Charity Registration No. SC029905 (Scotland)

Company Registration No. SC202981 (Scotland)

THE ARDNAMURCHAN TRUST

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2026

Lentells
Chartered Certified Accountants

THE ARDNAMURCHAN TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Irwin Houston	
	M Maclachlan	(Appointed 18 January 2026)
Secretary	H Jeffery	
Charity number (Scotland)	SC029905	
Company number	SC202981	
Registered office	Mingary House Kilchoan Acharacle Argyll PH36 4LH	
Independent examiner	Lentells Limited Ash House Cook Way Bindon Road Taunton Somerset TA2 6BJ	

THE ARDNAMURCHAN TRUST

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THE ARDNAMURCHAN TRUST

BOARD OF TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 JANUARY 2026

The trustees present their annual report and financial statements for the year ended 31 January 2026.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)".

Objectives and activities

The Ardnamurchan Trust has been established for the benefit of the resident community of West Ardnamurchan for the rural regeneration of the area and in particular for the benefit of the young people from the area so as to enable them to advance themselves and their future lives in West Ardnamurchan.

The Trust aims to achieve it's objectives through:

<u>Advancement of education</u>

To advance the education of the pupils at Kilchoan Primary School by providing and assisting in the provision of facilities which are not required to be provided by the local education authority for education at the school.

To promote the education, including social and physical training, of young people in West Ardnamurchan in such ways as the charity trustees think fit, including by:

1. awarding to such persons scholarships, maintenance allowances or grants tenable at any university, college or institution of higher education, or recognised apprenticeship scheme.

2. assisting through, amongst other means, providing financial aid for the cost of their education (including the study of music or other arts), to undertake travel in furtherance of that education, or to prepare for entry to any occupation, trade or profession on leaving any educational establishment or any apprenticeship or such career development route as may be acceptable to the trustees.

For the benefit of the residents of West Ardnamurchan who are not in full time employment through the continued development of their individual capabilities, competencies, skills and understanding in subjects of educational value and which provide a means to gaining the skills and/or qualifications necessary for employment in the area.

To advance the education of the community in subjects relating to sustainable development and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

To advance the education of the community in the conservation, protection and improvement of the physical and natural environment area.

<u>Community capacity building</u>

To assist in any way as may be determined by the trustees to development of the capacity and skills of the members of the community of West Ardnamurchan in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.

Relief of poverty or financial hardship

To relieve the poverty or financial hardship, either generally or individually, of people living in West Ardnamurchan by making grants of money for providing or paying for goods, services or facilities which they could not otherwise afford through lack of means.

To relieve the poverty of young people by the provision of grants to enable them to participate in healthy recreational activities that they could not otherwise afford.

Relief of unemployment

To relieve unemployment for the benefit of the community of West Ardnamurchan in such ways as may be thought fit, including the provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help in:

1, setting up their own business, or

2. to existing businesses

The creation of training and employment opportunities by the provision of workspace, buildings, and/or land for use on favourable terms

Sustainable development

To promote sustainable development for the benefit of the community of West Ardnamurchan by:

1. the preservation, conservation and the protection of the environment and the prudent use of resources

2. the improvement of the conditions of life in the socially and economically disadvantaged segments of the local community

3. the promotion of sustainable means of achieving economic growth and regeneration where sustainable development shall mean such development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

Achievements and performance

The Ardnamurchan Estate continues to operate the Glenborrodale Centre on behalf of the Trust. Under this arrangement the Estate will fund major repair and refurbishment expenditure and on going running costs and retain rental income arising from the Centre in order to offset those costs. During the year the Estate funded roof repairs at a cost of £66,400 so that after taking into account income and running costs there is a shortfall yet to be recovered of £26,477. Some windows also need to be replaced at an estimated cost of £50,000. The Estate will continue to run the Centre until such time as all the costs of refurbishment have been recovered. The Estate will also be responsible for the insurance during this period.

The Trust is currently supporting six local students and two apprentices with bursaries.

Financial review

Reserves policy

The trustees have identified the level of reserves that are required for the ongoing operation of the charity. The trustees consider that this level of reserves is fully justified given the annual expenditure that may be required to maintain the Glenborrodale Centre and the difficulties being experienced in attracting suitable groups to use the facilities.

The charity only has unrestricted funds which can be used at the trustees' discretion. There are no restricted funds or endowment funds.

At 31 January 2026 there were no funds in deficit (2025: none).

