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Registered number: SC171248
Charity number: SC026246

THE KNOYDART FOUNDATION
(A company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Docusign Envelope ID: 43F65A14-5B6F-8F8B-82F3-A4E2D8D19F0E

THE KNOYDART FOUNDATION

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THE KNOYDART FOUNDATION

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

Trustees	Cllr A N Baldrey (resigned 25 July 2025) Mr S Cameron (appointed 4 March 2026) Mr T Harris Mr B V Ruddle (appointed 28 September 2025) Mr D Newton (resigned 28 September 2025) Mr M Porter (appointed 28 September 2025) Mr S Dillett (resigned 30 April 2025) Mr C Wilson Mr D Fleetwood (appointed 12 May 2025, resigned 7 July 2026) Dr R Nunn (resigned 28 September 2025) Mrs A Watson
Company registered number	SC171248
Charity registered number	SC026246
Registered office	The Office Knoydart Inverness Shire PH41 4PL
Independent auditors	Sumer Auditco Limited Chartered Accountants Statutory Auditor 14 City Quay Dundee DD1 3JA

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THE KNOYDART FOUNDATION

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report together with the audited financial statements of the Company for the ended 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

a. Policies and objectives

The charitable company has been set up to conserve and preserve the character and natural beauty of the Knoydart Peninsula for the benefit of the public and the local population. In doing so the charitable company also aims to:

- Foster and encourage appreciation and interest in the peninsula and to accommodate access and opportunities for those wishing to visit, taking into account conservation, protection and land management.
- To encourage and develop a spirit of voluntary commitment amongst the community, supporters, individuals, companies, visiting students and other organisations to achieve its objectives.
- To improve the employment and training opportunities for residents/inhabitants on the peninsula through assisting or promoting economic and environmental development.
- To develop/assist in the services or facilities in the interest of social welfare.

Achievements and performance

a. Chair's report

Overview
2025 was another year of improvements and milestones for Knoydart Foundation and related companies. Following the AGM in September 2024 Davie Newton, Aaran Watson, Calum Wilson, Tom Harris and Reagan Nunn continued as elected directors until September 2025 when Matthew Porter and Ben Ruddle joined Aaran Watson, Tom Harris and Calum Wilson in this role. External directors were Andrew Baldrie, Stuart Dillet and David Fleetwood. Thanks are due to all who have volunteered to be a director.

Things that happened in 2025
One of the biggest projects undertaken by Knoydart Foundation was the build of the Workers Accommodation Units on the old Net Shed site. These units progressed well through 2025 and will be a huge asset for the community when completed in 2026. Huge thanks to Sara Donald and MacLaren Builders for all their work on this project. The Foundation also purchased Construction Workers Accommodation units in 2025 to provide accommodation for building contractors which will support building projects in the future.

New Ranger station on the old genny shed site was created ready for Spring 2025 which offers a greatly improved space for the Rangers and bike hire. 2025 was a very busy year for the Ranger Service with camping, tours and walks being very popular. There was a boost to income with the visits from the Cruise ships.

The last two mortgages for Cloiche East and West plus Tigh na Roan were paid off in February 2025 after receiving a private bequest of £70k towards the end of 2024. £67k cleared both mortgages 12 years early saving £35k in interest payments.

Knoydart Foundation bought the manitou which is another great asset for the community.

The Foundation continued to work productively with Knoydart Forest Trust on the woodland deer management

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Achievements and performance (continued)

and the FIRNS project and through this the Wild Tree Survey was carried out alongside development of the peatland restoration project and the new land management plan.

Trading subsidiaries
2025 was also a busy one for Knoydart Trading and Knoydart Renewables with Trading taking on a new member of staff to join the accommodation team and Renewables replacing the electricity meter boxes and paying back all of the 'dam improvement loans'.

Renewables and Trading continue to use the Foundation office and staff for admin services and facilities and during the year Trading made a significant donation to the Foundation.

Finances
The financial situation of the Foundation Group continues to improve and with all managers having access to Xero they have a much better understanding of figures relevant to their department. All three companies ended the year with healthy bank balances.

Thank you
A huge thank you to all our staff across Knoydart Foundation, Trading and Renewables for their dedication and commitment. Thank you to all the directors who give up their valuable time to volunteer and thanks to the wider community, Friends of Knoydart and the many volunteers for supporting us.

b. Trading Companies

The Foundation is the owner and sole member of two subsidiary companies, Knoydart Trading Limited and Knoydart Renewables Limited and appoints the directors of those companies

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

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

Grants and donations in respect of specific projects and objectives are held in designated and restricted funds as appropriate. The current level of cash reserves held by the Foundation is £501k (2024 - £474k) and is considered appropriate to cover a full year of forecast operating expenditure of c. £250k.

c. Risk management

The Directors and management undertook an operational risk review in 2017/18 which includes governance, external risks and development. The Directors have focussed on areas such as: -

1. Reputational Risk
   e.g. the risk to the reputation of the Foundation from real or perceived problems
2. Operational Risk
   e.g. issues brought about by maintenance costs, reactive maintenance and development funding required for running the Hydro system (managed by our subsidiary Knoydart Renewables).
3. Financial and Fundraising Risk
   e.g. the charity is unable to match income with expenditure.

This work was done to enhance the ability of the company and its subsidiaries to take appropriate controlling action at an early stage. An example of this is the work undertaken by the Charity in review of its Strategy, priorities and organisational structure, with resources deployed to areas of the business requiring development, planning and funding.

