u>	<u>2,600</u>	<u>2,350</u>	<u>2,350</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Shop income	12,770	12,770	15,024	15,024
Museum Admissions	6,950	6,950	5,630	5,630
Rental Accommodation Income	23,060	23,060	16,550	16,550
	<u>42,780</u>	<u>42,780</u>	<u>37,204</u>	<u>37,204</u>

7. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Shop costs	25,790	25,790	26,122	26,122

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Upgrade of Signal Box and Museum	13,027	2,723	15,750
Support costs	1,242	–	1,241
	<u>14,269</u>	<u>2,723</u>	<u>16,991</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Upgrade of Signal Box and Museum	3,978	10,587	14,565
Support costs	1,223	–	1,223
	<u>5,201</u>	<u>10,587</u>	<u>15,788</u>

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2025

9. Expenditure on charitable activities by activity type

	Grant funding of activities	Support costs	Total funds 2025	Total fund 2024
	£	£	£	£
Upgrade of Signal Box and Museum	15,750	–	15,750	14,565
Governance costs	–	1,241	1,241	1,223
	<u>15,750</u>	<u>1,241</u>	<u>16,991</u>	<u>15,788</u>

10. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	<u>146</u>	<u>544</u>

11. Independent examination fees

	2025	2024
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,224</u>	<u>1,224</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	<u>–</u>	<u>2,000</u>

The average head count of employees during the year was Nil (2024: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Number of staff	<u>–</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

13. Trustee remuneration and expenses

T G Campbell has been paid fees of £3420.00 for project and management costs.
A Campbell has been paid fees of £2400.00 for holiday let booking management.

T G Campbell has claimed £1766.40 expenses for accommodation, meals, fuel, admin and other sundry expenses.

14. Transfers between funds

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2025

15. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 January 2025 and 31 December 2025	<u>9,411</u>	<u>6,606</u>	<u>16,017</u>
Depreciation			
At 1 January 2025	9,411	686	10,097
Charge for the year	–	146	146
At 31 December 2025	<u>9,411</u>	<u>832</u>	<u>10,243</u>
Carrying amount			
At 31 December 2025	<u>–</u>	<u>5,774</u>	<u>5,774</u>
At 31 December 2024	<u>–</u>	<u>5,920</u>	<u>5,920</u>

16. Stocks

	2025 £	2024 £
Raw materials and consumables	<u>3,413</u>	<u>4,676</u>

17. Debtors

	2025 £	2024 £
Other debtors	<u>1,449</u>	<u>–</u>

18. Creditors: amounts falling due within one year

	2025 £	2024 £
Bank loans and overdrafts	2,088	5,173
Trade creditors	2,568	2,165
Accruals and deferred income	1,620	–
Social security and other taxes	–	135
	<u>6,276</u>	<u>7,473</u>

Skye and Kyle Rail Development Company

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2025

19. Analysis of charitable funds

Unrestricted funds

	At 1 January 2025	Income	Expenditure	At 31 December 2025
	£	£	£	£
General funds	<u>3,086</u>	<u>42,780</u>	<u>(40,059)</u>	<u>5,807</u>

	At 1 January 2024	Income	Expenditure	At 31 December 2024
	£	£	£	£
General funds	<u>(2,795)</u>	<u>37,204</u>	<u>(31,323)</u>	<u>3,086</u>

Restricted funds

	At 1 January 2025	Income	Expenditure	At 31 December 2025
	£	£	£	£
Upgrade of Signal Box and Museum	<u>3,731</u>	<u>2,600</u>	<u>(2,723)</u>	<u>3,608</u>

	At 1 January 2024	Income	Expenditure	At 31 December 2024
	£	£	£	£
Upgrade of Signal Box and Museum	<u>11,968</u>	<u>2,350</u>	<u>(10,587)</u>	<u>3,731</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Tangible fixed assets	5,774	–	5,774
Current assets	6,310	3,608	9,918
Creditors less than 1 year	<u>(6,276)</u>	<u>–</u>	<u>(6,276)</u>
Net assets	<u>5,808</u>	<u>3,608</u>	<u>9,416</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	5,920	–	5,920
Current assets	4,651	3,731	8,382
Creditors less than 1 year	<u>(7,485)</u>	<u>–</u>	<u>(7,485)</u>
Net assets	<u>3,086</u>	<u>3,731</u>	<u>6,817</u>

21. Prior year adjustments

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Management Information

Year ended 31 December 2025

The following pages do not form part of the financial statements.

Skye and Kyle Rail Development Company

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 31 December 2025

	2025 £	2024 £
Income and endowments		
Donations and legacies		
Museums and Galleries Grant	2,600	350
Historic Environment Scotland	—	2,000
	<u>2,600</u>	<u>2,350</u>
Other trading activities		
Shop income	12,770	15,024
Museum Admissions	6,950	5,630
Rental Accommodation Income	23,060	16,550
	<u>42,780</u>	<u>37,204</u>
Total income	<u>45,380</u>	<u>39,554</u>
Expenditure		
Costs of other trading activities		
Opening stock	4,676	6,880
Purchases	8,372	5,279
Closing stock	3,413	4,676
Wages and salaries	—	2,000
Rent	3,795	3,850
Rates and water	1,387	1,121
Light and heat	3,482	2,969
Insurance	1,032	1,353
Other motor/travel costs	1,766	3,229
Telephone	1,377	1,306
Other office costs	78	245
Depreciation	146	544
Bank charges and interest	1,828	2,022
Advertising	1,264	—
	<u>25,790</u>	<u>26,122</u>
Expenditure on charitable activities		
Repairs and maintenance	3,846	902
Other establishment	2,500	—
Legal and professional fees	7,663	12,138
Other office costs	929	801
Sundry expenses	2,053	1,947
	<u>16,991</u>	<u>15,788</u>
Total expenditure	<u>42,781</u>	<u>41,910</u>

Skye and Kyle Rail Development Company

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Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2025

	2025	2024
	£	£
Net income/(expenditure)	<u>2,599</u>	<u>(2,356)</u>