

Company registration number SC101235 (Scotland)

Charity registration number SC008403 (Scotland)

HIGHLAND HISTORIC BUILDINGS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

HIGHLAND HISTORIC BUILDINGS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A M Bennett J R Smith
Secretary	D R R Graham
Charity number (Scotland)	SC008403
Company number	SC101235
Registered office	Redwood 19 Culduthel Road Inverness IV2 4AA
Independent examiner	Rhona Wilson BA, FCCA MacKenzie Kerr Limited Chartered Accountants Redwood 19 Culduthel Road Inverness IV2 4AA
Bankers	Royal Bank of Scotland plc Unit 1 and Unit 2 Falcon Square Inverness IV2 3PP

HIGHLAND HISTORIC BUILDINGS TRUST

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HIGHLAND HISTORIC BUILDINGS TRUST

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

The trustees present their annual report and financial statements for the year ended 31 December 2025.

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 Trust's Memorandum and Articles of Association, 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

Public benefit

The Trust's objects are:

To promote and encourage, either on its own or in conjunction with others, the maintenance and improvement of the amenity of the geographical area of the Highlands and Islands, and the protection and preservation of the area's landscape and historical and architectural heritage, by any means and, in particular, by the acquisition of such lands and buildings of historical, architectural or constitutional interest as the Council of Management for the time being of the Trust may select for the purpose of restoration and sale or lease, subject to such legally valid restrictions as will ensure preservation of such lands and buildings.

The principal activities employed to achieve the Trust's objectives are as follows:

- Restoration, renovation and repair of buildings and other structures of historic and/or architectural significance through direct purchase of the building and then either onward resale or retention of property by the Trust.
- Advice to other organisations on funding applications before they are submitted, or reading and commenting on option appraisals before they are finalised.
- Preparation of feasibility studies. The Trust may be directly asked to co-ordinate and prepare a feasibility study on the options for a building.
- Contract-based project delivery where the building is owned throughout by another party. The Trust will report directly to the trustees or directors of the other party.
- Promotion of the wider educational objectives of the Trust, particularly in the local community.

HIGHLAND HISTORIC BUILDINGS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Achievements and performance

Significant activities and achievements against objectives

Throughout the period, the work carried out was further consideration of the external evaluation of the Trust by Community Enterprise Scotland under their 'Accelerate' Programme. As a result, the Trustees considered that the best way forward to ensure that the Objects of the Trust were achieved would be to explore a possible collaboration with Scottish Historic Buildings Trust (SHBT), a registered charity whose Objects closely aligned with those of the Trust.

In April 2025, a Memorandum of Understanding was agreed between the Trust and SHBT with the primary objective to establish SHBT as the lead organization dedicated to historic buildings for the Highlands and Islands with dedicated representation and resources allocated to the Highlands and Islands. The Memorandum required both parties to work together to agree the transfer of all assets and liabilities from HHT to SHBT, assets to include any cash in hand, heritable property, intellectual property and any other assets of whatever nature and wheresoever situated. At a Meeting on 14 November 2025 the Trust formally agreed to implement the Memorandum of Understanding as it was considered it was in the best interests of the Trust to do so. The necessary work has been progressing in the period under review.

As part of the process, SHBT has established a Highland Working Group (HWG) whose remit is to include (a) providing strategic and operational advice to SHBT on heritage projects in the Highlands and Islands (b) ensure continuity of the Trust's legacy and local expertise following its integration with SHBT and (c) support SHBT's charitable objects in the region through collaboration, advocacy and community engagement.

It is envisaged that the HWG will meet quarterly and will report to the Board of SHBT. In this way, it is planned that the interests of historic buildings in the Highlands and Islands will be advanced.

Financial review

The main sources of income and expenditure during the period are shown in the accounts. During the year, the company recorded a surplus of £3,199 (2024 - deficit for the year £1,262) in unrestricted funds, leaving a balance in surplus at the year end of £2,323 (2024 - deficit at the year end £876).

Reserves policy

It is the policy of the Trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised. As this level of reserves has not been maintained throughout the year the trustees will be actively seeking out funding to restore the balance held to a positive position.

Restricted funds of £990 are held for the purpose of the Easter Ross Churches Heritage Trail and a further £638 in connection with Viewhill House, Inverness.