All of this is part of mitigating risk factors, not only within the operations of the charity, but in the services it provides to and on behalf of the community.

d. Financial review

The group income for the year ended 31 December 2025 was £1,989k (2024 - £1,949k). We received income from donations, grants, rents and from use of the estate to fund the operational costs for the period.

Expenditure in the year ended 31 December 2025 was £1,127k (2024 - £1,098k). There is a group surplus of £861k (2024 - £851k) for the year with a surplus of £820k (2024 surplus - £215k) recorded by the parent charity.

Total group funds carried forward are £6,796k (2024 - £5,934k) of which £5,352k (2024 - £5,242) are unrestricted.

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

Structure, governance and management

a. Constitution

The Knoydart Foundation is a charitable company limited by guarantee, incorporated on 7th January 1997 and registered as a charity with effect from 1997 (Reg. No SC026246).

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association, which were amended on 22 September 2020.

In the event of the company being wound up members are required to contribute an amount not exceeding £1.

b. Methods of appointment or election of Trustees

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The board consists of voluntary directors who meet monthly. The board has 7 directors: 5 are directly elected from the resident membership (community directors) with one each being nominated by the two non-resident members, the John Muir Trust and Highland Council.

c. Governance and Internal Control

The Foundation Purposes (updated September 2022) are:

- to work for the benefit of the people of Knoydart to improve their quality of life while conserving and preserving the character and natural beauty of Knoydart and in such a manner that the needs and aspirations of the local population are acknowledged and respected.
- to advance citizenship or Community development, including rural regeneration
- to provide appropriate housing, education, employment, and recreation with the object of improving the conditions of life of the Community
- to foster and encourage education and appreciation of Knoydart and accommodate access and opportunities for those wishing to visit the area for recreation or study.

Following the Strategy Planning process in 2017/18, which included a community planning and consultation process, and discussions with staff, it was decided to seek to recruit an Operations Manager to be responsible for management of all the Foundation Group's assets, businesses, and services.

The day to day running of the charity in 2020/21 was delegated to the Operations Manager and staff teams who assist in the implementation of decisions from the Board. In 2019 an Office Manager was appointed to assist in the running of the organisation.

The charity has an induction process and information pack for directors of the Foundation and trading companies to ensure awareness and understanding of:

- the responsibilities of directors.
- the organisational structure of the foundation.
- confidentiality and conflicts of interest.
- the financial position of the foundation.
- the plans and objectives of the foundation.

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Structure, governance and management (continued)

d. Investment powers, Policy and Performance

The Foundation ensures that all funds not needed for immediate day-to-day running of the organisation are held in higher interest bank accounts that are easily accessible. This has generated some interest but remains accessible for use on projects such as the refurbishment/repair of the hydro-electric scheme, housing maintenance, etc.

e. Wider Network

The Foundation has established links with other organisations and agencies to foster the aims and objectives of the organisation, including membership of Community Land Scotland, Development Trusts Association Scotland, Rural Housing Scotland and Community Energy Scotland.

f. Volunteers

Volunteers make a valuable contribution to the work of the Knoydart Foundation in many areas. Local volunteers support the volunteer events organised by the Ranger Service in conjunction with the Knoydart Forest Trust. Land Management also host deer management volunteers throughout the stalking season. Our sincere thanks go to all.

The Team

The directors sincerely thank and acknowledge all the staff and seasonal workers for their commitment and hard work (a lot of which is hidden from view) as well as everyone who has helped us through 2025.

Plans for future periods

Started in 2017/18, the Strategic plan has gone through a number of iterations and in 2020 was updated with some headline strategic goals, on which work is ongoing.

1. Generate sustainable income
2. Find ways to evolve our visitor related activity to maximise the benefit to the local economy
3. Improve, where possible, financial performance of existing activities
4. Improve Community Engagement and Governance

Within existing operations, the Foundation will continue: -

Land Management
IIn 2025 the Foundation developed and adopted a new Land Managemnt Plan.

Ranger Services
We will look to increase the Ranger activity to improve revenue streams and provide a wider range of services to the local and visiting community.

Housing
We will complete our Housing Plan and seek approval from our members. This will include a maintenance plan for existing stock.

Property
We will increase our commercial building stock by providing necessary infrastructure for needed development.

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In Close

Finally, the directors would like to thank everyone in the community who has contributed to the work of the Foundation in the period whether by responding to consultations, volunteering, attending meetings or events, or being part of the "Friends of Knoydart".

We also want to express our thanks to all our funders and supporters for their ongoing support.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR 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 . 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

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

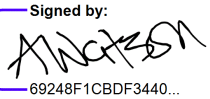
Statement of Trustees' responsibilities (CONTINUED)

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.

Approved by order of the members of the board of Trustees on 25 September 2026 and signed on their behalf by:

Signed by:

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Mrs A Watson
Chair

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE KNOYDART FOUNDATION

Opinion

We have audited the financial statements of The Knoydart Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Consolidated statement of financial activities, the Company 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 year 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 Companies Act 2006, 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 THE KNOYDART FOUNDATION (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

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 THE KNOYDART FOUNDATION (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misstatement due to fraud.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities and Trustee Investment (Scotland) Act 2005 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, reviewing management's journals and enquiries with management.

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 Auditors' report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE KNOYDART FOUNDATION (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members, as a body, and its trustees, as a body for our audit work, for this report, or for the opinions we have formed.

