

KINLOCH CASTLE FRIENDS ASSOCIATION
TRUSTEES' ANNUAL REPORT AND ACCOUNTS
YEAR TO 31 March 2026



KINLOCH CASTLE FRIENDS ASSOCIATION
A SCOTTISH REGISTERED CHARITY, NUMBER SC030201

The Trustees of the Kinloch Castle Friends Association are pleased to present their Annual Report and Accounts for the year ended 31 March 2026.

Office Bearers:

The elected office-bearers of the Association are:

Chair – Professor Ewan MacDonald CBE

Secretary – Sheila King

Treasurer – Tim Ambrose, since June 2025, previously Jackie Roberts

In addition, a small working group meets regularly. As well as the office-bearers, this group comprises Catherine Duckworth, Mhairi Ferrier, Mairi Gaffney, Thomas Krebs, Sheila Mather, Ian Spouse, and Simon Walker.

Contact details:

E-mail: kinlochcastlefa@gmail.com

Website: <https://kinlochcastlefriendsassociation.co.uk>

Treasurer: Tim Ambrose, Gowan Court, Little Brechin, Angus. DD9 7QY

Purposes of the Association:

Kinloch Castle, located on the inner Hebridean island of Rum, was constructed in the late 19th/early 20th century, commissioned by the Bulloughs, a wealthy family of Lancashire industrialists whose business involved the manufacture of machinery for the textile industry. Kinloch Castle has been described as the most complete example in Scotland, perhaps with the exception of Balmoral, of an Edwardian shooting lodge, and it was a marvel of modernity, boasting electric lighting, central heating and one of the most opulent interiors of its time.

The castle survives, though battered by the effects of time and the weather on Rum, complete with most of the original contents, including its rare Orchestrion musical instrument, capable of reproducing the sound of a full orchestra at the pull of a lever. The Castle is currently closed to the public, having been used previously as upmarket hotel accommodation and hostel facilities. Kinloch Castle is owned by NatureScot, which owns Rum and operates the island as a National Nature Reserve, and which has no further operational need for the castle and has marketed it for sale. The closing date for bids was 9 April 2026, and at the date of this Report, a preferred bidder has been identified but not yet named.

Kinloch Castle Friends Association was formed in 1996 with the principal purpose of

advancing education and restoring, preserving and improving Kinloch Castle and its policies, including its furnishings and fitments, for the benefit of the public and the wider community. Volunteers have worked tirelessly to prevent the Castle from slipping into permanent decay, organizing work parties to clean the building, remove vegetation, clear debris and monitor rooms most at risk from damp and collapse.

The Association has also documented Kinloch Castle's contents and history in detail through its Topotheque archive to catalogue its furniture, paintings and decorative features to create a lasting public record of the Castle's collections. Its newest initiative "Memories of Rum" aims to preserve the human stories tied to the Castle and the Island of Rum. The Topotheque may be freely accessed on the KCFA website.

Activities during the year and future plans:

In March 2026 the Association held a work party weekend on the island when duties included gardening outside the castle. Unfortunately, because of the sale process, access to the Castle was prohibited to the volunteers.

Activities of the Association during the year were limited due to uncertainty over the future of the castle. In 2023 Lorna Slater, then the Scottish Government Minister with responsibility for NatureScot, commissioned a Delphi study to identify a consensus view around conditions of sale of the castle, the study being led by the Scottish Government Rural and Environment Science and Analytical Services Division (RESAS). The Delphi exercise included principally island residents, but also involved KCFA, the only community group outwith the island to be involved. The Delphi study reported in May 2025, concluding that the majority of islanders wished to see the castle restored, taking account of the need for it to be nature-friendly, and make a positive impact to the local community.

In August 2025, NatureScot placed the Castle for sale on the open market, and the Association is hopeful that a sympathetic purchaser with the necessary resources will come forward, balancing the need to restore and preserve Kinloch Castle with the interests of the Island's community and its fragile environment.

