

# The Argyll and Sutherland Highlanders Museum Trust

Scotland · Charity number SC042084

## Details

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Status	Active
Legal form	Trust (founding document is a deed of trust) (other than educational endowment)
Registered	2011-02-11
Register	<a href="#">View on the OSCR register</a>

## Contact

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Address	The Castle Esplanade Stirling FK8 1EH
Website	<a href="http://www.argylls.co.uk">www.argylls.co.uk</a>

## Activities

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**Activities:** 'It makes grants, donations, loans, gifts or pensions to individuals','It makes grants, donations or gifts to organisations','It carries out activities or services itself'

**Purposes:** 'the advancement of education','the advancement of the arts, heritage, culture or science','the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended','the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage'

**What the charity does:** The Museum Trust was set up to showcase the Regimental heritage of the Argyll and Sutherland Highlanders here in Stirling castle and to deliver education and community engagement programmes to future generations and visitors alike, to ensure they learn and never forget.

**Beneficiaries:** 'No specific group, or for the benefit of the community','Other charities or voluntary bodies'

**Objectives:** The Trustees shall hold the Trust Fund and the Existing Collection IN TRUST 3.1 for the advancement of the education of the general public by provision of the Regimental Museum comprising the Existing Collection together with such other objects, or collections as may from time to time be acquired in accordance with the provisions of this Deed ('the Regimental Collection'). 3.2 To donate reasonable subscriptions to the funds of any institutions, bodies, or other associations whose functions include making provision for the health, welfare, sporting activities, education, employment in civilian life and other like purposes of members or ex-members and the families of members or ex-members of the antecedent regiment of the Argyll and Sutherland Highlanders which was in existence prior to its amalgamation within the Royal Regiment of Scotland and now defined as The Argyll and Sutherland Highlanders, 5th Battalion of the

Royal Regiment of Scotland, or any other battalion, regiment or unit of Her Majesty's Forces and Army Cadet Force, including any regular, territorial or reserve army, auxiliary or affiliated unit thereof which appears to the Trustees to be in whole or in part substantially a successor of the antecedent regiment of the Argyll and Sutherland Highlanders, should such a successor appear to the Trustees to have been created, or any related charitable companies, institutions, associations, trusts or societies formed for objects similar to the objects set out hereto, including any regimental museum, museum trust or association for the benefit of the public at large. 3.3 for any purpose or purposes which appear to the Trustees, in their absolute discretion, directed to the improvement, efficiency, or benefit of the Regimental Museum.

## Geography

- **Main operating location:** Stirling
- **Geographical spread:** One or a few bases or facilities serving people who come from a broad area

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£281,941	£277,506	-	6
2024-08-31	£254,355	£211,481	-	6
2023-08-31	£254,355	£211,481	-	6
2022-08-31	£302,974	£289,165	-	6
2021-08-31	£962,532	£1,035,746	-	5
2020-08-31	£1,291,437	£1,783,871	-	7

**The Argyll and Sutherland Highlanders Museum Trust**

Scotland - Charity number SC042084

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# Accounts

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Charity registration number SC042084 (Scotland)

**THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025**

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Colonel A K M Miller CBE (Chair) Mr C Donald Mrs L Onslow Lt Col A L S Boswell
<b>Regimental Chief Executive</b>	Mr A Carmichael
<b>Charity number (Scotland)</b>	SC042084
<b>Principal address</b>	The Castle Stirling Stirlingshire United Kingdom FK8 1EH
<b>Independent examiner</b>	N.J Morrison C.A Azets Audit Services 5 Whitefriars Crescent Perth United Kingdom PH2 0PA
<b>Bankers</b>	The Royal Bank of Scotland Units 22/23 Thistles Shopping Centre Goosecroft Road Stirling Stirlingshire United Kingdom FK8 2EA
<b>Solicitors</b>	Murray Beith Murray 1 Glenfinlas Street Edinburgh United Kingdom EH3 6AQ

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# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

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# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2025

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The Trustees present their annual report and financial statements for the year ended 31 August 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 Charity's trust deed, 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

##### Charitable object

The Museum exists in order to:

- Perpetuate the memory and deeds of the men who served in the Regiment.
- Advance the education of and inform serving soldiers and the public about the Army in general and the Regiment in particular.