Signed by:
Sumer Auditco Limited
98E01EC2ED13436...

Douglas Rae (Senior statutory auditor)
for and on behalf of
Sumer Auditco Limited
Chartered Accountants
Statutory Auditor
14 City Quay
Dundee
DD1 3JA

28 September 2026

Sumer Auditco Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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THE KNOYDART FOUNDATION

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

		Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:					
Donations and legacies	3	**960,922**	**16,076**	**976,998**	*1,099,746*
Charitable activities	4	**-**	**574,453**	**574,453**	*438,781*
Other trading activities	5	**-**	**430,556**	**430,556**	*396,064*
Investments		**-**	**6,584**	**6,584**	*12,737*
Other income		**-**	**73**	**73**	*1,539*
Total income		**960,922**	**1,027,742**	**1,988,664**	*1,948,867*
Expenditure on:					
Raising funds		**-**	**346,687**	**346,687**	*328,881*
Charitable activities	7	**121,059**	**659,717**	**780,776**	*769,288*
Total expenditure		**121,059**	**1,006,404**	**1,127,463**	*1,098,169*
Net income before taxation		**839,863**	**21,338**	**861,201**	*850,698*
Taxation		**-**	**1,187**	**1,187**	*4,231*
Net income after taxation		**839,863**	**22,525**	**862,388**	*854,929*
Transfers between funds	17	**(87,272)**	**87,272**	**-**	*-*
Net movement in funds before other recognised gains/(losses)		**752,591**	**109,797**	**862,388**	*854,929*
Other recognised gains/(losses):					
Other losses		**-**	**-**	**-**	*(3,750)*
Net movement in funds		**752,591**	**109,797**	**862,388**	*851,179*
Reconciliation of funds:					
Total funds brought forward		**691,418**	**5,242,257**	**5,933,675**	*5,082,496*
Net movement in funds		**752,591**	**109,797**	**862,388**	*851,179*
Total funds carried forward		**1,444,009**	**5,352,054**	**6,796,063**	*5,933,675*

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

The notes on pages 22 to 48 form part of these financial statements.

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COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2025

		Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from :					
Donations and legacies	3	**873,650**	**116,828**	**990,478**	*273,317*
Charitable activities	4	**-**	**221,764**	**221,764**	*181,652*
Investment income		**-**	**277**	**277**	*141,315*
Other income		**-**	**733**	**733**	*2,127*
Total income		**873,650**	**339,602**	**1,213,252**	*598,411*
Expenditure on:					
Charitable activities	7	**121,059**	**272,004**	**393,063**	*383,237*
Total expenditure		**121,059**	**272,004**	**393,063**	*383,237*
Net income/(expenditure)		**752,591**	**67,598**	**820,189**	*215,174*
Net movement in funds		**752,591**	**67,598**	**820,189**	*215,174*
Reconciliation of Funds:					
Total funds brought forward		**691,418**	**1,556,538**	**2,247,956**	*2,032,782*
Net movement in funds		**752,591**	**67,598**	**820,189**	*215,174*
Total funds carried forward		**1,444,009**	**1,624,136**	**3,068,145**	*2,247,956*

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

The notes on pages 22 - 48 form part of these financial statements.

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THE KNOYDART FOUNDATION
REGISTERED NUMBER: SC171248

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

			2025 £		*2024 £*
Fixed assets					
Tangible assets	12		**5,877,328**		*5,208,056*
			5,877,328		*5,208,056*
Current assets					
Stocks		**25,354**		*25,869*	
Debtors	14	**84,398**		*141,648*	
Cash at bank and in hand		**986,388**		*827,290*	
		1,096,140		*994,807*	
Current liabilities					
Creditors: amounts falling due within one year	15	**(156,750)**		*(183,078)*	
Net current assets			**939,390**		*811,729*
Total assets less current liabilities			**6,816,718**		*6,019,785*
Creditors: amounts falling due after more than one year	16		**-**		*(64,284)*
Provisions for liabilities			**(20,655)**		*(21,826)*
Total net assets			**6,796,063**		*5,933,675*
Charity funds					
Restricted funds	17		**1,444,009**		*691,418*
Unrestricted funds	17		**5,352,054**		*5,242,257*
Total funds			**6,796,063**		*5,933,675*

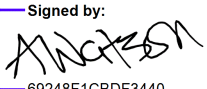
Docusign Envelope ID: 43F65A14-5B6F-8F8B-82F3-A4E2D8D19F0E

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

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.

The financial statements were approved and authorised for issue by the Trustees on 25 September 2026 and signed on their behalf by:

Signed by:

69248E1CBDF3440...

Mrs A Watson
Chair

The notes on pages 22 to 48 form part of these financial statements.

