

Pitsligo Castle Trust

Company Limited by Guarantee

Trustee's Annual Report (Incorporating the Director's Report)

Year ended 31 March 2016

The trustee, who is also the director for the purposes of company law, presents his report and the unaudited financial statements of the charity for the year ended 31 March 2016.

Reference and administrative details

Registered charity name	Pitsligo Castle Trust
Charity registration number	SC023934
Company registration number	SC159691
Principal office and registered office	Druminnor Castle Rhynie Huntly Aberdeenshire AB54 4LX

The trustee

Mr A D Forbes

Accountants	Gardner & Partners Chartered accountant 19 Commerce Street Insch Aberdeenshire AB52 6HX
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Structure, governance and management

Governing document

The charity is governed by its memorandum and articles of association and recognised as a charity by the Office of the Scottish Charity Regulator accordance with the provisions of The Charities and Trustee Investment (Scotland) Act 2005. In accordance with the memorandum of association, each member is liable to contribute a sum of £1 in the event of the company being wound up.

Risk management

The directors assess the major risks to which the charity is exposed on a regular basis and are satisfied that adequate systems are in place to mitigate exposure to such risks.



Pitsligo Castle Trust

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Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2016

Objectives and activities

The charity operates as a charitable trust and owns both Pitsligo Castle and the former Peathill Kirk at Peathill, near Rosehearty, Aberdeenshire. The charity seeks to attract funds in order to develop the properties for educational, training and tourism purposes. The castle remains in a fairly ruinous condition. In conjunction with Historic Scotland it has been agreed that the castle structure should be consolidated as a ruin which is representative of the Jacobite period. Design work for the adaptation of Peathill Kirk into a centre for Jacobite history and Scottish heraldry have been under discussion for some time.

The board decided to reduce the carrying value of each property to £1 as at 31 March 2012 due to the difficulty in securing funding. The carrying value of £1 merely represents the ownership position and the board recognise that basic maintenance costs might not be affordable and hence, each property may become liable to the charity.

Achievements and performance

The charity was dormant during the year.

Financial review

The charity recorded a deficit of £817 (2015: Surplus £3,279). Reserves of minus £774 exist at the year end (2015: £43)

The sources of funding from third parties continues to be sought and such issues have assumed paramount importance for the board who also do not wish to allow the charity to enter into supply/credit arrangements which cannot be honoured in full.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustee's annual report was approved on 8 November 2017 and signed on behalf of the board of trustees by:



Mr A D Forbes
Trustee

Pitsligo Castle Trust

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Statement of Financial Activities (including income and expenditure account)

31 March 2016

		2016		2015
		Unrestricted		
	Note	funds	Total funds	Total funds
		£	£	£
Income and endowments				
Donations and legacies	5	—	—	465
		<u>—</u>	<u>—</u>	<u>465</u>
Total income		<u>—</u>	<u>—</u>	<u>465</u>
Expenditure				
Expenditure on charitable activities	6,7	997	997	3,744
		<u>997</u>	<u>997</u>	<u>3,744</u>
Total expenditure		<u>997</u>	<u>997</u>	<u>3,744</u>
		<u>—</u>	<u>—</u>	<u>—</u>
Net expenditure and net movement in funds		<u>(997)</u>	<u>(997)</u>	<u>(3,279)</u>
Reconciliation of funds				
Total funds brought forward		43	43	3,322
		<u>43</u>	<u>43</u>	<u>3,322</u>
Total funds carried forward		<u>(954)</u>	<u>(954)</u>	<u>43</u>

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

The notes on pages 8 to 11 form part of these financial statements.

Pitsligo Castle Trust

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Statement of Financial Position

31 March 2016

		2016	2015
		£	£
Fixed assets			
Tangible fixed assets	9	2	2
Current assets			
Debtors	10	349	349
Cash at bank and in hand		42	42
		391	391
Creditors: amounts falling due within one year	11	1,247	250
Net current liabilities		(856)	141
Total assets less current liabilities		(854)	143
Creditors: amounts falling due after more than one year	12	100	100
Net liabilities		(954)	43
Funds of the charity			
Restricted funds		-	(1,598)
Unrestricted funds		(954)	1,641
Total charity funds	13	(954)	43

For the year ending 31 March 2016 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustee's responsibilities:

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustee acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

**The statement of financial position
continues on the following page.**

The notes on pages 8 to 11 form part of these financial statements.

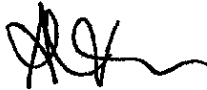
Pitsligo Castle Trust

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 March 2016

These financial statements were approved by the board of trustees and authorised for issue on 8 November 2017, and are signed on behalf of the board by:



Mr A D Forbes
Trustee

The notes on pages 6 to 11 form part of these financial statements.

Pitsligo Castle Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2016

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in Scotland. The address of the registered office is Druminnor Castle, Rhynie, Huntly, Aberdeenshire, AB54 4LX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis combined with the historic write-down of both properties held to £1 each because of the boards concern that insufficient funds may be available to maintain operating activities.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustee for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Pitsligo Castle Trust

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

The charity's fixed assets are Pitsligo Castle and Peathill Kirk. A decision was taken to reduce the carrying value of each property to £1 at 31 March 2012 in order to reflect the directors' opinion of value.

Pitsligo Castle Trust

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

Pitsligo castle trust is a company limited by guarantee.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Donations				
Donations type 1	—	—	465	465

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Activity type 1	817	—	817
Support costs	180	—	180
	<u>997</u>	<u>—</u>	<u>997</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Activity type 1	1,713	1,598	3,311
Support costs	433	—	433
	<u>2,146</u>	<u>1,598</u>	<u>3,744</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

7. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2016	Total fund 2015
	£	£	£	£
Activity type 1	817	—	817	3,311
Governance costs	—	180	180	433
	<u>817</u>	<u>180</u>	<u>997</u>	<u>3,744</u>

8. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

9. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 April 2015 and 31 March 2016	<u>164,508</u>
Depreciation	
At 1 April 2015 and 31 March 2016	<u>164,506</u>
Carrying amount	
At 31 March 2016	<u>2</u>

10. Debtors

	2016 £	2015 £
Other debtors	<u>349</u>	<u>349</u>

11. Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	<u>1,247</u>	<u>250</u>

12. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Other creditors	<u>100</u>	<u>100</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

13. Analysis of charitable funds

Unrestricted funds

	At 1 April 2015 £	Expenditure £	At 31 March 2016 £
General funds	43	(997)	(954)

14. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Tangible fixed assets	–	2	2
Current assets	391	–	391
Creditors less than 1 year	(1,347)	–	(1,347)
Net liabilities	(956)	2	(954)