##### Aims of charity

The Museum aims to:

Maintain and develop its collections:

- Deliver a range of conservation programmes to ensure that the collections are cared for to the highest achievable standards.
- To prepare the archives with the intent to digitise them, 1) to ensure that they are secure for the future, and 2) to improve accessibility for purposes of research.
- To record details and make digitised images of all items in the collection to assist in the collections management, control and improve access.

Advance Heritage and Culture:

- By promoting the Regiment's local and national contribution to history and traditions.
- By supporting research into the Regiment's history.
- By participating in and supporting events that promote the history of the Regiment.

Support Education:

- By promoting access to the Regimental Museum and its Collections.
- By encouraging interest in the Regiment's heritage amongst serving members of the Regular Army, the Army Reserve and Cadet Battalions.
- By supporting the Scottish National Curriculum in schools within the Regimental area (Argyll & Bute, Dunbartonshire, Stirlingshire, Clackmannanshire and the Northern parts of Lanarkshire).
- By encouraging interest in the Regiment's heritage amongst members of the general public, notably amongst communities within the Regimental area, by provision of or contribution towards the production of literature and other forms of media.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2025*

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### **Conservation**

The permanent collection display cases and storage spaces for the reserve collection ensure that our precious objects and archives are correctly stored to meet the required environmental standards. Activity to catalogue and conserve the collection are the daily work of our curator and a team of volunteers.

Continuing efforts have been made to reorganise the archives in preparation for their digitisation. The main purpose of the digitisation programme is to ensure that, should there be a catastrophic event resulting in the loss of the archives, this key resource would remain available in digitised form. The digitisation will also enable us to improve access, carry out research and enable greater income generation from research than at present.

Work has been ongoing to catalogue various elements of the collection with records of the silver collection and picture collection nearing completed.

### **Supporting Regimental Activities**

The Museum provides the hub for regimental activities which range from receptions, lunches and the regimental ball to a variety of other events that keep the spirit of The Argylls alive. A significant success has been the development in tandem with Historic Environment Scotland of several successful community engagement events within both the Museum and Stirling Castle.

### **Education**

The museum has two part-time educational staff, who are dedicated to provision of education workshops in the museum and through outreach activities. In 2024 a fundraising campaign succeeded in raising C£20K to support these activities.

In 2024-25 the museum engaged with 881 primary and high school children in organised educational activities and workshops. Around 14,000 more participated in informal learning activities that took place within the Museum. The Museum has engaged with over 5,000 people through community engagement activities it has organised within the Castle and Stirling.

### **Developing Links**

The efforts to reinvigorate relationships with a number of organisations such as Stirling Council, and local cultural and historical organisations have continued. Our location in the Central Belt makes us accessible to many trade, tourism and educational organisations. We are a member of the Forth Valley Chamber of Commerce. We have links across our historical regimental recruiting area (Argyll & Bute, Dunbartonshire, Stirlingshire, Clackmannanshire and northern Lanarkshire) which we are steadily developing within our limited resources.

### **Support from Museums Galleries Scotland**

The Argyll and Sutherland Highlanders Regimental Museum is accredited to the Museums Galleries Scotland (MGS). MGS's strategy 2023 – 2030 Workforce, Resilience and Connection requires us to pay the Real Living Wage increasing the salary bills substantially above inflation. However, the Trustees consider the benefits of MGS accreditation are beneficial providing us with access to grants for the Museum's development and provides the Museum with formal recognition as housing collections of national significance.

### **Use of Volunteers**

The Museum makes extensive use of volunteers in all its activities and are true force multipliers in terms of the Museum's ability to develop. The 33 Volunteers provided 2,862 hours of support to the Museum during the year. A revised recruitment policy has been adopted to ensure that Volunteers are carefully selected, have appropriate skillsets, and are then suitably employed. All volunteers undergo an induction course.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### **Museum Performance**

In FY2024–25 visitors increased to a record number of over 323,821 (FY2022-23 – 274,098), an 18% increase. This is extremely encouraging and reflects the advantages of being based within the premier visitor attraction of Stirling Castle. The Museum attracted 53% of visitors to the Castle throughout the year.