Docusign Envelope ID: 43F65A14-5B6F-8F8B-82F3-A4E2D8D19F0E

THE KNOYDART FOUNDATION
REGISTERED NUMBER: SC171248

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note		2025 £		*2024* *£*
Fixed assets					
Tangible assets	12		**2,470,336**		*1,688,443*
Investments	13		**140,002**		*140,002*
			2,610,338		*1,828,445*
Current assets					
Stocks		**273**		*278*	
Debtors	14	**19,513**		*34,476*	
Cash at bank and in hand		**500,897**		*473,979*	
		520,683		*508,733*	
Current liabilities					
Creditors: amounts falling due within one year	15	**(62,876)**		*(24,938)*	
Net current assets			**457,807**		*483,795*
Total assets less current liabilities			**3,068,145**		*2,312,240*
Creditors: amounts falling due after more than one year	16		**-**		*(64,284)*
Net assets excluding pension asset			**3,068,145**		*2,247,956*
Total net assets			**3,068,145**		*2,247,956*
Charity funds					
Restricted funds	17		**1,444,009**		*691,418*
Unrestricted funds	17		**1,624,136**		*1,556,538*
Total funds			**3,068,145**		*2,247,956*

Docusign Envelope ID: 43F65A14-5B6F-8F8B-82F3-A4E2D8D19F0E

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

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Mrs A Watson

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Docusign Envelope ID: 43F65A14-5B6F-8F8B-82F3-A4E2D8D19F0E

THE KNOYDART FOUNDATION

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

		2025 £	*2024 £*
Cash flows from operating activities			
Net cash used in operating activities	20	**1,133,258**	*996,021*
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		**-**	*16,917*
Purchase of tangible fixed assets		**(874,888)**	*(839,639)*
Interest received		**6,584**	*12,731*
Net cash used in investing activities		**(868,304)**	**(809,991)**
Cash flows from financing activities			
Repayments of borrowing		**(105,856)**	*(10,935)*
Net cash used in financing activities		**(105,856)**	**(10,935)**
Change in cash and cash equivalents in the year		**159,098**	**175,095**
Cash and cash equivalents at the beginning of the year		**827,290**	*652,195*
Cash and cash equivalents at the end of the year	21	**986,388**	*827,290*

The notes on pages 22 to 48 form part of these financial statements

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

		2025 £	*2024 £*
Cash flows from operating activities			
Net cash used in operating activities	20	**923,052**	*262,286*
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		**-**	*7,917*
Purchase of tangible fixed assets		**(828,278)**	*(76,708)*
Net cash used in investing activities		**(828,278)**	**(68,791)**
Cash flows from financing activities			
Repayments of borrowing		**(67,856)**	*(3,935)*
Net cash used in financing activities		**(67,856)**	**(3,935)**
Change in cash and cash equivalents in the year		**26,918**	**189,560**
Cash and cash equivalents at the beginning of the year		**473,979**	*284,419*
Cash and cash equivalents at the end of the year	21	**500,897**	*473,979*

The notes on pages 22 to 48 form part of these financial statements

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

1. General information

Knoydart Foundation is a Company Limited by Guarantee, incorporated in Scotland with a company registration number of SC171248 and a charity registration number of SC026246. The registered office is located at The Office, Knoydart, Inverness Shire, PH41 4PL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Knoydart Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertakings. The results of the subsidiaries 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 .

2.2 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.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Company's accounting policies.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities upon the completion of the relevant performance-related conditions. Other grants that are not subject to performance-related conditions are credited to the Consolidated statement of financial activities as the grant proceeds are received. Grants received prior to the revenue recognition criteria being satisfied are recognised as a liability.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 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.

The same exemption does not apply to the subsidiary undertakings.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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 are included in the measurement of cost.

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2. Accounting policies (continued)

2.7 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, as follows.

Depreciation is provided on the following basis:

Land and property	-	1.0%	straight line
Plant and machinery	-	15.0%	or 25.0% reducing balance
Motor vehicles	-	25.0%	reducing balance
Assets under construction	-		not depreciated
Furnished Holiday Lets (inc in Land and property)	-	10.0%	straight line
Hydro-electric generation (inc in Plant and machinery)	-	5.0%	reducing balance
Electric transmission equipment (inc in Plant and machinery)	-	2.5%	reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 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.

2.10 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.

2.11 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.

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2. Accounting policies (continued)

2.12 Liabilities

Liabilities and provisions 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.

2.13 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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

3. Income from donations and grants

Group

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Donations	1,943	14,501	**16,444**
Grants	958,979	-	**958,979**
Government grants	-	1,575	**1,575**
	960,922	16,076	**976,998**

	Restricted funds 2024 £	*Unrestricted funds 2024* £	*Total funds 2024* £
Donations	-	*78,252*	*78,252*
Grants	*1,019,395*	-	*1,019,395*
Government grants	-	*2,099*	*2,099*
	1,019,395	*80,351*	*1,099,746*

Docusign Envelope ID: 43F65A14-5B6F-8F8B-82F3-A4E2D8D19F0E

. Income from donations and grants (continued)

Parent

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Charity donations	1,943	116,828	**118,771**
Charity grants	871,707	-	**871,707**
Total 2025	873,650	116,828	**990,478**

	Restricted funds 2024 £	*Unrestricted funds 2024 £*	*Total funds 2024 £*
Charity donations	*-*	*77,333*	*77,333*
Charity grants	*195,984*	*-*	*195,984*
Total 2024	*195,984*	*77,333*	*273,317*

4. Income from charitable activities

Group

	Unrestricted funds 2025 £	Total funds 2025 £
Rental income and hires	253,958	**253,958**
Ranger income	71,751	**71,751**
Support of community charitable activities	354	**354**
Land & deer management	56,949	**56,949**
Generation and supply of electricity	191,441	**191,441**
	574,453	**574,453**

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4. Income from charitable activities (continued)

	Unrestricted funds 2024 £	*Total funds 2024 £*
Rental income and hires	*214,022*	*214,022*
Ranger income	*48,138*	*48,138*
Land & deer management	*45,696*	*45,696*
Generation and supply of electricity	*130,925*	*130,925*
	438,781	*438,781*

Parent

	Unrestricted funds 2025 £	**Total funds 2025 £**
Rental income and hires	64,230	**64,230**
Ranger income	71,751	**71,751**
Support of community charitable activities	23,050	**23,050**
Land & deer management	62,733	**62,733**
Total 2025	221,764	**221,764**

	Unrestricted funds 2024 £	*Total funds 2024 £*
Rental income and hires	*66,455*	*66,455*
Ranger income	*48,138*	*48,138*
Support of community charitable activities	*20,800*	*20,800*
Land & deer management	*46,259*	*46,259*
Total 2024	*181,652*	*181,652*

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

5. Income from other trading activities

Income from non charitable trading activities

All income from non charitable trading activities was received by subsidiaries of Knoydart Foundation.

