

**REGISTERED CHARITY NUMBER: SC042084**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017  
FOR**

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

French Duncan LLP  
Chartered Accountants  
Macfarlane Gray House  
Castlecraig Business Park  
Springbank Road  
Stirling  
Stirlingshire  
FK7 7WT

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

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FOR THE YEAR ENDED 31 AUGUST 2017**

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**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The trustees present their report with the financial statements of the charity for the year ended 31 August 2017. The trustees have adopted the provisions of 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 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

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.

These comprise the Museum's charitable objective.

In fulfilling its charitable objective the Museum:

- Maintains an archive and preserves objects and records of national importance and interest.
- Provides an attractive and interesting site within Stirling Castle, which accordingly supports both HES and Scottish tourism. The Museum attracted about 204,000 visitors in 2017 (42% of HES' Castle annual visitors).
- Maintains an outreach programme for schools providing educational information packs to support teaching and thereby stimulating interest in the Museum in particular, and in both the Army and British history in general.
- Maintains a programme of briefings to community groups to promote both the Museum's and the Regiment's place in the nation's history.
- Supports and participates in Scottish and Services events to which the public are invited, for example, Armed Forces Day, and a range of exhibitions and events.
- Maintains with HES a primary and secondary schools' visits programme in support of the Curriculum for Excellence.
- Promotes and facilitates historical research.
- Has developed a long-term and year specific series of exhibitions marking the WWI centenary.
- Maintains and develops an outreach programme of exhibitions. Over the past year exhibitions and events have been held in Clydebank and Dunoon.

**Accreditation**

The Museum was awarded the status of Full Accreditation by the Arts Council (England) on 23 May 2013 (RD 1148). This was reviewed in June 16 and full accreditation was maintained.

A Forward Plan is maintained. It is reviewed at every Museum Trustees' meeting.

The Museum collection was awarded National Recognition status by the Scottish Government as part of the scheme administered by Museums and Galleries Scotland in Nov 17.

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**FINANCIAL REVIEW**

The Museum's income totalled £337,055 (2016: £161,596) for the year. Expenditure totalled £267,097 (2016: £128,310) providing a surplus for the year of £69,958 (2016: £33,286).

With the launch of the development programme a significant increase in the level of restricted income and expenditure is shown in the accounts. Income has resulted from grants, donations, Appeal Guardians, and HLF grants. The project expense has been primarily that of consultants' fees in relation to the Stage 1 development works explained below.

The Museum has continued to operate, but the bulk of the staff costs have been transferred to the development works. The principal sources of income include: visitors' voluntary donations, Guardians' subscriptions and donations, and income from The Argyll and Sutherland Highlanders Shop Limited. Entry to the Museum is free, and the Trust receives no income from the Stirling Castle visitor's entrance fee.

**Reserves Policy**

The Museum Trustees have agreed that £50,000 should be held as an unrestricted reserve. At 31 August 2017 the unrestricted reserves amounted to £71,302 and the Museum will continue to work towards its target of £50,000. The Regimental Trust have given assurance that they will underwrite the Museum if necessary.

# **THE ARGYLL AND SUTHERLAND HIGHLANDERS MUSEUM TRUST**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2017**

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### **FUTURE PLANS**

Following the creation of the Royal Regiment of Scotland in 2006 our former Regimental Headquarters was pared back to a small team that formed Home Headquarters and incorporated the Museum staff. In 2011 the Army carried out a Museums' study and following this funding for all museums of antecedent regiments was severely cut back and we were left with one MOD-funded Museum Assistant post. Other aspects of support have steadily been withdrawn.

In 2012 the Trustees recognised that shop income and donations provided inadequate income to keep the doors open and the Regimental Trust was increasingly having to underpin the operation of the Museum: there would come a time when this was unsustainable and therefore the Museum had to be placed on a firm financial footing.

The Museum last underwent modernisation when it was relocated from the Palace Block to the King's Old Building in the 1980s. Although we enjoy 4\* VisitScotland accreditation, the interpretation is now very dated and does not engage with the visitor, many of whom are children or come from overseas where English is not the first language.

Following the above review, Trustees instructed an extensive feasibility study to determine the options available to the Museum. A decision was taken in June 2015 to pursue the redevelopment of the Museum in Stirling Castle.