Principal funding sources

The principal funding sources are donations and rental income.

The Trust receives continuing financial support from the provision of a loan of £400,000 from D F Irwin Houston. The loan is interest free.

Investment policy

An important local business is the Ardnamurchan Distillery that commenced operations at Glenmore on Ardnamurchan in 2014. When the distillery was first established The Ardnamurchan Trust received a free allocation of 52,498 B Shares in Adelphi Distillery Limited.

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More recently the Trust has developed, in conjunction with the Ardnamurchan Distillery, plans for an educational program to teach local young people about the whisky industry. Allied with this program is an agreement with the distillery for the Trust to purchase a freshly distilled cask at cost for each child at the local school reaching the age of ten. When the child reaches the age of 18 the distillery will repurchase the cask at the then market value thereby providing funds to enable the Trust to support that young person through higher education or further training.

At 31 January 2026 the Ardnamurchan Distillery was holding 25 casks on behalf of the Trust.

Major risks

The trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Risks are identified, assessed and controls established throughout the year to ensure that the risks are properly managed.

The key controls used by the charity are as follows:

- preparation of formal agendas for all board meetings which will highlight areas of concern or action, and regular updates for all trustees throughout the year ensuring that all issues are constantly being considered;
- authorisation and approval procedures for financial or strategic decisions;
- access to professional advisers to ensure compliance and best practice in legal matters, finance, health and safety and other areas of the operation of the charity.

The trustees are satisfied that the major risks identified have been adequately mitigated where necessary but the board recognises that it must continually review and address these risks to enable the charity to continue in operation.

Plans for future periods

Through the provision of leases to third parties the charitable company will continue to offer the facilities at the Glenborrodale Centre to groups and organisations for education and training for the foreseeable future.

The Trustees are aware that their liquid resources are currently limited but assured that Arndnamurchan Estates Ltd will provide short term interest free finance pending the sale of Dale Cottage, one of the Trust properties. Mr Donald Irwin Houston continues to provide a long term interest free loan.

Structure, governance and management

The charitable company is a charitable company limited by guarantee incorporated on 14 January 2000. The company was established under a Memorandum of Association, which established the objectives and powers of the company and it is governed under its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D Irwin Houston	
W Kelly	(Retired 18 January 2026)
M Maclachlan	(Appointed 18 January 2026)

Recruitment and appointment of trustees

The company regularly reviews the composition of its board to identify any skills gaps.

Organisational structure

The Ardnamurchan Trust is a charity registered with the Office of the Scottish Charity Regulator.

The activities of the Trust are managed by a board of trustees. The trustees meet, as a minimum, on a biannual basis and, in addition, as and when required by the trustees for the furtherance of the business of the Trust. One such meeting will be the AGM of the company.

Induction and training of trustees

New trustees joining the board are given an appropriate briefing on their obligations under charity and company law as well as the contents of the Memorandum and Articles of Association. Trustees are provided with a copy of the Office of Scottish Charity Regulator's (OSCR) 'Guidance for Charity Trustees' and all have received briefing sessions relating to their duties under the Charities and Trustee Investment (Scotland) Act 2005 (as amended).

Relationship with related parties

Details of related party transactions are given in the notes to the financial statements.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to nil day's purchases, based on the average daily amount invoiced by suppliers during the year.

Funds held as custodian trustee

During the year ended 31 January 2026 the company did not hold funds as custodian for others (2025: none).

The Board of Trustees report was approved by the Board of Trustees.

....
D Irwin Houston
Trustee

Date: ....

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ARDNAMURCHAN TRUST

I report on the financial statements of the charitable company for the year ended 31 January 2026, which are set out on pages 7 to 16.

Respective responsibilities of trustees and examiner

The charitable company's trustees, who are also the directors of The Ardnamurchan Trust for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

Independent examiner's statement

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

(a) which gives me reasonable cause to believe that in any material respect the requirements:

  (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and

  (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;

  have not been met or

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

P A Stallard FCA
Lentells Limited

Chartered Certified Accountants
Ash House
Cook Way
Bindon Road
Taunton
Somerset
TA2 6BJ

Dated: ....