	Unrestricted funds 2025 £	Total funds 2025 £
The Shop	367,675	**367,675**
Renewable Obligation Certificates	62,881	**62,881**
	430,556	**430,556**

	Unrestricted funds 2024 £	*Total funds 2024 £*
The Shop	*337,470*	*337,470*
Renewable Obligation Certificates	*58,594*	*58,594*
	396,064	*396,064*

6. Expenditure on raising funds

The cost of raising funds represents the Cost of Sales incurred by The Shop, a trading activity operated by Knoydart Trading Limited, and a proportion of the administration costs incurred by Knoydart Trading Limited in respect of the operation of The Shop.

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

7. Analysis of expenditure on charitable activities

Summary by fund type

Group

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £
Rental income and hires	4,874	95,656	**100,530**
Ranger income	13,389	31,618	**45,007**
Support of group charitable activities	-	4,937	**4,937**
Land & Deer Management	74,004	19,648	**93,652**
Development work	25,592	-	**25,592**
General Estate	3,200	188,679	**191,879**
Generation and supply of electricity	-	319,179	**319,179**
	121,059	659,717	**780,776**

	Restricted funds 2024 £	*Unrestricted funds 2024 £*	*Total 2024 £*
Rental income and hires	*4,874*	*81,867*	*86,741*
Ranger income	*21,505*	*20,353*	*41,858*
Support of group charitable activities	-	*8,195*	*8,195*
Land & Deer Management	*38,262*	*77,146*	*115,408*
Development work	*14,065*	-	*14,065*
General Estate	*5,066*	*151,563*	*156,629*
Generation and supply of electricity	-	*346,392*	*346,392*
	83,772	*685,516*	*769,288*

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Analysis of expenditure on charitable activities (continued)

Summary by fund type

Parent

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Affordable housing	4,874	27,932	**32,806**
Ranger income	13,389	33,050	**46,439**
Support of group charitable activities	-	2,548	**2,548**
Land & Deer Management	74,004	18,363	**92,367**
Development work	25,592	-	**25,592**
General Estate	3,200	190,111	**193,311**
Total 2025	121,059	272,004	**393,063**

	Restricted funds 2024 £	*Unrestricted funds 2024 £*	*Total funds 2024 £*
Rental income and hires	*4,874*	*45,952*	*50,826*
Ranger income	*21,505*	*20,417*	*41,922*
Support of group charitable activities	*-*	*4,845*	*4,845*
Land & Deer Management	*38,262*	*77,146*	*115,408*
Development work - Direct costs	*14,065*	*-*	*14,065*
General Estate	*5,066*	*151,105*	*156,171*
Total 2024	*83,772*	*299,465*	*383,237*

Docusign Envelope ID: 43F65A14-5B6F-8F8B-82F3-A4E2D8D19F0E

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

8. Analysis of expenditure by activities

Group

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Rental income and hires	42,968	57,562	**100,530**
Ranger income	38,814	6,193	**45,007**
Support of group charitable activities	2,486	2,451	**4,937**
Land & Deer Management	76,336	17,316	**93,652**
Development work	-	25,592	**25,592**
General Estate	-	191,879	**191,879**
Generation and supply of electricity	298,778	20,401	**319,179**
	459,382	321,394	**780,776**

	Activities undertaken directly 2024 £	*Support costs 2024 £*	*Total funds 2024 £*
Rental income and hires	*42,234*	*44,507*	*86,741*
Ranger income	*29,256*	*12,602*	*41,858*
Support of group charitable activities	*6,262*	*1,933*	*8,195*
Land & Deer Management	*105,229*	*10,179*	*115,408*
Development work	-	*14,065*	*14,065*
General Estate	-	*156,629*	*156,629*
Generation and supply of electricity	*318,885*	*27,507*	*346,392*
	501,866	*267,422*	*769,288*

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Analysis of expenditure by activities (continued)

Parent

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Rental income and hires	32,806	-	**32,806**
Ranger income	38,838	7,601	**46,439**
Support of group charitable activities	1,423	1,125	**2,548**
Land & Deer Management	76,336	16,031	**92,367**
Local development officer	-	25,592	**25,592**
General Estate	-	193,311	**193,311**
Total 2025	149,403	243,660	**393,063**

	Activities undertaken directly 2024 £	*Support costs 2024 £*	*Total funds 2024 £*
Rental income and hires	*44,593*	*6,233*	*50,826*
Ranger income	*29,285*	*12,637*	*41,922*
Support of group charitable activities	*4,845*	*-*	*4,845*
Land & Deer Management	*105,229*	*10,179*	*115,408*
Development work - Direct costs	*-*	*14,065*	*14,065*
General Estate	*-*	*156,171*	*156,171*
Total 2024	*183,952*	*199,285*	*383,237*

