

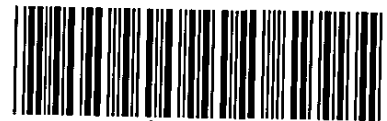
Company number: SC194021
Charity number: SC028778

**CLAN SINCLAIR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2013

WEDNESDAY



S3H2IFGX

SCT

24/09/2014

#315

COMPANIES HOUSE

Saffery Champness
CHARTERED ACCOUNTANTS

CLAN SINCLAIR TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Legal and administrative information	1
Trustees' annual report	2 - 4
Independent examiner's report	5 - 6
Statement of financial activities	7
Balance sheet	8 - 9
Notes to the financial statements	10 - 17

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	HRH The Prince Charles, Duke of Rothesay	
Trustees	The Rt Hon The Earl of Caithness The Rt Hon The Viscount Thurso Ms Isla St Clair	(Chief Executive)
Secretary	The Rt Hon The Earl of Caithness	
Registered office	Clan Sinclair Study Centre 1 Nosshead Lighthouse Wick Caithness KW1 4QT	
Company registration number	SC194021	
Charity registration number	SC028778	
Independent examiner	S A Mathieson Saffery Champness Kintail House Beechwood Park Inverness IV2 3BW	
Bankers	Bank of Scotland Citymark 150 Fountainbridge Edinburgh EH3 9PE	

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2013**

The trustees present their report and the financial statements for the year ended 31 December 2013. The trustees, who are also directors for the purposes of company law, who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

The trust is a charitable company, limited by guarantee and incorporated on 4 March 1999 under the name of Sinclair and Girnigoe Castle Trust. It was recognised by the Inland Revenue as a Scottish charity on 19 October 1999. The trust was established under a Memorandum of Association which established its objects and powers and is governed by its Articles of Association. On 19 October 1999 the trust changed its name to Clan Sinclair Trust to reflect its wider objects.

Recruitment and appointment of new trustees

The rules governing the appointment of new trustees are laid down in the trust's Articles of Association.

Risk management

The trustees have assessed the major strategic, business and operational risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to such risks.

Objectives and activities

The trust was established for the purpose of:

- the preservation and promotion of Sinclair and Girnigoe Castles;
- the promotion of the history of the castles and the Sinclair Clan; and
- the establishment of a visitor centre.

Achievements and performance

2013 was another quiet year with no work carried out at the castle, but a good number of visitors came to view the castle and were impressed by what had been achieved and the quality of the signage and interpretation.

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2013**

Financial review

The trust continues to be funded by grants and donations from foundations, companies, trusts and individuals. Further donations were received during the year and these were used to finance the ongoing restoration projects. Expenditure is only committed to when sufficient funds are available to cover the agreed and costed phase of the project.

Plans for future periods

Given the economic climate and the difficulty that all charities are having in raising funds, we will continue our policy of only carrying out works for which we have funds.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the trust at the year end and of its surplus or deficit for the financial year. In preparing these financial statements the trustees are required to:

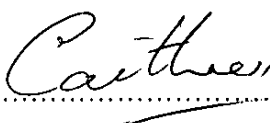
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust, and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2013

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

On behalf of the board



.....

The Rt Hon The Earl of Caithness
Trustee

Date: 23/07/2014

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CLAN SINCLAIR TRUST

I report on the financial statements of the charity for the year ended 31 December 2013 which are set out on pages 7 to 17.

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 Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity 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 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks 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 accounts.

Independent examiner's statement

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

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CLAN SINCLAIR TRUST

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

S.A. 

Shirley Mathieson FCCA

Saffery Champness
Kintail House
Beechwood Park
Inverness
IV2 3BW

Date:

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	Restricted funds £	Unrestricted funds £	2013 total £	2012 total £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	-	12,743	12,743	3,607
Activities for generating funds	3	-	8,261	8,261	-
Other incoming resources	4	-	275	275	-
Total incoming resources		-	21,279	21,279	3,607
Resources expended					
Charitable activities	5	-	19,888	19,888	6,876
Governance costs	6	-	1,100	1,100	1,400
Total resources expended		-	20,988	20,988	8,276
Net movement in funds		-	291	291	(4,669)
Total funds brought forward		382,613	19,898	402,511	407,180
Total funds carried forward		382,613	20,189	402,802	402,511

The notes on pages 10 to 17 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	9	126,531	111,897
Investments	10	280,763	280,763
		<u>407,294</u>	<u>392,660</u>
Current assets			
Debtors	11	1,424	1,203
Cash at bank and in hand		5,093	9,948
		<u>6,517</u>	<u>11,151</u>
Liabilities			
Creditors: amounts falling due within one year	12	11,009	1,300
Net current assets/(liabilities)		<u>(4,492)</u>	<u>9,851</u>
Net assets/(liabilities)	13	<u>402,802</u>	<u>402,511</u>
Funds			
Restricted funds	15	382,613	382,613
Unrestricted funds	14	20,189	19,898
Total funds		<u>402,802</u>	<u>402,511</u>

For the financial year ended 31 December 2013 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

**CLAN SINCLAIR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

Page 9

**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2013**

The notes on pages 10 to 17 form part of these financial statements.

Approved by the board for issue on ...23/09/2014....


.....

The Rt Hon The Earl of Caithness
Trustee

Company registration number SC194021

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

1.2 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subject to restrictions on their expenditure imposed by the donor.