Major risks

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate its exposure to the major risks. Risk assessments are completed on a project basis which comprise:

- 1 review of the risks which the Trust may face;
- 2 the establishment of systems and procedures to mitigate those risks identified; and
- 3 risks materialise, the implementation of procedures designed to minimise any potential impact on the Trust should any of those risks materialise.

Plans for future periods

These will be developed with the input of the SHBT Highland Working Group.

HIGHLAND HISTORIC BUILDINGS TRUST

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

Structure, governance and management

The Trust is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 8 October 1986 as amended by special resolution dated 13 November 1998. It is registered as a charity with the Office of the Scottish Charity Regulator. There are two categories of membership; Corporate Membership and Individual Membership. Each member undertakes to contribute an amount not exceeding £1 in the event of the charity being wound up.

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:

A M Bennett	
K A Johnston	(Resigned 14 November 2025)
J H MacDonald	(Resigned 14 November 2025)
M MacGruer	(Resigned 14 November 2025)
Ms Mary Miers	(Resigned 14 November 2025)
H W Munro	(Resigned 14 November 2025)
J R Smith	
Cllr A Sinclair - Highland Council Nominee	(Resigned 14 November 2025)
Cllr WA Boyd - Highland Council Nominee	(Resigned 14 November 2025)

Recruitment and appointment of trustees

There are two categories of trustee; Nominated Trustee and Elected Trustee. Nominated Trustees are appointed by the Highland Council and serve from appointment until the conclusion of each elected term and are then eligible for reappointment.

The Trust may elect as an Elected Trustee any individual member who has given notice of willingness to accept appointment. The trustees may appoint any individual member to be an Elected Trustee at any time either to fill a vacancy or as an additional trustee.

The trustees may at any time appoint any non member other than an employee of the company to be an expert adviser, where the trustees consider that they have special skills or experience which would be of assistance to the board.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

Trustees shall be appointed to the offices of Chair and any other offices which the trustees may consider appropriate, these appointments being made at meetings of trustees. Each office shall be held until the conclusion of the annual general meeting which follows the appointment, but a trustee whose period of office expires at the annual general meeting may be reappointed. The Board of Trustees meets when considered necessary and issues updates which includes a report to the board members, seeking any observations.

A committee has been established to consider the vision, purpose and strategy of the trust.

Induction and training of trustees

New trustees are briefed on their legal obligations under Charity and Company Law and are given a copy of the Memorandum and Articles of Association, the most recent budget and recent financial statements and management accounts of the company. All trustees are offered training in their responsibilities.

Other matters

Day to Day Management

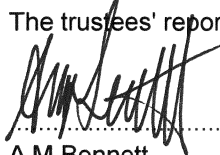
Day to day management is carried out by the Chairman and his fellow trustees and they are supported by Glyn Young, a chartered surveyor specialising in building conservation.

HIGHLAND HISTORIC BUILDINGS TRUST

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

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



A M Bennett
Trustee

Date: 5/3/26

HIGHLAND HISTORIC BUILDINGS TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HIGHLAND HISTORIC BUILDINGS TRUST

I report on the financial statements of the Trust for the year ended 31 December 2025, which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The charity trustees (who are also the directors of Highland Historic Buildings 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 Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trust trustees consider that the audit requirement of Regulation 10(1)(a)-(c) of the Charities Accounts (Scotland) Regulations 2006 does not apply.

It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1)(a) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006, and
- to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006

have not been met, or

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



Rhona Wilson BA, FCCA

Mackenzie Kerr Limited

Chartered Accountants

Redwood

19 Culduthel Road

Inverness

IV2 4AA

Date: 5 March 2026

HIGHLAND HISTORIC BUILDINGS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	2	67,478	-	67,478	-	-	-
Charitable activities	3	-	-	-	-	2,500	2,500
Other trading activities	4	417	-	417	-	-	-
Investments	5	191	-	191	-	-	-
Total income		<u>68,086</u>	<u>-</u>	<u>68,086</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>
Expenditure on:							
Raising funds	6	-	-	-	100	-	100
Charitable activities	7	64,887	-	64,887	1,162	2,037	3,199
Total expenditure		<u>64,887</u>	<u>-</u>	<u>64,887</u>	<u>1,262</u>	<u>2,037</u>	<u>3,299</u>
Net income/(expenditure) and movement in funds		3,199	-	3,199	(1,262)	463	(799)
Reconciliation of funds:							
Fund balances at 1 January 2025		(876)	1,628	752	386	1,165	1,551
Fund balances at 31 December 2025		<u>2,323</u>	<u>1,628</u>	<u>3,951</u>	<u>(876)</u>	<u>1,628</u>	<u>752</u>

