

REGISTERED CHARITY NUMBER: SC012953

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

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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FOR THE YEAR ENDED 31 AUGUST 2017**

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ARGYLL AND SUTHERLAND HIGHLANDERS REGIMENTAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2017

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

Purpose and main activities

The purposes of the Trust are:

- To apply the Trust funds in such a manner as the Trustees think fit for the improvement, efficiency, benefit or welfare of the Regiment or any related organisation (including any Regimental Museum, Museum Trust or Association).
- To contribute to the provision of recreational facilities or to the organisation of recreational activities or to the relief of any person(s) who are in need of financial or welfare assistance and who are serving in or who have served in the Regiment (including dependents, widows and orphans).
- To form, establish, support, make grants to and aid in the formation, establishment and support of any other charitable companies, institutions, associations, trusts or societies formed with similar objectives.
- For the advancement of the education of the general public.

The Trustees produce annual audited accounts and make regular grants to the 7th Battalion, The Royal Regiment of Scotland; Balaklava Company, 5th Battalion, The Royal Regiment of Scotland; The Argyll and Sutherland Highlanders Army Cadet Force and, if asked, to the Regimental Association, as well as other charitable organisations.

Grantmaking

Grants are available for individuals or organisations whom the Trustees deem to fit the criteria set out above, including any member of the Regiment or any unit thereof, and any Associations which make provision for the welfare of, members, ex-members or families of H. M. Forces and who require assistance for their improvement, efficiency, benefit or welfare.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Trust continues to provide the focal point for all activities relating to the Regiment through a range of activities and administrative support. This extends to the Army, and the Trust supports ceremonial and training activities such as the Her Majesty's Royal Guard Balmoral, visits to the Museum and Castle, and expeditions.

It supported two major events this year:

- The visit of HM The Queen and HRH The Duke of Edinburgh in July to celebrate her Majesty's 70 years as Royal Colonel in Chief of the Argyll and Sutherland Highlanders and Patron of the Regimental Association.
- The Reunion of the Aden and Borneo veterans in June.

This year, applications were received from the Argyll Battalion Army Cadet Force, and 7th Battalion Royal Regiment of Scotland towards support for training activities.

The Trustees support the work of the Regimental Museum Trust with support for the running costs and grants towards the future development described later.

Donations were received from Cambussbaron Trust £10,000 in support of the Regimental Trust and Ball. The Ball is run annually and is used as a fundraising event for the Museum Trust.

The Regimental Trust has agreed to continue to publish the Thin Red Line Magazine which is sold to members of the Regiment. The intention is that this is published with no cost to the Trust.

No dividend was made to the Museum Trust this year given that the financial position of the Museum Trust did not warrant this provision.

The Regimental Trust is however committed to supporting the development plans for the Museum and is contributing £500,000 towards this work. This will be discussed under future plans.

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

FINANCIAL REVIEW

Reserves policy

The policy of the Trustees is to build up the free reserves to enable The Trust to fulfil its objectives and ensure financial stability while ensuring that the aims and intentions of the Trust are met and can continue to be met.

Incoming resources for the year were £95,534. Resources expended were £137,736, leaving a deficit for the year of £42,202 before taking into consideration the gain on investments. The gain on investments totalled £116,290. Total funds at 31 August 2017 were £1.4M.

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

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* Visit Scotland 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 launch in October 2016.

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.

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 be completed in November 2017, but due to additional requirements placed on the architects to submit an Ancient Scheduled Monument Consent application, some further design work is necessary.

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

All of this and more has been done to enable us to submit our HLF Stage 2 application on 23 February 2018.

Achieving our fundraising target has been a key line of operation and the decision by the Regimental Trustees to release £500K in November 2017 to act as a catalyst to achieve further funds has been successful.

The forecast project cost for the Stage 2 delivery 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 February 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 note from our Patron. It is hoped to hold a major fundraising event in London in the presence of The Patron in late Spring.

ARGYLL AND SUTHERLAND HIGHLANDERS REGIMENTAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2017

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

Under the terms of the Governing Deed, there are 6 Trustees drawn from the ranks of those who have served in the Regiment. Ex Officio Trustees are the Chairman of the Regimental Association, the Chairman of the Regimental Dinner Club and the Officer Commanding Balaklava Company, 5th Battalion The Royal Regiment of Scotland. Others are invited to Trust meetings where their attendance is considered beneficial.

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

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

Organisational structure

Management

The Trustees meet twice annually, and review the activities of the Trust, address current issues and amend or confirm the strategic way ahead. The Trustees are jointly responsible for implementing the agreed strategy, including the range of financial expenditure and the ability to commit to contracts or long-term commitments and monitor the assets, including investment progress.

The CE is responsible for the day to day running of the Trust.

Affiliated or connected charities

The Argyll Sutherland Highlanders Museum Trust.