This work led to The Argylls' Museum being in a position to submit a Stage 1 HLF application in June 2016. This bid was successful and received endorsement in September 2016 with the formal 'soft' launch in October 2016 by HRH Earl of Strathearn (Patron) of the 'Thin Red Line' (TRL) Appeal.

The objective is to develop the Regimental Museum of The Argyll and Sutherland Highlanders, as a premier attraction within a world-class heritage site at Stirling Castle, as a lasting tribute to those who served in the Regiment and as a means of generating funds to support the work of the Museum Trust, which includes community engagement and wider education, and contributing to the support of veterans.

The redevelopment project aims to deliver the following outcomes for the Museum:

- The Museum located in the King's Old Building at Stirling Castle will be transformed to exploit the potential of the building, to improve the visitor experience, to improve provision for both physical and intellectual access, and, key, to provide a more sustainable operation;
- Heritage will be better interpreted and become more comprehensible, providing a more inclusive and accessible experience;
- The care and conservation of the collection will be enhanced with a better understanding of the existing collection and collecting policies for the future implemented;
- Visitor numbers to the museum will be increased and outreach activities with communities and audiences outside Stirling Castle will be expanded and improved;
- Educational accessibility and opportunities will be built upon to provide positive learning experiences for schools and education groups;
- Financial sustainability of the Museum will be achieved for the long term through both the physical changes to the building and exploitation of enhanced business opportunities;
- The Argylls' name as an element of the nation's military history will be preserved.

### **Current Situation**

Over the past year the activities within the Museum have focussed on the completion of our HLF Stage 1 development plan and fundraising.

The major activity has surrounded progressing the architectural aspects of the base-line build, the exhibition design and activity planning for the project, much of which has been done in tandem with HES. In parallel, work has progressed in developing the options for the future operating model and refining the business aspects of the HES Partnership Agreement (PA).

The Stage 1 development work was due to complete in November 2017, but due to additional requirements placed on the architects to submit an Ancient Scheduled Monument Consent application, some further design work was necessary.

Having said that the project is underspent with HLF for Stage 1 by £85K. However, some £20K will be used to carry out investigations described above associated with the consent process.

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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All of this and more has been done to enable us to submit our HLF Stage 2 application on March 2018.

Achieving our fundraising target has been a key line of operation and the decision by the Regimental Trustees to release £500K to act as a catalyst to achieve further funds has been successful.

The forecast project cost for Stage 2 is £2.5M of which £707K is currently in the bank or pledged; less revised estimated VAT recovery @80% £333K, less estimated HLF @40%; £866K; leaving a further £700K to be raised.

Assuming that we succeed in submitting our HLF Stage 2 bid in March 2018 the intent is then to let the works contract(s) with a view to starting work towards the end of October 2018 for completion in June 2019.

The intent is to launch the Public Appeal in March 2018, heralded by a public note from our Patron. It is hoped to hold a major fundraising event in London in the presence of The Patron in the Summer.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

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.

**Recruitment and appointment of new trustees**

The present Trustees are former officers of the Regiment and the Museum Committee who volunteered their services as Trustees on formation of the Museum Trust. This year new Trustees have been appointed from business, and the culture sector to broaden the base of the Trust in relation to the future development of the Museum. These Trustees are drawn from both the Regiment and wider Community.

A review of training and recruitment has been undertaken to ensure that all Trustees are aware of their responsibilities as Trustees and the objectives of the Trust.

There is a recommended length of Service of 5 years as a Trustee. Newly appointed members of the Museum Trust receive information and documents relevant to the appointment.

**Organisational structure**

The Trustees are responsible for the strategic direction of the Museum and associated decisions and routinely meet will at least 4 times each year.

The daily administration of the Museum is delegated to the Curator, Mr R D Layden.

The remaining members of the MOD and non-MOD staff, and volunteers, provide significant support to the Museum's operation.

One trustee serves as a Director of The Argyll and Sutherland Highlanders Shop Limited, a company limited by guarantee which trades on the Museum premises. Profits of this company will be passed to the Trustees by gift and donation.

In addition a further structure, the Project Executive Committee, has been introduced to deliver the Museum development project. This consists of a Project Director and small executive committee who report directly to Trustees on the progress of the development project described below.