9. Auditors' remuneration

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Fees payable to the Group's auditor and associates for:				
the audit of the annual accounts	**13,167**	*8,750*	**8,333**	*5,500*
non-audit services	**39,300**	*44,935*	**16,669**	*19,701*
	52,467	*53,685*	**25,002**	*25,201*

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

10. Staff costs

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Wages and salaries	**292,975**	*279,190*	**183,123**	*173,022*
Social security costs	**19,316**	*15,478*	**7,200**	*8,375*
Contribution to defined contribution pension schemes	**8,607**	*7,254*	**5,020**	*4,723*
	320,898	*301,922*	**195,343**	*186,120*

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

	Group 2025 No.	*Group 2024 No.*	Company 2025 No.	*Company 2024 No.*
Employees	**40**	*39*	**16**	*18*

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

The total employee benefits of the key personnel amounted to £27,552 (2024 - £32,895).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 December 2025, no Trustee expenses have been incurred *(2024 - £NIL)*.

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

12. Tangible fixed assets

Group

	Land and property £	Plant and machinery £	Motor vehicles £	Assets under construction £	Total £
Cost or valuation					
At 1 January 2025	**1,696,618**	**5,332,024**	**29,568**	**-**	**7,058,210**
Additions	**18,033**	**46,610**	**31,000**	**779,245**	**874,888**
At 31 December 2025	**1,714,651**	**5,378,634**	**60,568**	**779,245**	**7,933,098**
Depreciation					
At 1 January 2025	**210,040**	**1,615,564**	**24,550**	**-**	**1,850,154**
Charge for the year	**8,859**	**187,753**	**9,004**	**-**	**205,616**
At 31 December 2025	**218,899**	**1,803,317**	**33,554**	**-**	**2,055,770**
Net book value					
At 31 December 2025	**1,495,752**	**3,575,317**	**27,014**	**779,245**	**5,877,328**
At 31 December 2024	*1,486,578*	*3,716,460*	*5,018*	*-*	*5,208,056*

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12. Tangible fixed assets (continued)

Company

	Land and property £	Plant and machinery £	Motor vehicles £	Assets under construction £	Total £
Cost or valuation					
At 1 January 2025	**1,647,047**	**345,061**	**22,010**	**-**	**2,014,118**
Additions	**18,033**	**-**	**31,000**	**779,245**	**828,278**
At 31 December 2025	**1,665,080**	**345,061**	**53,010**	**779,245**	**2,842,396**
Depreciation					
At 1 January 2025	**160,469**	**143,962**	**21,244**	**-**	**325,675**
Charge for the year	**8,859**	**29,585**	**7,941**	**-**	**46,385**
At 31 December 2025	**169,328**	**173,547**	**29,185**	**-**	**372,060**
Net book value					
At 31 December 2025	**1,495,752**	**171,514**	**23,825**	**779,245**	**2,470,336**
At 31 December 2024	*1,486,578*	*201,099*	*766*	*-*	*1,688,443*

13. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2025	**140,002**
At 31 December 2025	**140,002**

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FOR THE YEAR ENDED 31 DECEMBER 2025

13. Fixed asset investments (continued)

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding
Knoydart Trading Limited	SC197191	The Knoydart Foundation Office, Inverie, Knoydart, Mallaig, Inverness Shire, PH41 4PL	Commerce	Ordinary	100%
Knoydart Renewables Limited	SC197192	The Knoydart Foundation Office, Inverie, Knoydart, Mallaig, Inverness Shire, PH41 4PL	Energy generation	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
Knoydart Trading Limited	**573,183**	**(457,513)**	**115,670**	**163,654**
Knoydart Renewables Limited	**419,689**	**(336,088)**	**83,601**	**527,674**

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14. Debtors

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Due after more than one year				
Other debtors	**3,200**	*6,400*	**3,200**	*6,400*
	3,200	*6,400*	**3,200**	*6,400*
Due within one year				
Trade debtors	**55,021**	*28,894*	**8,759**	*3,839*
Amounts owed by group undertakings	**-**	*-*	**4,034**	*20,705*
Other debtors	**2,028**	*69,538*	**1,979**	*1,106*
Prepayments and accrued income	**24,149**	*36,816*	**1,541**	*2,426*
	84,398	*141,648*	**19,513**	*34,476*

15. Creditors: Amounts falling due within one year

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Bank loans	**-**	*3,572*	**-**	*3,572*
Other loans	**-**	*38,000*	**-**	*-*
Trade creditors	**4,815**	*6,528*	**164**	*1,536*
Other taxation and social security	**7,504**	*8,377*	**-**	*-*
Pension contributions payable	**908**	*850*	**908**	*850*
Other creditors	**38,089**	*2,454*	**35,995**	*1,015*
Accruals and deferred income	**105,434**	*123,297*	**25,809**	*17,965*
	156,750	*183,078*	**62,876**	*24,938*

The Scottish Ministers have a security for all sums due, or to become due, over various areas of groud at Inverie in respect of the grant funding provided.

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

16. Creditors: Amounts falling due after more than one year

	Group 2025 £	*Group 2024 £*	**Company 2025 £**	*Company 2024 £*
Bank loans	**-**	*64,284*	**-**	*64,284*

All bank borrowings were repaid in the year, no amounts are due at the year end,

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

17. Statement of funds

Other than those funds which are marked as belonging to a subsidiary, all funds are held in the parent charity.