Risk management

The Trustees are responsible for the identification and management of risk. A formal review of the risks facing the Trust took place in 1996, 2004 and 2008 to take account of the formation of The Royal Regiment of Scotland. Risk has been reviewed annually thereafter. In the 2008 review, the legal advisers to the Trust completed an assessment of the risks to which the Trust is exposed, particularly, business, operational and financial risks, and suggested procedures and regimes to manage and reduce the identified risks. The risk management process is regularly reviewed by the Trustees. Actions required in order to mitigate risks are discussed at the Trustees meetings, and implemented where required.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC012953

Principal address

The Castle
Stirling
FK8 1EH

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Brigadier B W O Russell MBE DL Chairman
Captain T P MacKenzie
Colonel A K M Miller CBE
Col D G Ross OBE
Mr A Stirling DL
Mr R D Layden
Col W A Griffiths
Major C Wood
Major J V G Bain MBE

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 6AQ

Advisers

Speirs & Jeffrey
36 Renfield Street
Glasgow
G2 1NA

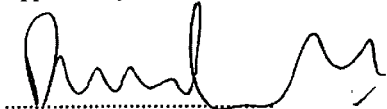
Chief Executive Officer

Mr R D Layden

FUNDS HELD AS CUSTODIAN FOR OTHERS

There are no funds held by the Trust on behalf of others.

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
ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

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
Macfarlane Gray House
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Springbank Road
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Stirlingshire
FK7 7WT

Date: 12 March 2018

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

	Not es	Unrestricted fund £	Restricted funds £	Total 2017 funds £	Total 2016 funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		11,129	-	11,129	10,000
Other trading activities	2	-	32,024	32,024	-
Investment income	3	40,926	5,943	46,869	46,875
Other income		4,456	1,056	5,512	-
Total		56,511	39,023	95,534	56,875
EXPENDITURE ON					
Raising funds	4	2,157	374	2,531	2,263
Charitable activities					
Trust Activities		126,444	8,761	135,205	131,805
Total		128,601	9,135	137,736	134,068
Net gains/(losses) on investments		104,597	11,693	116,290	93,215
NET INCOME		32,507	41,581	74,088	16,022
RECONCILIATION OF FUNDS					
Total funds brought forward		1,151,133	154,071	1,305,204	1,289,182
TOTAL FUNDS CARRIED FORWARD		1,183,640	195,652	1,379,292	1,305,204

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

**BALANCE SHEET
AT 31 AUGUST 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Investments	9	1,272,557	1,170,958
CURRENT ASSETS			
Debtors	10	708	-
Cash at bank and in hand		<u>106,596</u>	<u>134,565</u>
		107,304	134,565
CREDITORS			
Amounts falling due within one year	11	(569)	(319)
NET CURRENT ASSETS		<u>106,735</u>	<u>134,246</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,379,292</u>	<u>1,305,204</u>
NET ASSETS		<u>1,379,292</u>	<u>1,305,204</u>
FUNDS	13		
Unrestricted funds		1,183,640	1,151,133
Restricted funds		<u>195,652</u>	<u>154,071</u>
TOTAL FUNDS		<u>1,379,292</u>	<u>1,305,204</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

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

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 with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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.

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

Tangible fixed assets

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

Computer equipment - 33.33% straight line.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

1. ACCOUNTING POLICIES - continued

Investments

Fixed Asset investments are held at market value. Gains/losses are credited/charged to the statement of financial activities.

2. OTHER TRADING ACTIVITIES

	2017	2016
	£	£
Fundraising events	29,582	-
TRL Magazine	<u>2,442</u>	<u>-</u>
	<u>32,024</u>	<u>-</u>

3. INVESTMENT INCOME

	2017	2016
	£	£
Dividends received	40,591	40,999
Interest received	<u>6,278</u>	<u>5,876</u>
	<u>46,869</u>	<u>46,875</u>

4. RAISING FUNDS

Investment management costs

	2017	2016
	£	£
Portfolio management	<u>2,531</u>	<u>2,263</u>

5. 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.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

2017	2016
<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	10,000	-	10,000
Investment income	<u>41,137</u>	<u>5,738</u>	<u>46,875</u>
Total	51,137	5,738	56,875
EXPENDITURE ON			
Raising funds	1,909	354	2,263
Charitable activities			
Trust Activities	<u>131,805</u>	<u>-</u>	<u>131,805</u>
Total	133,714	354	134,068
Net gains/(losses) on investments	<u>91,350</u>	<u>1,865</u>	<u>93,215</u>
NET INCOME	8,773	7,249	16,022
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,142,360</u>	<u>146,822</u>	<u>1,289,182</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,151,133</u>	<u>154,071</u>	<u>1,305,204</u>

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 September 2016 and 31 August 2017	<u>1,119</u>
DEPRECIATION	
At 1 September 2016 and 31 August 2017	<u>1,119</u>
NET BOOK VALUE	
At 31 August 2017	<u>-</u>
At 31 August 2016	<u>-</u>

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

9. FIXED ASSET INVESTMENTS

	2017 £	2016 £
Shares	1,238,981	1,137,291
Other	<u>33,576</u>	<u>33,667</u>
	<u><u>1,272,557</u></u>	<u><u>1,170,958</u></u>

Additional information as follows:

	Listed investments £
MARKET VALUE	
At 1 September 2016	1,137,291
Disposals	(17,063)
Revaluations	<u>118,753</u>
At 31 August 2017	<u><u>1,238,981</u></u>
 NET BOOK VALUE	
At 31 August 2017	<u><u>1,238,981</u></u>
At 31 August 2016	<u><u>1,137,291</u></u>

The investment portfolio is managed by Speirs and Jeffery.