Formal agendas are prepared and minutes written for Museum Trust meetings. The Museum Trustees approve the budget. At every meeting a report of expenditure against budget is provided.

The Project Exec Committee meets monthly and reports at each Trust meeting.

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Affiliated Charities**

- Argyll & Sutherland Highlanders Regimental Trust
- Argyll & Sutherland Highlanders Regimental Association

**Risk management**

The Museum Trust reviews the Museum's Risk Register annually. Systems and procedures have been established to mitigate risks. A further project risk register has been prepared and is updated by the Project Director. The Trustees review this Redevelopment Risk Register quarterly.

**Tenure within Stirling Castle Historic Environment Scotland**

Historic Environment Scotland (HES) - formally Historic Scotland (HS) until October 2016, as the Agent, is responsible for Stirling Castle. The Museum Trustees are responsible for the Museum's tenancy within the Castle in conjunction with HES.

A partnership agreement has been completed with HES. The agreement will commence in June 2019 (subject to project completion) and will be subject to formal review every five years. The agreement gives the Museum the right to occupy the Kings Old Building in perpetuity or a lesser term mutually agreeable between parties.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

SC042084

**Principal address**

The Castle  
Stirling  
FK8 1EH

**Trustees**

Major H D Clark		- resigned 9/9/2016
Captain C B Henderson		- resigned 9/9/2016
Brigadier B W O Russell MBE DL	Chairman	
Captain T P MacKenzie		
Mr N P G Salisbury		
Mrs J S Stewart		
Mr G Struthers		

**Independent examiner**

Drew Pankhurst CA  
French Duncan LLP  
Chartered Accountants  
Macfarlane Gray House  
Castlecraig Business Park  
Springbank Road  
Stirling  
Stirlingshire  
FK7 7WT

**Solicitors**

Murray Beith Murray WS  
One Glenfinlas Street  
Edinburgh  
EH3 6 AQ

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Regimental Chief Executive**  
Mr R D Layden

**Secretary to the Trustees and Committee**  
Mr R D Layden

**Financial Advisors**  
Speirs & Jeffrey  
50 George Square  
Glasgow G2 1EH

Approved by order of the board of trustees on 12 March 2018 and signed on its behalf by:



Brigadier B W O Russell MBE DL - Trustee



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

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I report on the accounts for the year ended 31 August 2017 set out on pages eight to fifteen.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (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 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as 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 accounts.

**Independent examiner's statement**

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

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
  - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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



Drew Pankhurst CA  
French Duncan LLP  
Chartered Accountants  
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Stirling  
Stirlingshire  
FK7 7WT

12 March 2018

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2017**

	Not es	Unrestricted fund £	Restricted funds £	Total 2017 funds £	Total 2016 funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		58,931	277,498	336,429	157,861
Other trading activities	2	-	-	-	3,114
Investment income	3	<u>626</u>	<u>-</u>	<u>626</u>	<u>621</u>
<b>Total</b>		<b>59,557</b>	<b>277,498</b>	<b>337,055</b>	<b>161,596</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Museum		<u>36,182</u>	<u>230,915</u>	<u>267,097</u>	<u>128,310</u>
<b>NET INCOME</b>		<b>23,375</b>	<b>46,583</b>	<b>69,958</b>	<b>33,286</b>
Transfers between funds	12	<u>2,550</u>	<u>(2,550)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<b>25,925</b>	<b>44,033</b>	<b>69,958</b>	<b>33,286</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>45,376</b>	<b>1,035,262</b>	<b>1,080,638</b>	<b>1,047,352</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>71,301</u></b>	<b><u>1,079,295</u></b>	<b><u>1,150,596</u></b>	<b><u>1,080,638</u></b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**BALANCE SHEET  
AT 31 AUGUST 2017**