Statement of funds - current year

	Balance at 1 January 2025 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2025 £
Unrestricted funds					
Designated funds					
Knoydart Estate	**769,444**	**-**	**(4,735)**	**-**	**764,709**
Inverie Bheag - Bunkhouse	**57,232**	**1,715**	**(3,068)**	**-**	**55,879**
Designated Ranger Fund	**-**	**70,036**	**(28,548)**	**-**	**41,488**
Climate Conversations	**575**	**-**	**-**	**-**	**575**
	827,251	**71,751**	**(36,351)**	**-**	**862,651**
General funds					
Knoydart Foundation	**731,572**	**205,493**	**(174,134)**	**-**	**762,931**
Knoydart Trading	**151,320**	**469,114**	**(458,644)**	**138,306**	**300,096**
Knoydart Renewables	**304,073**	**281,384**	**(336,088)**	**-**	**249,369**
Knoydart Renewables - deferred grant receipts	**3,228,041**	**-**	**-**	**(51,034)**	**3,177,007**
	4,415,006	**955,991**	**(968,866)**	**87,272**	**4,489,403**
Total Unrestricted funds	**5,242,257**	**1,027,742**	**(1,005,217)**	**87,272**	**5,352,054**

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

17. Statement of funds (continued)

	Balance at 1 January 2025 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2025 £
Restricted funds					
Investments in CIC	**6,400**	**-**	**(3,200)**	**-**	**3,200**
Natural Burial Ground	**4,039**	**-**	**(40)**	**-**	**3,999**
Housing and Properties	**174,624**	**-**	**-**	**-**	**174,624**
Ranger service	**-**	**13,389**	**(13,389)**	**-**	**-**
Workers' accommodation project	**-**	**822,611**	**(36,673)**	**-**	**785,938**
Knoydart Community Action Group	**9,985**	**-**	**-**	**-**	**9,985**
RHF Feasibility Grant	**10,785**	**-**	**-**	**-**	**10,785**
Website funding	**900**	**-**	**-**	**-**	**900**
Website Funding	**1,533**	**-**	**-**	**-**	**1,533**
FIRNS	**-**	**31,650**	**(57,912)**	**-**	**(26,262)**
Milburn project	**349,838**	**6,000**	**(9,148)**	**-**	**346,690**
Knoydart Renewables - ESP funding	**-**	**87,272**	**-**	**(87,272)**	**-**
Natural heritage	**21,395**	**-**	**-**	**-**	**21,395**
Blackhills project	**111,919**	**-**	**(697)**	**-**	**111,222**
	691,418	**960,922**	**(121,059)**	**(87,272)**	**1,444,009**
Total of funds	**5,933,675**	**1,988,664**	**(1,126,276)**	**-**	**6,796,063**

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17. Statement of funds (continued)

Investments in CIC reflects funds invested in a local Community Interest Company.

The Natural Burial Ground fund is funds received to investigate the possibility of developing a natural burial ground on the peninsula.

The Housing and Properties fund represents restricted assets utilised to make accommodation available for residents in the community.

The Ranger Service fund is restricted funding towards the operation of the ranger service.

The Workers' accommodation project is a project established to build short-term accommodation for visiting workers to the community.

Knoydart Community Action Group is funding for climate activities on Knoydart.

RHF Feasibility Grant is to explore the feasibility of certain works as part of the Millburn project.

Website funding is funds received for upgrading the Knoydart Foundation website.

Smokery building is funding towards planning permission for a new smokery building.

Milburn project relates to the acquisition of Milburn cottage and its refurbishment to provide accommodation on the peninsula.

Knoydart Renewables ESP funding relates to the Energy Security Project.

Natural Heritage funding relates to a joint project with Knoydart Forest Trust to do with reforestation.

The Blackhills Project is a long-term project for deer management.

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17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2024 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 December 2024 £*
Unrestricted funds						
Designated funds						
Knoydart Estate	*773,186*	-	*(3,742)*	-	-	*769,444*
Inverie Bheag - Bunkhouse	*57,232*	-	-	-	-	*57,232*
Designated Ranger Fund	*109,810*	*48,138*	*(18,738)*	*(139,210)*	-	-
Climate Conversations	*575*	-	-	-	-	*575*
	940,803	*48,138*	*(22,480)*	*(139,210)*	-	*827,251*

	Balance at 1 January 2024 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 December 2024 £*
General funds						
Knoydart Foundation	*374,498*	*289,725*	*(201,117)*	*272,216*	*(3,750)*	*731,572*
Knoydart Trading	*94,256*	*510,060*	*(419,990)*	*(33,006)*	-	*151,320*
Knoydart Renewables	*548,299*	*81,549*	*(366,579)*	*40,804*	-	*304,073*
Knoydart Renewables - deferred grant receipts	*2,545,434*	-	-	*682,607*	-	*3,228,041*
	3,562,487	*881,334*	*(987,686)*	*962,621*	*(3,750)*	*4,415,006*
Total Unrestricted funds	*4,503,290*	*929,472*	*(1,010,166)*	*823,411*	*(3,750)*	*5,242,257*