Investments (neither listed nor unlisted) were as follows:

	2017 £	2016 £
Government securities cost/valuation	33,667	31,828
Government securities/Addition	-	4,109
Government securities/Disposal	-	(5,687)
Revaluation	<u>(91)</u>	<u>3,417</u>
	<u><u>33,576</u></u>	<u><u>33,667</u></u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other debtors	<u>708</u>	<u>-</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other creditors	<u>569</u>	<u>319</u>

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Investments	1,112,401	160,156	1,272,557	1,170,958
Current assets	71,807	35,497	107,304	134,565
Current liabilities	<u>(568)</u>	<u>(1)</u>	<u>(569)</u>	<u>(319)</u>
	<u>1,183,640</u>	<u>195,652</u>	<u>1,379,292</u>	<u>1,305,204</u>

13. MOVEMENT IN FUNDS

	At 1/9/16 £	Net movement in funds £	At 31/8/17 £
Unrestricted funds			
General fund	1,151,133	32,507	1,183,640
Restricted funds			
Balaklava Company 5th Battalion Royal Regiment of Scotland	154,071	15,534	169,605
Ball	-	23,464	23,464
Thin Red Line	<u>-</u>	<u>2,583</u>	<u>2,583</u>
	<u>154,071</u>	<u>41,581</u>	<u>195,652</u>
TOTAL FUNDS	<u>1,305,204</u>	<u>74,088</u>	<u>1,379,292</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	56,511	(128,601)	104,597	32,507
Restricted funds				
Balaklava Company 5th Battalion Royal Regiment of Scotland	5,944	(2,103)	11,693	15,534
Ball	29,582	(6,118)	-	23,464
Thin Red Line	<u>3,497</u>	<u>(914)</u>	<u>-</u>	<u>2,583</u>
	<u>39,023</u>	<u>(9,135)</u>	<u>11,693</u>	<u>41,581</u>
TOTAL FUNDS	<u>95,534</u>	<u>(137,736)</u>	<u>116,290</u>	<u>74,088</u>

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

13. MOVEMENT IN FUNDS - continued

Restricted Funds

Balaklava Company 5th Battalion Royal Regiment of Scotland - this fund has the same purposes as that of the Regimental Trust.

Ball Fund - this fund is used to run the annual regimental ball in Stirling Castle, which raises money for the Museum.

Thin Red Line - this fund is used to produce an annual magazine which is distributed to a list of subscribers. It covers publication, printing and distribution costs.

14. RELATED PARTY DISCLOSURES

The Argyll and Sutherland Highlanders Shop Limited and The Argyll and Sutherland Highlanders Museum Trust are related due to common trustees'.

The trust holds a bond and floating charge over the undertaking, all property and assets of The Argyll and Sutherland Highlanders Shop Limited.

Related party transactions for the year are as follows;

During the year to 31 August 2017, grants were paid to The Argyll and Sutherland Highlanders Museum Trust of £82,480 (2016: 80,000). Donations of £0 (2016: 3,175) were made to The Argyll and Sutherland Highlanders Museum Trust.

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

	2017 £	2016 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	11,129	10,000
Other trading activities		
Fundraising events	29,582	-
TRL Magazine	<u>2,442</u>	<u>-</u>
	32,024	-
Investment income		
Dividends received	40,591	40,999
Interest received	<u>6,278</u>	<u>5,876</u>
	46,869	46,875
Other income		
Sundry income	<u>5,512</u>	<u>-</u>
Total incoming resources	95,534	56,875
EXPENDITURE		
Investment management costs		
Portfolio management	2,531	2,263
Charitable activities		
Insurance	239	849
Postage and stationery	1,820	-
Advertising	(3,000)	4,000
Sundry expenses	299	-
Repairs & renewals	-	1,061
Events	5,752	809
Grants to institutions	83,980	80,000
Grants to individuals	<u>-</u>	<u>500</u>
	89,090	87,219
Support costs		
Finance		
Bank charges	16	-
Other		
Donations	-	3,175
Governance costs		
Wages	37,393	33,258
Social security	2,198	1,749
Carried forward	39,591	35,007

This page does not form part of the statutory financial statements

**ARGYLL AND SUTHERLAND HIGHLANDERS
REGIMENTAL TRUST**

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

	2017	2016
	£	£
Governance costs		
Brought forward	39,591	35,007
Pensions	85	-
Accountancy	1,913	1,272
Professional fees	<u>4,510</u>	<u>5,132</u>
	<u>46,099</u>	<u>41,411</u>
Total resources expended	<u>137,736</u>	<u>134,068</u>
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Net expenditure before gains and losses	(42,202)	(77,193)
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Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	116,290	93,215
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Net income	<u>74,088</u>	<u>16,022</u>

This page does not form part of the statutory financial statements