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	7	2,358	5,581	7,939	5,202
Heritage assets	8	-	943,085	943,085	943,085
		<u>2,358</u>	<u>948,666</u>	<u>951,024</u>	<u>948,287</u>
<b>CURRENT ASSETS</b>					
Stocks	9	-	15,814	15,814	-
Debtors	10	50,182	7,623	57,805	5,767
Cash at bank and in hand		<u>21,575</u>	<u>125,213</u>	<u>146,788</u>	<u>127,141</u>
		<u>71,757</u>	<u>148,650</u>	<u>220,407</u>	<u>132,908</u>
<b>CREDITORS</b>					
Amounts falling due within one year	11	(2,813)	(18,022)	(20,835)	(557)
		<u>68,944</u>	<u>130,628</u>	<u>199,572</u>	<u>132,351</u>
<b>NET CURRENT ASSETS</b>					
		<u>71,302</u>	<u>1,079,294</u>	<u>1,150,596</u>	<u>1,080,638</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>71,302</u>	<u>1,079,294</u>	<u>1,150,596</u>	<u>1,080,638</u>
<b>NET ASSETS</b>					
		<u>71,302</u>	<u>1,079,294</u>	<u>1,150,596</u>	<u>1,080,638</u>
<b>FUNDS</b>					
Unrestricted funds	12			71,302	45,376
Restricted funds				<u>1,079,294</u>	<u>1,035,262</u>
<b>TOTAL FUNDS</b>					
				<u>1,150,596</u>	<u>1,080,638</u>

The financial statements were approved by the Board of Trustees on 12 March 2018 and were signed on its behalf by:



Brigadier B W O Russell MBE DL -Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historical cost convention.

**Financial reporting standard 102 - reduced disclosure exemptions**

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**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.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

**Heritage assets**

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.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The charity is exempt from tax on its charitable activities.

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES - continued**

**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 charity for particular purposes. The cost 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.

Restricted funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity 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.

**2. OTHER TRADING ACTIVITIES**

	2017	2016
	£	£
Goods sold	<u>-</u>	<u>3,114</u>

**3. INVESTMENT INCOME**

	2017	2016
	£	£
Deposit account interest	47	59
Other interest received	<u>579</u>	<u>562</u>
	<u>626</u>	<u>621</u>

**4. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2017 nor for the year ended 31 August 2016.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2017 nor for the year ended 31 August 2016.

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**5. STAFF COSTS**

	2017	2016
	£	£
Wages and salaries	121,285	51,455
Social security	10,313	3,189
Pension costs	<u>2,367</u>	<u>2,428</u>
<b>Total</b>	<b><u>133,965</u></b>	<b><u>54,892</u></b>

The Museum Trust no longer operates a payroll system. The wages are incurred through The Argyll and Sutherland Highlanders Shop Ltd. The expense (including pension and social security) is recharged on a monthly basis to the Museum. The average employees calculation is based on the amount recharged and the number of employees on the Museum's payroll to April 2017. The average employees for the year were 6 (2016: 3).

The trust considers its key management personnel to comprise of the trustees and chief executive officer. The employment benefits of the key management personal were £NIL (2016: NIL). No employees had employee benefits in excess of £60,000 (2015: NIL)

**6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	53,165	104,696	157,861
Other trading activities	72	3,042	3,114
Investment income	<u>621</u>	-	<u>621</u>
<b>Total</b>	<b>53,858</b>	<b>107,738</b>	<b>161,596</b>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Museum	<u>59,672</u>	<u>68,638</u>	<u>128,310</u>
<b>Total</b>	<b>59,672</b>	<b>68,638</b>	<b>128,310</b>
<b>NET INCOME</b>	<b>(5,814)</b>	<b>39,100</b>	<b>33,286</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>51,189</b>	<b>996,163</b>	<b>1,047,352</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b><u>45,375</u></b>	<b><u>1,035,263</u></b>	<b><u>1,080,638</u></b>

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**7. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 September 2016	8,684	9,858	18,542
Additions	-	9,271	9,271
Disposals	-	<u>(2,376)</u>	<u>(2,376)</u>
At 31 August 2017	<u>8,684</u>	<u>16,753</u>	<u>25,437</u>
<b>DEPRECIATION</b>			
At 1 September 2016	6,434	6,906	13,340
Charge for year	562	4,388	4,950
Eliminated on disposal	-	<u>(792)</u>	<u>(792)</u>
At 31 August 2017	<u>6,996</u>	<u>10,502</u>	<u>17,498</u>
<b>NET BOOK VALUE</b>			
At 31 August 2017	<u>1,688</u>	<u>6,251</u>	<u>7,939</u>
At 31 August 2016	<u>2,250</u>	<u>2,952</u>	<u>5,202</u>