#### **Partnership with Historic Environment Scotland**

The success of our presence in Stirling Castle is substantially enhanced by our partnership arrangements with Historic Environment Scotland (HES). Work is ongoing to complete the two underpinning documents: the Partnership Agreement which deals with the operational and financial aspects of our presence in The King's Old Building, and a Licence to Occupy which deals with the conditions relating to our tenure. The revision and development of these documents has led to protracted negotiations with HES and as at 31 August 2025 they had yet to be concluded. As a result, the Partnership Agreement between the Museum and HES, agreed in 2018, has continued to provide the basis of the relationship between the two parties.

Entry to the Museum is free; the Trust receives no direct income from the Stirling Castle visitors' entrance fee (it is impractical for the Museum to charge a separate entrance fee). Under the current terms of the extant Partnership Agreement, HES makes an annual payment, meets the utility costs (electricity and gas) in all the museum spaces, provides some staffing for the visitor-facing operation, and operates the Museum Shop (from which the Museum receives no income although we are seeking royalties for HES's use of our intellectual property).

In return, the Museum provides HES with access to the Museum and its collections as a key element of the Stirling Castle visitor experience and HES is able to exploit the spaces for events. However, the continuing lack of a kitchen and failure by HES to market the facilities has prevented any substantial additional income generation in FY2024-25. The Museum, within the limitations of the commercial arrangements of the Partnership Agreement, has managed to secure some limited income from its own sponsored events and fundraising.

#### **Financial review**

##### **Finances**

Despite the unquestioned success of the Museum and the substantial increase in visitor numbers, the Museum has faced increasing financial challenges in FY 2024-25. Substantial inflationary increases in the Museum's overheads have resulted, notably the requirement to pay the Real Living Wage to certain staff members. As a result, the Trustees were forced to take the decision to impose a pay freeze for other members of staff. HES's annual contribution remaining at £100K per annum since August 2022 has led to the depletion of the Museum's reserves. This is not helped by certain constraints within the Partnership Agreement which restrict the Museum's ability to generate additional funds: these issues are being vigorously pursued in the renegotiation of the agreement.

The Museum continues to generate a substantial element of its required income. Both the Regimental Trust and the Regimental Association make annual contributions towards the operating costs and the Ministry of Defence continue to fund one member of staff. The Guardians (the Museum's friends organisation) contribute and during the course of the year we received some income from donations from supporters as well as museum visitors (average of 3p per head). We encourage Guardians and others to leave legacies in their wills. Funds for particular projects (eg Archive Digitisation and the Education Programme) are supported by donations and fund-raising efforts; these are treated as restricted funds to ensure they are committed to these purposes.

The Museum Trustees have directed that £10,000 per annum will be set aside from income to provide a refurbishment fund to enable an adequate sum to be available for future refurbishment of the museum displays and the maintenance of audio-visual equipment.

The Museum's income totalled £281,941 (2024: £222,704) for the year. Expenditure totalled £277,506 (2024: £234,558) providing a surplus for the year of £6,886 (2024: £10,827 deficit) after gains on investments of £2,451 (2024: £1,027).

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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### Reserves Policy

The Museum Trustees have directed that one quarter of our annual operating costs (c£70,000) is to be held as an unrestricted reserve to meet OSCR expectations. In FY 2024-25 we have managed to sustain satisfactory funding levels although this is becoming increasingly challenging. The Trustees remain closely engaged with HES to achieve satisfactory revision of the Partnership Agreement to include a revised funding mechanism that recognises the contribution that is made by the Museum to the Stirling Castle visitor experience and will result in a substantially improved and more sustainable funding position. At time of writing, the Trustees are now confident that the Museum's funding position will be stabilised, increased opportunities for third party income generation can be developed and the Reserves Policy can be maintained.

### Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, which includes assurance from The Argyll and Sutherland Highlanders Regimental Trust that they will continue to underwrite the Museum if necessary. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

### Investment policy

During the year, investment income was £224 (2024: £nil).

### Risk management

The Museum Trust has a risk management process which identifies and addresses the major financial, operational, governance, reputational and regulatory risks which might impede the Museum's ability to achieve its objectives. These are recorded in the Museum's risk register, which is updated periodically by the Museum Chief Executive and reviewed quarterly by the Museum Trustees. Systems and procedures have been established to mitigate identified risks.

### Structure, governance and management

The Argyll and Sutherland Highlanders Museum Trust is controlled by its governing document, a Deed of Declaration of Trust dated 20th January 2011, and constitutes an unincorporated charity registered in Scotland No SC042084.