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

17. Statement of funds (continued)

Restricted funds						
Investments in CIC	*9,600*	*-*	*(3,200)*	*-*	*-*	*6,400*
Natural Burial Ground	*-*	*4,110*	*(71)*	*-*	*-*	*4,039*
Housing and Properties	*179,498*	*-*	*(4,874)*	*-*	*-*	*174,624*
Ranger service	*-*	*21,505*	*(21,505)*	*-*	*-*	*-*
Workers' accommodation project	*-*	*7,265*	*(7,265)*	*-*	*-*	*-*
Knoydart Community Action Group	*9,985*	*-*	*-*	*-*	*-*	*9,985*
RHF Feasibility Grant	*-*	*10,785*	*-*	*-*	*-*	*10,785*
Website funding	*-*	*3,325*	*(1,792)*	*-*	*-*	*1,533*
Smokery building	*-*	*900*	*-*	*-*	*-*	*900*
Milburn project	*345,426*	*11,215*	*(6,803)*	*-*	*-*	*349,838*
Knoydart Renewables - ESP funding	*-*	*823,411*	*-*	*(823,411)*	*-*	*-*
Natural heritage	*-*	*39,562*	*(18,167)*	*-*	*-*	*21,395*
Blackhills project	*34,697*	*97,317*	*(20,095)*	*-*	*-*	*111,919*
	579,206	*1,019,395*	*(83,772)*	*(823,411)*	*-*	*691,418*
Total of funds	*5,082,496*	*1,948,867*	*(1,093,938)*	*-*	*(3,750)*	*5,933,675*

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

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2025 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2025 £
Designated funds	**827,251**	**71,751**	**(36,351)**	**-**	**862,651**
General funds	**4,415,006**	**955,991**	**(968,866)**	**87,272**	**4,489,403**
Restricted funds	**691,418**	**960,922**	**(121,059)**	**(87,272)**	**1,444,009**
	5,933,675	**1,988,664**	**(1,126,276)**	**-**	**6,796,063**

Summary of funds - prior year

	Balance at 1 January 2024 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 December 2024 £*
Designated funds	*940,803*	*48,138*	*(22,480)*	*(139,210)*	*-*	*827,251*
General funds	*3,562,487*	*881,334*	*(987,686)*	*962,621*	*(3,750)*	*4,415,006*
Restricted funds	*579,206*	*1,019,395*	*(83,772)*	*(823,411)*	*-*	*691,418*
	5,082,496	*1,948,867*	*(1,093,938)*	*-*	*(3,750)*	*5,933,675*

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,129,083	4,748,245	**5,877,328**
Debtors due after more than one year	-	3,200	**3,200**
Current assets	314,926	778,014	**1,092,940**
Creditors due within one year	-	(156,750)	**(156,750)**
Provisions for liabilities and charges	-	(20,655)	**(20,655)**
Total	1,444,009	5,352,054	**6,796,063**

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2024 £	*Unrestricted funds 2024* £	*Total funds 2024* £
Tangible fixed assets	*524,462*	*4,683,594*	*5,208,056*
Debtors due after more than one year	*-*	*6,400*	*6,400*
Current assets	*166,956*	*821,451*	*988,407*
Creditors due within one year	*-*	*(183,078)*	*(183,078)*
Creditors due in more than one year	*-*	*(64,284)*	*(64,284)*
Provisions for liabilities and charges	*-*	*(21,826)*	*(21,826)*
Total	*691,418*	*5,242,257*	*5,933,675*

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

	Group 2025 £	*Group 2024 £*	**Company 2025 £**	*Company 2024 £*
Net income for the year (as per Statement of Financial Activities)	**862,388**	*854,929*	**820,189**	*215,174*
Adjustments for:				
Depreciation charges	**205,616**	*210,048*	**46,385**	*42,372*
Decrease/(increase) in stocks	**515**	*(3,209)*	**5**	*10*
Decrease/(increase) in debtors	**57,250**	*(18,457)*	**14,963**	*24,059*
(Decrease)/increase in creditors	**16,246**	*(10,610)*	**41,510**	*(19,329)*
Interest received	**(6,584)**	*(12,731)*	**-**	*-*
Tax charge	**-**	*(4,231)*	**-**	*-*
Tax paid	**(2,173)**	*(19,718)*	**-**	*-*
Net cash provided by operating activities	**1,133,258**	*996,021*	**923,052**	*262,286*

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

21. Analysis of cash and cash equivalents

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Cash in hand	**986,388**	*827,290*	**500,897**	*473,979*
Total cash and cash equivalents	**986,388**	*827,290*	**500,897**	*473,979*

22. Analysis of changes in net debt

	At 1 January 2025 £	Cash flows £	At 31 December 2025 £
Cash at bank and in hand	**827,290**	**159,098**	**986,388**
Debt due within 1 year	**(42,422)**	**41,514**	**(908)**
Debt due after 1 year	**(64,284)**	**64,284**	**-**
	720,584	**264,896**	**985,480**

23. Capital commitments

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Contracted for but not provided in these financial statements				
Purchase, construction or development of property	**275,973**	*927,185*	**275,973**	*927,185*

24. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £8,607 (2024 - £7,254). £1,639 (2024 - £1,446) was payable to the fund at the balance sheet date and is included in creditors.

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25. Related party transactions

During the year the following related party transactions took place:

Knoydart Foundation paid £357 for repairs work and £214 for construction work to Benjamin Ruddle (Foundation Director)
Knoydart Foundation paid £60 for 2 hours of labour to Tom Harris (Foundation Director)
Knoydart Foundation paid £300 for excavation of a car park to Calum Wilson (Foundation Director)
Knoydart Foundation paid £30 for meeting minute taking to Regan Nunn (Foundation Director)
Knoydart Foundation received £150 for the rental of a Garden from Jacqueline Wallace (KMP)