On 18 June 2026, NatureScot announced to the residents of Rum that they had identified a preferred buyer for the Castle following the open market sale. They said that the preferred buyer's vision is to make a positive contribution to the Isle of Rum, with the transformation of Kinloch Castle into a world class heritage and eco-tourism destination whilst preserving its architectural and cultural significance.

Their intentions prioritise the structural stabilisation and conservation of the Castle,

in accordance with guidance from Historic Environment Scotland, including structural repairs, restoration of historic interiors, conservation of historic mechanical systems and protection of significant architectural elements.

Plans may include adapting a portion of the Castle as a small boutique heritage hotel, to encourage eco-tourism and Island experiences, as well as the creation of cultural and educational programmes, music and arts events.

The bid proposal includes the sensitive reuse of the byre and old workshops to support the operational needs, including staff accommodation and potentially a small museum to interpret the history of the Castle.

The prospective buyer intends to set up an Advisory Board to assist in the development of policy around the Castle, and to make sure all interested parties are involved, and has invited KCFA to suggest possible members.

Financial Review:

During the year income received was £1,984 (2024/25 - £1,531) and costs, including the work-party, were £1,586 (2024/25 - £662). A further donation of £650 to meet the costs of the work-party was received after the year end. The relatively low level of activity in the organization reflected the uncertainties over the future of the Castle.

At the year end, the General fund stood at £5,885 (2025 - £5,543), and the Orchestrion Fund was £3,310 (2025 - £3,254). The General funds may be used for any purpose of the Charity, but the Orchestrion funds have been raised to assist the preservation and use of the Orchestrion within Kinloch Castle.

Approved by the Trustees on 20 July 2026 and signed on their behalf by:

Ewan B Macdonald

Prof. Ewan MacDonald CBE

Report of the Independent Examiner to the Trustees of Kinloch Castle Friends Association:

I report on the Accounts of the Kinloch Castle Friends Association for the year ended 31 March 2026 in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005, “the Act”, and the Charities Accounts (Scotland) Regulations 2006 – “the Regulations”. The Trustees consider that the audit requirement of Regulation 10(1)(d) does not apply.

Respective responsibilities of Trustees and Independent Examiner

As the trustees of the Charity, you are responsible for the preparation of the accounts. It is my responsibility under S 44(1)(c) of the Act to examine these accounts, and to report whether particular matters have come to my attention.

Basis of Independent Examiner’s Report

My examination is carried out in accordance with Regulation 11, and includes a review of the accounting records kept by the charity, and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner’s statement

In connection with my examination, no matter has come to my attention:-

(1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with Section 44 of the Act and Regulation 4; and to prepare accounts which accord with the accounting records; and to comply with the accounting requirements of the Act and Regulation 9, have not been met; or,

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Michael Holland

20 July 2026

I Michael Holland

60 Latch Road
Breachin, Angus. DD9 6JH

Statement of Financial Affairs and Balance Sheet at 31 March 2026

	General funds £	Orchestrion fund £	Total £	2024/25 £
INCOME				
Subscriptions:				
Individuals	318		318	480
Family	425		425	435
Donations - general	398	15	413	494
Donations – work-party	650		650	
Fundraising	137		137	79
Interest		41	41	43
TOTAL INCOME	1,928	56	1,984	1,531
COSTS				
Work party bunkhouse	1,300		1,300	
Donations to Rum Enterprise				506
Admin - Zoom	156		156	156
Admin - website	130		130	
TOTAL COSTS	1,586		1,586	662
<u>SURPLUS FOR YEAR</u>	<u>342</u>	<u>56</u>	<u>398</u>	<u>869</u>
Opening Funds balance	5,543	3,254	8,797	7,928
Add: Surplus (above)	342	56	398	869
Funds Balance at year end	<u>5,885</u>	<u>3,310</u>	<u>9,195</u>	<u>8,797</u>
Represented by:				
Cash at Bank	6,535	3,310	9,845	8,797
Current liability	(650)		(650)	
Net Assets at year end	<u>5,885</u>	<u>3,310</u>	<u>9,195</u>	<u>8,797</u>

Accounts prepared and signed on behalf of the Trustees by

Timothy Ambrose

Tim Ambrose FCA, treasurer

20 July 2026