The Museum is working under the governance and compliance with Museum Galleries Scotland (MGS) and its Strategy 2023 – 2030.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Colonel A K M Miller CBE (Chair)

Mr C Donald

Mrs L Onslow

Lt Col H I M Clark MBE

(Resigned 31 March 2025)

Lt Col A L S Boswell

The present Trustees are either former Officers of the Regiment or are drawn from business and the culture sector who have volunteered their services.

On appointment Trustees are provided with a comprehensive induction pamphlet 'Guidance to Trustees' to ensure that all Trustees are aware of their responsibilities and are conversant with the purposes of the Trust. They are encouraged to undertake training. There is a recommended length of service of 5 years as a Trustee although they may be invited to extend.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

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### **Organisational Structure**

The Trustees are responsible for providing strategic direction to the CEO. This direction is contained in the following documents which are reviewed and approved by the Trustees:

- A and SH Museum Strategy - 2022-2027
- A and SH Forward Plan
- A and SH In-Year Business Plan
- Policy documents relating to Collections, Conservation, Access and Communications

The Trustees meet formally at least twice per year and on other occasions when advice and direction is required. The Trustees are responsible for ensuring their decisions are carried out. Records of all meetings are maintained. Formal agendas are prepared and minutes written for Museum Trust meetings. The Trustees approve the budget.

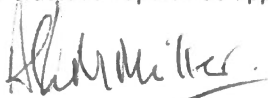
The daily operation of the Museum is delegated to the CEO, Mr Alan Carmichael, and through him to other members of the Museum's staff and volunteers. In addition to overseeing operations, he is responsible for all financial aspects of the operation and oversight of the accounts. He is required to update the Trustees in a formal quarterly report.

One Trustee serves as a Director of The Argyll and Sutherland Highlanders Shop Limited, a company limited by guarantee, which is currently dormant.

### **Affiliated Regimental Charities**

- The Argyll and Sutherland Highlanders' Regimental Trust
- The Argyll and Sutherland Highlanders' Regimental Association

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



Colonel A K M Miller CBE (Chair)  
**Chair, Board of Trustees**

6 May 2026

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

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I report on the financial statements of the Charity for the year ended 31 August 2025, which are set out on pages 7 to 23.

#### **Respective responsibilities of Trustees and examiner**

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

#### **Basis of independent examiner's statement**

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**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



N.J. Morrison C.A  
Azets Audit Services

5 Whitefriars Crescent  
Perth  
PH2 0PA  
United Kingdom

Dated: 18th May 2026

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>Income from:</b>							
Donations and legacies	2	52,737	104,088	156,825	47,973	70,564	118,537
Other trading activities	3	1,626	-	1,626	518	-	518
Investments	4	224	-	224	-	-	-
Other income	5	123,266	-	123,266	103,649	-	103,649
<b>Total income</b>		<b>177,853</b>	<b>104,088</b>	<b>281,941</b>	<b>152,140</b>	<b>70,564</b>	<b>222,704</b>
<b>Expenditure on:</b>							
Charitable activities	6	178,880	98,626	277,506	161,673	72,885	234,558
Net gains/(losses) on investments	11	2,451	-	2,451	1,027	-	1,027
<b>Net movement in funds</b>		<b>1,424</b>	<b>5,462</b>	<b>6,886</b>	<b>(8,506)</b>	<b>(2,321)</b>	<b>(10,827)</b>
Fund balances at 1 September 2024		(36,071)	1,092,291	1,056,220	(27,565)	1,094,612	1,067,047
<b>Fund balances at 31 August 2025</b>		<b>(34,647)</b>	<b>1,097,753</b>	<b>1,063,106</b>	<b>(36,071)</b>	<b>1,092,291</b>	<b>1,056,220</b>

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

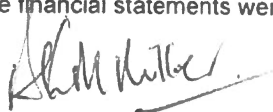
# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		5,480		10,538
Heritage assets	14		943,085		943,085
Investments	15		23,478		11,027
			<u>972,043</u>		<u>964,650</u>
<b>Current assets</b>					
Stocks	16	2,962		3,562	
Debtors	17	15,314		6,689	
Cash at bank and in hand		102,613		89,347	
		<u>120,889</u>		<u>99,598</u>	
<b>Creditors: amounts falling due within one year</b>	18	(29,826)		(8,028)	
<b>Net current assets</b>			<u>91,063</u>		<u>91,570</u>
<b>Total assets less current liabilities</b>			<u>1,063,106</u>		<u>1,056,220</u>
<b>The funds of the Charity</b>					
Restricted income funds	20		1,097,753		1,092,291
Unrestricted funds	22		(34,647)		(36,071)
			<u>1,063,106</u>		<u>1,056,220</u>