THE ARDNAMURCHAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JANUARY 2026

	Notes	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Income and endowments from:			
Donations and legacies	**3**	100	3,079
Charitable activities	**4**	-	6,615
Investments	**5**	2,330	1,234
Other income	**6**	580	-
Total income		3,010	10,928
Expenditure on:			
Charitable activities	**11**	26,455	31,358
Total expenditure		26,455	31,358
Net expenditure and movement in funds		(23,445)	(20,430)
Reconciliation of funds:			
Fund balances at 1 February 2025		559,520	579,950
Fund balances at 31 January 2026		536,075	559,520

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

BALANCE SHEET

AS AT 31 JANUARY 2026

		2026		2025	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Tangible assets	**14**		503,879		506,682
Investments	**15**		287,625		287,275
			791,504		793,957
Current assets					
Cash at bank and in hand		146,087		166,283	
Creditors: amounts falling due within one year	**16**	(401,516)		(400,720)	
Net current liabilities			(255,429)		(234,437)
Total assets less current liabilities			536,075		559,520
The funds of the charitable company					
Unrestricted funds	**17**		536,075		559,520
			536,075		559,520

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2026.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the trustees on ....

....
D Irwin Houston
Trustee

1 Accounting policies

Charity information

The Ardnamurchan Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Mingary House, Kilchoan, Acharacle, Argyll, PH36 4LH.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charitable company's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

There are no restricted funds.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation to committing the charity to that 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 had been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% per annum
Property improvements	2% per annum
Fixtures and fittings	15% per annum

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed at investments are held at market value

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the 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, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The company is exempt from corporation tax on its charitable activities.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Donations and gifts	100	3,079

4 Income from charitable activities

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Property		
Charitable rental income	-	6,615

5 Income from investments

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Rental income	2,330	-
Interest receivable	-	1,234
	2,330	1,234

6 Other income

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Other income	580	-

7 Expenditure on charitable activities

	Charitable activities 2026 £	Charitable activities 2025 £
Direct costs		
Depreciation and impairment	2,803	2,803
Heating, rates and water	-	5,327
Property repairs	900	778
	3,703	8,908
Grant funding of activities (see note 11)	21,900	19,100
Share of support and governance costs (see note 8)		
Support	132	2,630
Governance	720	720
	26,455	31,358
Analysis by fund		
Unrestricted funds	26,455	31,358

8 Support costs allocated to activities

	2026	2025
	£	£
Insurance	-	2,575
Bank charges	9	20
Legal & professional	123	35
Governance costs	720	720
	852	3,350
Analysed between:		
Charitable activities	852	3,350

9 Net movement in funds

	2026	2025
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	720	720
Depreciation of owned tangible fixed assets	2,803	2,803

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

11 Grants payable

	2026	2025
	£	£
Grants to individuals	21,900	19,100
	21,900	19,100

-

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Trustees	2	2

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Tangible fixed assets

	Freehold buildings	Property improvements	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 February 2025	478,785	64,369	4,289	547,443
At 31 January 2026	478,785	64,369	4,289	547,443
Depreciation and impairment				
At 1 February 2025	21,227	15,245	4,289	40,761
Depreciation charged in the year	1,516	1,287	-	2,803
At 31 January 2026	22,743	16,532	4,289	43,564
Carrying amount				
At 31 January 2026	456,042	47,837	-	503,879
At 31 January 2025	457,558	49,124	-	506,682

15 Fixed asset investments

	Unlisted investments	Whisky casks	Total
	£	£	£
Cost or valuation			
At 1 February 2025	264,775	22,500	287,275
Additions	-	1,250	1,250
Disposals	-	(900)	(900)
At 31 January 2026	264,775	22,850	287,625
Carrying amount			
At 31 January 2026	264,775	22,850	287,625
At 31 January 2025	264,775	22,500	287,275

Unlisted shares comprise a 1.7% shareholding in Adelphi Distillery Limited

16 Creditors: amounts falling due within one year

	2026	2025
	£	£
Borrowings	400,000	400,000
Accruals and deferred income	1,516	720
	401,516	400,720

'Borrowings' comprises a loan account owing to one of the Trustees, D F Irwin Houston. The loan is interest free and is secured by a floating charge over the assets of the charitable company up to a maximum charge of £550,000.

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 February 2025	Incoming resources	Resources expended	At 31 January 2026
	£	£	£	£
General funds	559,520	3,010	(26,455)	536,075

Previous year:	At 1 February 2024	Incoming resources	Resources expended	At 31 January 2025
	£	£	£	£
General funds	579,950	10,928	(31,358)	559,520

18 Related party transactions

D F Irwin Houston is a trustee of The Ardnamurchan Trust. D F Irwin Houston is also the ultimate controlling party of Adelphi Distillery Limited.