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

HIGHLAND HISTORIC BUILDINGS TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	£	2024 £	£
Current assets					
Debtors	12	40		39	
Cash at bank and in hand		5,926		1,614	
		<u>5,966</u>		<u>1,653</u>	
Creditors: amounts falling due within one year	13	(2,015)		(901)	
Net current assets			<u>3,951</u>		<u>752</u>
The funds of the Trust					
Restricted income funds	14		1,628		1,628
Unrestricted funds	15		2,323		(876)
			<u>3,951</u>		<u>752</u>

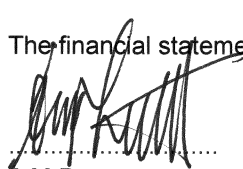
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2025.

The directors 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 5/3/26


A M Bennett
Trustee

HIGHLAND HISTORIC BUILDINGS TRUST

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

1 Accounting policies

Charity information

Highland Historic Buildings Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Redwood, 19 Culduthel Road, Inverness, IV2 4AA.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Trust's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

From 1st January 2026, the activities of Highland Historic Buildings Trust are to be merged with Scottish Historic Building Trust and the company will cease to exist.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

1.4 Income

Income is recognised when the Trust 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.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation 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 has been classified under headings that aggregate all cost related to the 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.

1.6 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.

HIGHLAND HISTORIC BUILDINGS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies (Continued)

1.7 Financial instruments

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

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

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

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.

Derecognition of financial liabilities

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

1.8 Taxation

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

2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	67,478	-

HIGHLAND HISTORIC BUILDINGS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

3 Income from charitable activities

	Restricted funds 2025 £	Restricted funds 2024 £
General activities		
Grants received	-	2,500
	<u> </u>	<u> </u>

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Administration fee	417	-
	<u> </u>	<u> </u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	191	-
	<u> </u>	<u> </u>

6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Other fundraising costs	-	100
	<u> </u>	<u> </u>

HIGHLAND HISTORIC BUILDINGS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

7 Expenditure on charitable activities

	General activities 2025 £	General activities 2024 £
Direct costs		
Website hosting	263	428
Survey	-	1,862
Sundry	(85)	9
Merger lunch	695	-
Donations	62,000	-
	<u>62,873</u>	<u>2,299</u>
Share of support and governance costs (see note 8)		
Governance	2,014	900
	<u>64,887</u>	<u>3,199</u>
Analysis by fund		
Unrestricted funds	64,887	1,162
Restricted funds	-	2,037
	<u>64,887</u>	<u>3,199</u>

8 Support costs allocated to activities

	2025 £	2024 £
Governance costs	2,014	900
Analysed between:		
General activities	2,014	900

9 Trustees

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

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

HIGHLAND HISTORIC BUILDINGS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

11 Taxation

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

12 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Other debtors	40	39
	<u> </u>	<u> </u>

13 Creditors: amounts falling due within one year

	2025 £	2024 £
Other creditors	2,015	901
	<u> </u>	<u> </u>

14 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2025 £	Incoming resources £	Resources expended £	At 31 December 2025 £
Easter Ross Churches Heritage Trail	990	-	-	990
Viewhill House	638	-	-	638
	<u>1,628</u>	<u>-</u>	<u>-</u>	<u>1,628</u>

Previous year:	At 1 January 2024 £	Incoming resources £	Resources expended £	At 31 December 2024 £
Easter Ross Churches Heritage Trail	1,165	-	(175)	990
Viewhill House	-	2,500	(1,862)	638
	<u>1,165</u>	<u>2,500</u>	<u>(2,037)</u>	<u>1,628</u>

HIGHLAND HISTORIC BUILDINGS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

15 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 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
General funds	(876)	68,086	(64,887)	2,323
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
General funds	386	-	(1,262)	(876)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 December 2025:			
Current assets/(liabilities)	2,323	1,628	3,951
	<u> </u>	<u> </u>	<u> </u>
	2,323	1,628	3,951
	<u> </u>	<u> </u>	<u> </u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 December 2024:			
Current assets/(liabilities)	(876)	1,628	752
	<u> </u>	<u> </u>	<u> </u>
	(876)	1,628	752
	<u> </u>	<u> </u>	<u> </u>

17 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).