The financial statements were approved by the Trustees on 6 May 2026



Colonel A K M Miller CBE (Chair)  
Chair, Board of Trustees

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

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	Notes	2025 £	£	2024 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25		24,229		8,134
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,187)		(1,426)	
Purchase of investments		(10,000)		(10,000)	
Investment income received		224		-	
<b>Net cash used in investing activities</b>			(10,963)		(11,426)
<b>Net cash generated from financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			13,266		(3,292)
Cash and cash equivalents at beginning of year			89,347		92,639
<b>Cash and cash equivalents at end of year</b>			<u>102,613</u>		<u>89,347</u>

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### 1 Accounting policies

##### Charity information

The Argyll and Sutherland Highlanders Museum Trust is a charity registered in Scotland. It operates under the terms of a Trust Deed dated 20 January 2011 and constitutes an unincorporated entity.

#### 1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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.

#### 1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Interest on funds held on deposit is included when receivable and amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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### 1 Accounting policies (Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and 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.

The charity is registered for VAT. Where applicable, costs and expenditure incurred are inclusive of VAT.

#### 1.6 Tangible fixed assets

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

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

Fixtures and fittings	25% on reducing balance
Computers	33% on cost

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

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.8 Impairment of fixed assets

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

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.10 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.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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### 1 Accounting policies

(Continued)

#### 1.11 Financial instruments

The Charity 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 Charity's balance sheet when the Charity 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 Charity's contractual obligations expire or are discharged or cancelled.

#### 1.12 Taxation

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

#### 1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 2 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	52,737	47,367	100,104	47,973	6,000	53,973
Grants	-	56,721	56,721	-	64,564	64,564
	<u>52,737</u>	<u>104,088</u>	<u>156,825</u>	<u>47,973</u>	<u>70,564</u>	<u>118,537</u>
<b>Grants</b>						
Army Museum	-	25,808	25,808	-	36,184	36,184
Erskine	-	1,585	1,585	-	-	-
Other	-	29,328	29,328	-	28,380	28,380
	<u>-</u>	<u>56,721</u>	<u>56,721</u>	<u>-</u>	<u>64,564</u>	<u>64,564</u>

### 3 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	1,626	518
	<u>1,626</u>	<u>518</u>

### 4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from listed investments	224	-
	<u>224</u>	<u>-</u>

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 5 Other income

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Interest and gift aid	20,686	9,187
Historic Environment Scotland - partnership agreement	100,000	91,666
Talks income	2,580	2,796
	<u>123,266</u>	<u>103,649</u>

### 6 Charitable activities

	Museum	Redevelopment	Total	Museum	Redevelopment	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Staff costs	161,061	-	161,061	137,008	-	137,008
Exhibition fit out contract	4,465	-	4,465	7,666	-	7,666
Conservation costs	640	-	640	8,521	-	8,521
Project management costs	4,423	-	4,423	6,262	-	6,262
	<u>170,589</u>	<u>-</u>	<u>170,589</u>	<u>159,457</u>	<u>-</u>	<u>159,457</u>
Share of support costs (see note 7)	104,029	-	104,029	70,461	-	70,461
Share of governance costs (see note 7)	2,888	-	2,888	2,320	2,320	4,640
	<u>277,506</u>	<u>-</u>	<u>277,506</u>	<u>232,238</u>	<u>2,320</u>	<u>234,558</u>
<b>Analysis by fund</b>						
Unrestricted funds	178,880	-	178,880	161,673	-	161,673
Restricted funds	98,626	-	98,626	70,565	2,320	72,885
	<u>277,506</u>	<u>-</u>	<u>277,506</u>	<u>232,238</u>	<u>2,320</u>	<u>234,558</u>

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 7 Support costs allocated to activities