1.3 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants are recognised when the charity becomes unconditionally entitled to the grant.

1.4 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Charitable activity expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiner's fees and costs linked to the strategic management of the charity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1.5 Fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Land and buildings	- no depreciation charged
Library books	- no depreciation charged
Equipment	- 5% to 12.5% per annum straight line basis
Furniture	- no depreciation charged

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group financial statements.

2. Voluntary income

	Unrestricted £	2013 £	2012 £
Donations	12,743	12,743	3,607
	<u>12,743</u>	<u>12,743</u>	<u>3,607</u>

3. Activities for generating funds

	Unrestricted £	2013 £	2012 £
Rent received	8,261	8,261	-
	<u>8,261</u>	<u>8,261</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

4. Other incoming resources

	Unrestricted £	2013 £	2012 £
Compensation received	275	275	-
	<u>275</u>	<u>275</u>	<u>-</u>

5. Costs of charitable activities

	Unrestricted £	2013 £	2012 £
Insurance	1,378	1,378	1,200
Property upkeep	12,185	12,185	740
Printing, postage and stationery	126	126	111
Publicity and website costs	50	50	486
Light and heat	1,451	1,451	1,697
Legal and professional fees	1,515	1,515	-
Bookkeeping	730	730	320
General expenses	148	148	136
Depreciation	2,305	2,305	2,186
	<u>19,888</u>	<u>19,888</u>	<u>6,876</u>

6. Governance costs

	Unrestricted £	2013 £	2012 £
Independent examiner's fee	1,100	1,100	1,400
	<u>1,100</u>	<u>1,100</u>	<u>1,400</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

7. Net incoming resources for the year

	2013	2012
	£	£
Net incoming resources is stated after charging:		
Depreciation	2,305	2,186
	<u>2,305</u>	<u>2,186</u>

8. Trustees' remuneration

No members of the board of trustees received any remuneration during the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

9. Tangible fixed assets

	Land and buildings £	Library books £	Equipment £	Furniture £	Total £
Cost					
At 1 January 2013	1	104,663	17,485	3,750	125,899
Additions	15,000	-	1,939	-	16,939
At 31 December 2013	15,001	104,663	19,424	3,750	142,838
Depreciation					
At 1 January 2013	-	-	14,002	-	14,002
Charge for the year	-	-	2,305	-	2,305
At 31 December 2013	-	-	16,307	-	16,307
Net book value					
At 31 December 2013	15,001	104,663	3,117	3,750	126,531
At 31 December 2012	1	104,663	3,483	3,750	111,897

The ruins of Sinclair and Girmigoe Castles, which were gifted to the trust, are included in the accounts at a nominal value of £1. The trustees do not consider the cost of valuing the sites to be justified in terms of assessing their performance.

In 2003 books, maps and manuscripts were donated to the trust by Niven Sinclair. The books, etc are housed in the Noss Head Library and Study Centre with the object of providing a centre of learning for the study of the history of the Sinclair family and related subjects. For the purposes of these accounts the books are included at a valuation of £100,000 and the acquisition of additional books is shown at cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

10. Fixed asset investments

	Shares in subsidiary £	Loan to subsidiary £	Total £
Cost			
At 1 January and at 31 December 2013	162,986	117,777	280,763
Net book value			
At 1 January and at 31 December 2013	162,986	117,777	280,763

Holdings of more than 20%

The company holds more than 20% of the share capital in the following companies:

Subsidiary	Country of registration or incorporation	Shares held	
		Class	%
Noss Head Estates Limited	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

Subsidiary	Principal activity	Capital and reserves £	Profit/(loss) for the year £
Noss Head Estates Limited	Dormant	(10,158)	-

The last relevant financial year of Noss Head Estates Limited was 30 November 2013.

Clan Sinclair Trust occupies property owned by Noss Head Estates Limited for use as a study centre and to provide letting accommodation.

11. Debtors

	2013 £	2012 £
VAT recoverable	738	400
Prepayments	686	803
	<u>1,424</u>	<u>1,203</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

12. Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	8,822	-
Accruals	1,650	1,300
Other creditors	537	-
	<u>11,009</u>	<u>1,300</u>

13. Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	24,681	101,850	126,531
Investments	-	280,763	280,763
Current assets	6,517	-	6,517
Current liabilities	(11,009)	-	(11,009)
	<u>20,189</u>	<u>382,613</u>	<u>402,802</u>

14. Unrestricted funds

	At 1 January 2013 £	Incoming resources £	Outgoing resources £	At 31 December 2013 £
General fund	19,898	21,279	(20,988)	20,189

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

15. Restricted funds

	At 1 January 2013 £	Incoming resources £	Outgoing resources £	At 31 December 2013 £
Noss Head Estates Limited	280,763	-	-	280,763
Noss Head library	101,850	-	-	101,850
	<u>382,613</u>	<u>-</u>	<u>-</u>	<u>382,613</u>

Purposes of restricted funds

Noss Head Estates Limited - funds donated to finance the purchase of Noss Head Estate in 2006.

Noss Head library - includes the value of books gifted by Niven Sinclair in 2003 (£100,000) and other donations towards the cost of the library (£1,850).

16. Control

The charity is a company limited by guarantee not having a share capital. As a result, no single party has control.

17. Company limited by guarantee

Clan Sinclair Trust is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required, not exceeding £1, to the assets of the company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.