**8. HERITAGE ASSETS**

	Total £
<b>MARKET VALUE</b>	
At 1 September 2016 and 31 August 2017	<u>943,085</u>
<b>NET BOOK VALUE</b>	
At 31 August 2017	<u>943,085</u>
At 31 August 2016	<u>943,085</u>

**9. STOCKS**

	2017 £	2016 £
Finished goods	<u>15,814</u>	<u>-</u>

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Other debtors	<u>57,805</u>	<u>5,767</u>

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade creditors	8,062	-
Other creditors	<u>12,773</u>	<u>557</u>
	<u>20,835</u>	<u>557</u>

**12. MOVEMENT IN FUNDS**

	At 1/9/16	Net movement in funds	Transfers between funds	At 31/8/17
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	45,376	23,376	2,550	71,302
<b>Restricted funds</b>				
Conal Rowan	6,415	-	-	6,415
Reserve	26,915	(3,151)	-	23,764
Catherine Wood	345	-	-	345
Heritage Assets	943,085	-	-	943,085
Guardians	30,721	15,738	(44,067)	2,392
Major General Graham	1,195	-	-	1,195
Development Fund	<u>26,586</u>	<u>33,995</u>	<u>41,517</u>	<u>102,098</u>
	1,035,262	46,582	(2,550)	1,079,294
<b>TOTAL FUNDS</b>	<u>1,080,638</u>	<u>69,958</u>	<u>-</u>	<u>1,150,596</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	59,557	(36,181)	23,376
<b>Restricted funds</b>			
Reserve	-	(3,151)	(3,151)
Guardians	15,973	(235)	15,738
Development Fund	<u>261,525</u>	<u>(227,530)</u>	<u>33,995</u>
	277,498	(230,916)	46,582
<b>TOTAL FUNDS</b>	<u>337,055</u>	<u>(267,097)</u>	<u>69,958</u>



**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**12. MOVEMENT IN FUNDS - continued**

**Restricted Fund**

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

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

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

Major General Graham - To commemorate the service of Major General Graham in the Regiment as part of the future museum development.

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.

The development fund is for the transformation and redevelopment of the museum.

**13. RELATED PARTY DISCLOSURES**

The following organisations are related as they have common trustees:

- 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 a donation of £29,494 (2016 - £25,058) from The Argyll and Sutherland Highlanders Shop Limited.

Included in other debtors is £35,028 (2016 - £5,767) owed from The Argyll and Sutherland Highlanders Shop Limited.

**14. VOLUNTEERS**

For the year ending 31st August 2017 volunteer time totalled 2,725 hours, this was invaluable in allowing the charity to reach its objectives.

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2017**

	2017 £	2016 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	121,454	63,669
Gift aid	12,834	6,373
Legacies	4,000	6,000
Grants	<u>198,141</u>	<u>81,819</u>
	336,429	157,861
<b>Other trading activities</b>		
Goods sold	-	3,114
<b>Investment income</b>		
Deposit account interest	47	59
Other interest received	<u>579</u>	<u>562</u>
	<u>626</u>	<u>621</u>
<b>Total incoming resources</b>	<b>337,055</b>	<b>161,596</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	133,965	54,892
Insurance	878	2,912
Telephone	812	-
Printing, stationery & postage	8,409	6,746
Advertising & marketing	13,770	-
Sundries	2,771	1,107
Travel	2,702	720
Membership fees	726	782
Computer expenses	6,648	2,325
Repairs & maintenance	3,091	7,362
Legal and professional fees	19,784	18,476
Event expenses	3,757	3,467
Consultancy fees	22,968	25,935
Project management costs	33,308	-
Staff training	2,955	-
Book printing costs	3,598	-
Fixtures and fittings	563	750
Computer equipment	<u>4,387</u>	<u>2,134</u>
	265,092	127,608
<b>Support costs</b>		

This page does not form part of the statutory financial statements

**THE ARGYLL AND SUTHERLAND HIGHLANDERS  
MUSEUM TRUST**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Governance costs</b>		
Accountancy	<u>2,005</u>	<u>702</u>
<b>Total resources expended</b>	<b>267,097</b>	<b>128,310</b>
<b>Net income</b>	<u><u>69,958</u></u>	<u><u>33,286</u></u>