	2025 £	2024 £
Staff costs	30,727	29,479
Depreciation	6,245	7,820
Insurance	4,401	5,559
Telephone	420	392
Printing & stationery	1,164	1,375
Sundries	20,017	18,250
Computer expenses	9,573	4,134
Repairs and maintenance	3,746	2,325
Legal and professional fees	27,736	1,127
Governance costs	2,888	4,640
	<u>106,917</u>	<u>75,101</u>
<b>Analysed between:</b>		
Unrestricted fund	105,473	72,781
Restricted fund	1,444	2,320
	<u>106,917</u>	<u>75,101</u>

### 8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	1,444	2,320
Depreciation of owned tangible fixed assets	6,245	7,820
	<u>1,444</u>	<u>2,320</u>

### 9 Trustees

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

### 10 Employees

The average monthly number of employees during the year was:

2025 Number	2024 Number
<u>7</u>	<u>7</u>

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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<b>10 Employees</b>	<b>(Continued)</b>	
<b>Employment costs</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	180,489	154,062
Social security costs	9,265	10,481
Other pension costs	2,034	1,944
	<u>191,788</u>	<u>166,487</u>

The Trust considers its key management personnel to comprise of the Trustees and Chief Executive Officer. The employment benefits of the key management personnel were £47,425 (2024 - £52,092).

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

### 11 Gains and losses on investments

	<b>Unrestricted funds 2025</b>	<b>Unrestricted funds 2024</b>
	<b>£</b>	<b>£</b>
Gains/(losses) arising on:		
Revaluation of investments	<u>2,451</u>	<u>1,027</u>

### 12 Taxation

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

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 13 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
<b>Cost</b>			
At 1 September 2024	13,308	29,416	42,724
Additions	491	696	1,187
At 31 August 2025	<u>13,799</u>	<u>30,112</u>	<u>43,911</u>
<b>Depreciation and impairment</b>			
At 1 September 2024	10,796	21,390	32,186
Depreciation charged in the year	751	5,494	6,245
At 31 August 2025	<u>11,547</u>	<u>26,884</u>	<u>38,431</u>
<b>Carrying amount</b>			
At 31 August 2025	<u>2,252</u>	<u>3,228</u>	<u>5,480</u>
At 31 August 2024	<u>2,512</u>	<u>8,026</u>	<u>10,538</u>

### 14 Heritage assets

	£
At 1 September 2024 and at 31 August 2025	<u>943,085</u>

Heritage assets are silverware and paintings. These are of historical significance and are on display in the Museum. These were donated to the Museum Trust by the Argyll and Sutherland Highlanders Regimental Trust on 31 August 2011. The assets are included at the 2009 insurance valuation adjusted for purchase and sale at cost.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 15 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 September 2024	11,027
Additions	10,000
Valuation changes	2,451
At 31 August 2025	<u>23,478</u>
<b>Carrying amount</b>	
At 31 August 2025	<u>23,478</u>
At 31 August 2024	<u><u>11,027</u></u>

### 16 Stocks

	2025 £	2024 £
Finished goods and goods for resale	<u>2,962</u>	<u>3,562</u>

### 17 Debtors

	2025 £	2024 £
<b>Amounts falling due within one year:</b>		
Other debtors	10,864	3,867
Prepayments and accrued income	4,450	2,822
	<u>15,314</u>	<u>6,689</u>

### 18 Creditors: amounts falling due within one year

	2025 £	2024 £
Other creditors	18,888	-
Accruals and deferred income	10,938	8,028
	<u>29,826</u>	<u>8,028</u>

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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<b>19 Retirement benefit schemes</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	2,034	1,944
	<u>          </u>	<u>          </u>

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 20 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.

	Movement in funds			Movement in funds			Balance at 31 August 2025 £
	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	
Conal Rowan	6,415	-	-	6,415	-	-	6,415
Reserve	23,764	-	-	23,764	-	-	23,764
Catherine Wood	345	-	-	345	-	-	345
Heritage assets	943,085	-	-	943,085	-	-	943,085
Guardians	5,092	-	-	5,092	-	-	5,092
Major General Graham	1,195	-	-	1,195	-	-	1,195
Redevelopme nt fund	2,819	-	-	2,819	-	-	2,819
Small projects fund	111,897	70,564	(72,885)	109,576	104,088	(98,626)	115,038
	<u>1,094,612</u>	<u>70,564</u>	<u>(72,885)</u>	<u>1,092,291</u>	<u>104,088</u>	<u>(98,626)</u>	<u>1,097,753</u>

#### Purposes of funds

Both the Conal Rowan and Catherine Wood funds have been set aside for paintings.

Reserve fund is for grants for specific purposes outlined in the condition of the grant.

Heritage assets are silverware and paintings that were donated to the Museum Trust by the Argyll and Sutherland Highlanders Regimental Trust. Any proceeds of sales will be used for new assets.

Guardians - The Perpetuation of the Memory of the Deeds and Men of the Argyll and Sutherland Highlanders for all time.

Major General Graham - to commemorate the service of Major General Graham in the Regiment as part of the future Museum development.

The redevelopment fund is for the transformation and redevelopment of the Museum.

Small projects - this fund includes various small project grants which are spent in line with the conditions of the grant.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 21 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
<b>At 31 August 2025:</b>			
Tangible assets	5,480	-	5,480
Heritage assets	-	943,085	943,085
Investments	23,478	-	23,478
Current assets/(liabilities)	(63,605)	154,668	91,063
	<u>(34,647)</u>	<u>1,097,753</u>	<u>1,063,106</u>
	<u><u>(34,647)</u></u>	<u><u>1,097,753</u></u>	<u><u>1,063,106</u></u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>At 31 August 2024:</b>			
Tangible assets	1,993	8,545	10,538
Heritage assets	-	943,085	943,085
Investments	11,027	-	11,027
Current assets/(liabilities)	(49,091)	140,661	91,570
	<u>(36,071)</u>	<u>1,092,291</u>	<u>1,056,220</u>
	<u><u>(36,071)</u></u>	<u><u>1,092,291</u></u>	<u><u>1,056,220</u></u>

#### 22 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 September 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 August 2025 £
Refurbishment fund	10,000	224	-	11,027	2,451	23,702
General funds	(46,071)	177,629	(178,880)	(11,027)	-	(58,349)
	<u>(36,071)</u>	<u>177,853</u>	<u>(178,880)</u>	<u>-</u>	<u>2,451</u>	<u>(34,647)</u>
	<u><u>(36,071)</u></u>	<u><u>177,853</u></u>	<u><u>(178,880)</u></u>	<u><u>-</u></u>	<u><u>2,451</u></u>	<u><u>(34,647)</u></u>

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

### 22 Unrestricted funds (Continued)

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2024
	£	£	£	£	£	£
Refurbishment fund	-	-	-	10,000	-	10,000
General funds	(27,565)	152,140	(161,673)	(10,000)	1,027	(46,071)
	<u>(27,565)</u>	<u>152,140</u>	<u>(161,673)</u>	<u>-</u>	<u>1,027</u>	<u>(36,071)</u>

#### Purpose of fund

Refurbishment fund - for the future refurbishment of the museum displays and the maintenance of audio-visual equipment.

### 23 Related party transactions

#### Transactions with related parties

The following organisations are related parties:

- The Argyll and Sutherland Highlanders Shop Limited
- The Argyll and Sutherland Highlanders Regimental Trust

Related party transactions are as follows:

During the year, the Trust received no donation (2024: £Nil) from The Argyll and Sutherland Highlanders Shop Limited.

During the year to 31 August 2025, the Trust received grants and donations of £22,954 (2024: £13,000) from The Argyll and Sutherland Highlanders Regimental Trust. This grant funding was provided for salaries, IT support and legal expenses. At the year end, there was a loan due to The Argyll and Sutherland Highlanders Regimental Trust of £18,888 (2024: £nil).

### 24 Volunteers

For the year ended 31 August 2025, volunteer time totalled 2,862 hours (2024: 3,339). This was invaluable in allowing the charity to reach its objectives.

# THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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25	Cash generated from operations	2025 £	2024 £
	Surplus/(deficit) for the year	6,886	(10,827)
	<b>Adjustments for:</b>		
	Investment income recognised in statement of financial activities	(224)	-
	Fair value gains and losses on investments	(2,451)	(1,027)
	Depreciation and impairment of tangible fixed assets	6,245	7,820
	<b>Movements in working capital:</b>		
	Decrease in stocks	600	83
	(Increase)/decrease in debtors	(8,625)	7,057
	Increase in creditors	21,798	5,028
	<b>Cash generated from operations</b>	<u>24,229</u>	<u>8,134</u>

## 26 Analysis of changes in net funds

The Charity had no material debt during the year.